

**Minutes of Meeting  
Board of Trustees  
Non-Uniformed Employees' Retirement Fund  
April 21, 2009**

A meeting of the Board of Trustees was called to order at 7:05 p.m. in EOC Room, Basement Level, City Hall, 6801 Delmar.

Members in attendance: Diane Sher, Anne Silverstein, Jaime Mendez, Mark Winer, James Carr, Donald Humphrey, Erich Haring

Members absent:

Others in attendance: Yolanda Williams, Human Resources Director (Secretary)  
Janet Watson, Deputy City Manager/Finance Director (Treasurer)  
Byron Price, Council Member Liaison

**Minutes**

Member Mendez moved to approve the Board minutes of January 27, 2009 and March 9, 2009. The motion was seconded by Member Humphrey and carried.

**Vouchers**

The attached listing of vouchers was reviewed. Member Humphrey moved to authorize payment of these vouchers. The motion was seconded by Member Mendez and carried.

**Applications for Membership**

Christopher Stutsman – Public Works

**Applications for Retirement**

Member Carr moved to approve the following retirement payment on the basis of the actuarial calculations provided. The motion was seconded by Member Humphrey and carried.

An application for retirement from Thomas Kennedy was reviewed. The applicant worked for the City for 31 years. His monthly retirement benefit will be \$2279.30.

**Fiduciary Asset Management Report**

Tim Swanson of FAMCO was present to provide an overview/update on the performance portfolio. They have a favorable outlook for the economy. In the middle of December the portfolio was sitting on 8% cash. The cash was reinvested cash and was currently at about 2%. At the end of March the cash was below 1% and was fully invested in the equity account. The portfolio is currently at 65% equities, which is a combination of domestic and international equities, and 35% in bonds.

**Annual Actuarial Valuation**

Actuary Steve Siepman presented and reviewed the annual valuation highlighting the following:

- The results of the January 1, 2009 valuation reveal that costs have increased for both the Library and the City since the prior valuation.
- Cost increased due to an unfavorable asset return causing a substantial increase in the unfunded Accrued Liability

- Due to smoothing, the actuarial value of the assets is substantially greater than the market value of assets. Unless the rate of return on the market value of assets exceeds the 6.5% assumed rate, the annual costs will continue to increase over the next few years.
- Assets are at \$12 million, which is \$5 million lower than last year.
- 5-year smoothing is used for budgeting purpose.  
If assets increase in value, the contribution will still increase over the next few years to balance the loss due to lack of investment performance.
- The contribution to meet the city's objectives of amortizing over 30 years was \$424,000 for 2008 and is up to \$515,399 for 2009.
- The Plan is currently 81% funded.

**Other Matters**

The Board requested that Actuary Siepman provide information to show the impact to the defined benefit plan based on converting non-vested and newly hired employees to a defined contribution plan or new hires only. A meeting would be scheduled within the next month or so to review and discuss.

**Next Meeting Date**

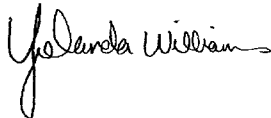
Board affirmed the following meeting dates for 2009: July 28 & October 27.

**Adjournment**

Member Humphrey moved to adjourn the meeting. The motion was seconded by Member Mendez and carried.

There being no further business, the meeting adjourned at 8:23 p.m.

Respectfully submitted,



Yolanda Williams  
Secretary