

**Minutes of Meeting  
Board of Trustees  
Non-Uniformed Employees' Retirement Fund  
October 18, 2005**

A meeting of the Board of Trustees was called to order at 7:12 p.m. in the conference room on the fourth floor of City Hall.

Members in attendance: Gordon Myers, Catherine Smith, Julianne Niemann, Diane Sher, Alison Markenson, Lela Fitch, Doris Johnson

Members absent: None

Others in attendance: Frank Ollendorff, City Manager & Board Secretary  
Willie Norfleet, Finance Director & Board Treasurer  
Yolanda Williams, HR Director  
Cassandra Colquitt, Council Liaison

**Minutes**

Member Sher moved to approve the Board minutes of August 23, 2005, with one addition: Request made by Member Sher for staff to provide the number of non-uniformed employees eligible for normal retirement benefits now and/or within the next five years. The motion was seconded by Member Fitch and carried.

**Vouchers**

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

**Applications for Membership**

Joyce Pumm, Legislative - City Clerk  
Shara Vasser, Finance – Switchboard/Data Entry Clerk  
Connell Isaiah, Jr., Planning – Inspector  
Jonathan Lane, Parks – Custodian  
Meredith Schwartz, Parks – Rec. Coordinator  
Aaron Wagner, Planning – Clerk  
John Gates – Public Works (Street) – Crew Leader

Member Sher moved to accept the above membership applications. The motion was seconded by Member Fitch and carried.

**Applications for Retirement**

None

**Investment Advisors Report**

Member Niemann commented that we were underrepresented on energy side so we have stepped it up and investments have already turned around. Member Niemann also suggested that we have a presentation/overview by Fiduciary at the next meeting—January 17, 2006.

### **Death Benefit**

The Finance department solicited bids from life insurance companies and one response was received from The Standard. The bid response was distributed for the Board's review and this item was tabled from the previous meeting.

Mr. Keith Huffman with The Standard presented the product and service offerings which included: Life Insurance, Portability, Accelerated Death Benefits, Waiver of Premium, and MedEx Travel Assist Access. He offered the following policy options:

Life Option 1 – Monthly Cost = \$6,804 (\$81,648 annually)

Waiver of Premium prior to age 60 to age 65

Portability

MedEx Travel Assist

75% Accelerated Death Benefit

Life Option 2 – Monthly Cost = \$6,156 (\$73,872 annually)

Waiver of Premium prior to age 55 to age 60

Portability

MedEx Travel Assist

75% Accelerated Death Benefit

2 year suicide exclusion

Life Option 3 – Month Cost = \$5,832 (\$69,984 annually)

Portability

MedEx Travel Assist

The Board discussed the advantages of having a life insurance policy vs. self insurance. The advantages include: known cost for budgeting purposes, greater level of benefits and services and tax-free benefit to beneficiaries. Mr. Huffman further commented that The Standard is an industry leader in providing these services for municipal governments and they have A or better ratings. Member Fitch added that no other company responded to the bid and when she made inquiries other companies advised her that they do not cover municipal groups.

In deciding among the options, the Board determined it would be most responsible to start with a basic plan and to perhaps look at adding the wavier of premium and/or accelerated death benefit at some time in the future. Mr. Huffman stated that all plans include portability and MedEx Travel at no additional cost so even electing the basic plan gives employees a greater benefit than does our self insurance as before noted.

Member Neimann moved to accept Life Option 3 with an effective date of November 1, 2005. The motion was seconded by Member Sher and carried.

### **Pension Improvements**

Mr. Ollendorff advised the Board that the City Council concurs with the Board's recommendation that the City make a contribution to the Non-uniformed Retirement Fund this year and an item will be placed on next Agenda for a \$213,000 transfer to the Fund.

Mr. Ollendorff further commented that, as the Board recommended, he presented a bill to Council to increase the base benefit factor from 1.4% to 1.5% in 2005. A second bill to increase the benefit factor to 1.6% next year was also prepared. The 1<sup>st</sup> bill was defeated 4-3 and he subsequently withdrew the 2<sup>nd</sup> bill. At the October 10<sup>th</sup> Council meeting, Councilmember Sharpe introduced a bill which increases the benefit factor for 2005 retirees from 1.4% to 1.5%, and to 1.6% for 2006 retirees. The bill will remain on the table until it has been on file with the State for 45 days and thus will probably up for vote in December.

**Fiduciary Liability Insurance**

At the last meeting, Member Niemann asked if the City has fiduciary liability insurance for Pension Board Members. Yolanda Williams, HR, reported that the Board is not covered under the City's Public Officials liability policy and that a separate policy is needed. She further reported that an application had been forwarded to the City's insurance company and she would check on the status and keep the Board Members informed.

**Next Meeting Dates**

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

**Adjournment**

There being no further business, the meeting adjourned at 8:15 p.m.

Respectfully submitted,

Frank Ollendorff  
Secretary