

**Minutes of Joint Meeting
Board of Trustees
Non-Uniformed and Police & Fire Employees' Retirement Fund
October 26, 2010**

A meeting of the Board of Trustees was called to order at 7:37 p.m. in EOC room Basement Level, City Hall, 6801 Delmar.

Member in Attendance: Diane Sher, Jaime Mendez, James Carr, Mark Winer, Fred Kramer, Tom Deken, Don Humphrey, Erich Haring

Members Absent: Mark Winer, Anne Silverstein (both excused)

Others in attendance: Janet Watson, Deputy City Mgr/Finance Dir (Treasurer)
Councilmember Michael Glickert, Council Liaison
Stephen Kraft, Councilmember
Tom Mug, Gallop, Johnson & Neuman

Minutes

Member Carr moved to approve the Board Minutes of September 16, 2010. The motion was seconded by Member Mendez and carried.

Plan Review – Tom Mug, Gallop, Johnson & Newman

Ms. Watson introduced Attorney Tom Mug who explained the changes to the plan code as outlined in the new ordinances which would be presented to the City Council for approval. He stated there were no benefit changes involved, but just reordering the sections and adding legal deficiencies per the IRS code.

Mr. Kraft stated that he had concerns about the approach with the City Council on these changes and requested the timeline. Mr. Mug stated the changes would be finalized and ready for the introduction and first reading on the November 8 City Council agenda. Ms. Watson stated that Mr. Mug was scheduled to attend a study session on this topic just prior to the November 8 meeting. The Council could hold a vote on the changes as early as December 13, but would need to have approved them by mid-January to meet the IRS timeframe for submission.

The Board discussed the best approach to present this information to the City Council. One member stated they preferred that the majority of the information to come from Mr. Mug since he was the authority on the issue. The Board asked Mr. Mug if he would prepare an executive summary of the reasons the City is making these changes. Mr. Mug agreed to prepare the summary and it would be sent to the Board members for review prior to submission to the City Council.

Member Sher asked if any members had questions or changes regarding the Non-uniformed plan. Member Humphrey stated that due to the lack of cost of living increases for employees in recent years, he is requesting that the Board lower the breakpoint in some way as it continues to increase. Member Haring asked if this might affect the Internal Revenue Service (IRS) qualification and Mr. Mug stated that this type of amendment would not require additional IRS approval. Mr. Carr suggested evaluating a

proposed change after the IRS approval. The board agreed by consensus to discuss this issue in the future.

Member Sher wanted to assure the City Council understood the necessary timeline for approval. Mr. Mug also agreed to provide a cross reference for the City Council to compare the old and new versions of the plans, along with redlined versions of the plan changes available.

Member Sher encouraged as many members as possible to be present for the November 8, 2010 City Council study session to answer questions from the City Council.

A board member asked whether the actuary had reviewed the new plan wording. Mr. Mug stated that it had been sent to him and he had heard no comment. Ms. Watson stated she would verify that that the actuary was satisfied with the wording.

Member Sher asked if there were any further changes the board would like to make to the plans. Ms. Watson asked whether the board wanted to change the wording regarding disbursement of funds as the boards had previously mentioned the fact that they were not, in practice, approving expenditures prior to payment, but afterward. The board agreed and asked Mr. Mug to draft wording for this change.

Member Humphrey made a motion to approve the Non-uniform ordinance with the revisions discussed and send them to the City Council for approval. Member Carr seconded the motion and the motion carried.

In discussion the Police and Fire plan, Mr. Mug again stated there were no substantive changes, just reorganization. He stated he tried to make the definitions similar between the plans.

Member Carr moved to approve the Police and Firefighter ordinance as presented with the same changes to the wording regarding disbursements that had been previously discussed. Member Deken seconded the motion and the motion carried.

Amendment on Retirement Age

At the previous meeting the Board had voted to approve this amendment to the plan. Mr. Mug had prepared suggested language to accomplish this amendment, including having it be retroactive back to July 1, 2010. There was board member discussion regarding the proposed wording. Member Carr stated that the Board had discussed this item several times. Council member Glickert stated he had already mentioned this upcoming change to the City Council. Council member Kraft stated he endorsed again, the idea of having Board members at the City Council meeting to demonstrate thoughtful consideration of the decision. Member Sher asked board members to let Ms. Watson know of their ability to attend the study session on November 8, 2010.

Member Deken made a motion to approve this item including a date for the change and with the word “age” taken out of section 262.405.B. Member Kramer seconded the motion and it passed.

Investment Consulting Services

Member Carr distributed a draft Request for Proposals (RFP) for investment consulting services. Member Sher thanked him and stated there were also other templates available and opened the topic for discussion. Ms. Watson suggested the board might begin by defining the scope of services being requested. Member Sher stated that maybe the board did not know yet what services members were interested in procuring. Council member Glickert suggested seeking information from the International City Management Association – Retirement Corporation.

Member Sher stated the board may need additional education regarding available approaches to investment consulting. Member Humphrey agreed. Member Carr stated that with his proposed RFP, he believes we could ask the proposers for options. The board could send the RFP to as many potential bidders as possible and the boards were not obligated to contract with anyone. Member Sher stated that maybe we should not focus on a “consultant”, but allow respondents to educate us with their proposals. Member Carr stated we had been struggling with this topic for a long time and he would like to see an RFP issued. Member Sher stated she would like to see a better template.

Member Carr stated he believed this RFP was a good example of what the pension Boards of University City needed. The proposers could suggest a length of contract and tell us how they could help the boards. Member Sher asked other members as to when the board wanted to discuss this matter further. Member Humphrey suggested this discussion be held on the next regular meeting date. He stated this was a big decision and he wanted to receive more information. Member Sher suggested members collect information ahead of the meeting and we will place the topic on the January agenda. Ms. Watson suggested this be the focus of the January meeting and the RFP will be distributed to members prior to the meeting.

Other Items

There was discussion regarding moving the normal meeting time to 6:30, but no vote was taken.

Adjournment

There being no further business, the meeting adjourned at 9:15 p.m.