

**Minutes of Meeting  
Board of Trustees  
Non-Uniformed Employees' Retirement Fund  
January 17, 2006**

A meeting of the Board of Trustees was called to order at 7:03 p.m. in the Century One room at Heman Park Centennial Common, 7210 Olive.

Members in attendance: Catherine Smith, Julianne Niemann, Diane Sher, Alison Markenson, Lela Fitch

Members absent: Gordon Myers (excused), Doris Johnson, Councilmember Colquitt

Others in attendance: Frank Ollendorff, City Manager & Board Secretary  
Willie Norfleet, Finance Director & Board Treasurer  
James Rubie, Actuary  
Councilmember Stefany Brot  
Wiley Angell, Fiduciary Asset Mgmt  
Mo Riad, Fiduciary Asset Mgmt  
Don Miner, Uniformed Pension Member

**Minutes**

Member Niemann moved to approve the Board minutes of October 18, 2005. The motion was seconded by Member Fitch and carried.

**Vouchers**

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

**Applications for Membership**

None

**Applications for Retirement**

None

**2006 Actuarial Fees**

	<b>Non –Uniformed Plan</b>	<b>Uniformed Plan</b>
Annual Actuarial Valuation	\$4,750	\$6,800
Attendance at Board Meetings	300	300
Preparation of information for auditors	900	900
Benefit calculations	250	350
Actuarial certifications	375	375

Member Fitch moved to approve the 2006 Non-Uniformed Plan Actuarial fees as noted above. The motion was seconded by member Sher and carried.

**Fiduciary Asset Management Presentation**

Wiley Angell, Executive Managing Director and Mo Riad, Managing Director, presented and discussed the strategies for managing pension funds (presentation attached).

### **Actuarial Assumptions**

Actuary Jim Rubie explained the Assumptions at this time. The City Manager recommended the following changes:

1. mortality table from 1983 to 1994
2. earning assumptions = 6% (from 7%)
3. wage increase assumptions = 3% (from 4%)
4. taxable wage base (inflation rate) = 2.5%

Member Niemann moved to approve the above four changes. The motion was seconded by Member Sher and carried.

### **Fiduciary Liability Insurance**

St. Paul Travelers provided the following quotes for Fiduciary Liability Coverage:

#### *Option 1:*

Carrier: Travelers Casualty and Surety Company of America (A.M. Best Rated A + XV)

Limit: \$1,000,000 annual aggregate, \$1,000,000 each loss

Deductible: \$5,000 per claim

Premium: \$5,308

#### *Option 2:*

Carrier: Travelers Casualty and Surety Company of America (A.M. Best Rated A + XV)

Limit: \$1,000,000 annual aggregate, \$1,000,000 each loss

Deductible: \$10,000 per claim

Premium: \$5,042

Board members posed the following questions:

- 1) Were competitive bids sought for this insurance, with St. Paul Travelers' quote being either the best or the only one responding? In other words, does the city consider this quote "reasonable"?
- 2) Is the quote an annual fee covering board members' service on both the non-uniformed and the police and fire boards?
- 3) Does the quote cover all board members (including any employee representatives not already covered by the city's fiduciary liability insurance as well as citizen members)?

Based on an assumption that the bids are considered competitive and that the fee of \$5,308 is an annual one covering all members of both boards, the board voted to approve purchasing the insurance.

Lela Fitch moved to approve purchasing Option 1 based on the above assumptions. The motion was seconded by Member Sher and carried.

### **Next Meeting Dates**

The Board affirmed the following meeting dates for 2006: April 18, July 18, and October 17.

**Adjournment**

There being no further business, the meeting adjourned at 8:35 p.m.

Respectfully submitted,

Frank Ollendorff  
Secretary