

**Minutes of Meeting
Board of Trustees
Non-Uniformed Employees' Retirement Fund
October 29, 2007**

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

Members in attendance: Julianne Niemann, Anne Silverstein, Jaime Mendez, Mark Winer, Lela Fitch

Members absent: Diane Sher (excused), Doris Johnson (excused)

Others in attendance: Julie Feier, City Manager
Yolanda Williams, Human Resources Director (Secretary)
Janet Watson, Deputy City Manager/Finance Director (Treasurer)
Michael Glickert, Council Liaison

Minutes

Member Fitch moved to approve the Board minutes of August 14, 2007. The motion was seconded by Member Mendez and carried.

Vouchers

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

Applications for Membership

Melissa Mace – Police Dispatch
Ron Akins – Parks
Victor Lusher – Public Works
Jared Reid – Community Development
Jason Baucom – Parks

Applications for Retirement

An application for retirement from Wilhelmina Watkins was reviewed. The applicant had worked for the City for 20 years. The monthly retirement benefit will be \$1,135.25.

Member Mendez moved to accept the above application for retirement. The motion was seconded by Member Winer and carried.

Fiduciary Asset Management Report

Reviewed and accepted. Member Niemann commented that the performance was fair considering it was a volatile quarter.

Statement of Policies & Objectives

Member Mendez remarked that it seems in some areas, our practices are inconsistent with the policies. For example, page eight (8) states the investment manager objectives and the objectives are not being met; page six (6) reads “large caps” but should be “all caps”.

The Board requested that a FAMCO representative attend and give a presentation at the next meeting (Jan 2008). The board members will review the statement of policies and objectives and be prepared to discuss amendments at the next meeting.

Cost Studies

The actuary, Mr. Siepman, performed a cost study for a flat-dollar COLA for retirees and beneficiaries. The additional liability to provide a \$25.00 increase in benefit amount to each retiree and beneficiary is \$142,288. The additional annual cost to amortize this liability over a 15-year period is \$14,209 or over a 30-year period is \$10,231. This proposed COLA would not be classified as a substantial proposed change as defined by the state.

Member Fitch moved to recommend that City Council approve a \$25.00 COLA for retirees and beneficiaries. The motion was seconded by Member Winer and carried.

Mr. Siepman also analyzed the cost of a one-time early retirement window to provide unreduced immediate retirement if a participant's sum of age plus service equals or exceeds 85. This would increase accrued liability for the City by \$318,136, and would increase the plan's unfunded status by the same amount. Normal cost for the City would increase by \$18,371. The recommended contribution for 2007 would increase by 41,247. The Board determined this to be cost prohibitive based on the funding situation at this time.

Review of Administrative Procedures

Ms. Watson, Treasurer, reviewed the administrative procedures and suggested the following changes:

1. Include names of new (employees) members in minutes, but no vote is necessary from the board.
2. Include retirement statements from actuary for board approval of retirement payments.

New State Law –Update

Ms. Watson, Treasurer, updated the Board on the Joint Committee on Public Employee Retirement Governing Statutes, specifically noting:

1. Actuarial valuation must be performed at least biennially
2. Pension Board of Trustees education
3. Annual Benefit Statements for participants
4. Funded ratio must be at least 80% prior to benefit enhancement and not less than 75% after enhancement

Next Meeting Dates

The Board affirmed the following meeting dates for 2008: January 22, April 15, July 15, and October 14.

Adjournment

There being no further business, the meeting adjourned at 7:30 p.m.

Respectfully submitted,

Yolanda Williams
Secretary