

**MINUTES OF A JOINT EMPLOYEES' RETIREMENT BOARD
AND POLICE RETIREMENT BOARD MEETING
HELD IN THE CONFERENCE ROOM AT
CITY HALL ON TUESDAY,
APRIL 25, 2006,
AT 3:00 P.M.**

I. ROLL CALL: 3:00 PM

A. Employees' Retirement Board:

The Chair called the meeting to order at 3:02 p.m.

Trustees present from the Employees' Retirement Board were Valerie Hurley (Chair), Finance Director Anne Costello (Vice Chair), Robert Lepa, and Robert Kahant. Absent was Mayor Marc J. Drautz. Also present were Kenneth Harrison, Esquire, sitting in for Board Attorney Robert Sugarman, Sugarman & Susskind and Recording Secretary Evanna Stephenson, City Clerk's Office.

B. Police Retirement Board:

The Chair called the meeting to order at 3:02 p.m.

Trustees present from the Police Retirement Board were Lt. Kenneth White (Chair), Finance Director Anne Costello, and Gary "Bo" Allen. Absent were Mayor Marc J. Drautz and Mark Bouchard (Vice Chair). Also present were Kenneth Harrison, Esquire, sitting in for Board Attorney Robert Sugarman, Sugarman & Susskind and Recording Secretary Evanna Stephenson, City Clerk's Office.

II. ADDITIONS/DELETIONS/REORDERING:

A. Employees' Retirement Board:

None.

B. Police Retirement Board:

None.

C. Employees' and Police Retirement Boards:

CONSENSUS - to waive the rules to:

- Reorder Unfinished Business, Item C-1 – Stephen Palmquist, Gabriel Roeder Smith & Company, to discuss proposals for pension calculation software;
- Reorder Unfinished Business, Item C-3 - Discuss cost of living allowance (COLA) and;
- Approve the agenda as set at this time.

III. **UNFINISHED BUSINESS:**

(C. Employees' and Police Retirement Boards:)

(1.) Stephen Palmquist, Gabriel Roeder Smith & Company, to discuss proposals for pension calculation software

Mr. Palmquist did a review of the pension calculation spreadsheet that the Finance Department used and found pension calculations were calculated correctly, but he could not reproduce option figures to match those calculated by Finance.

Lt. White asked if the 10 year and certain was the largest benefit for Police Officers.

The Board Attorney clarified the terms of the 10 year and certain.

Mr. Allen asked how much it would cost for amendments to the software program.

Mr. Palmquist said charges normally cost \$100 to \$200 an hour, some clients use software without a review, and others use software with a review.

The Board Attorney recommended that final calculations needed to be verified by the Actuary.

Action: Motion made by Ms. Costello and seconded by Mr. Allen to request that the Actuary verify final calculations done since Ordinance No. 2004-25 was adopted.

Vote: Voice vote showed: AYES: Lt. White, Ms. Costello, and Mr. Allen. NAYS: None.

Action: Motion made by Ms. Costello and seconded by Mr. Kahant to direct the Finance Director and staff to visit the Actuary's office to review various software packages and request that the Actuary verify final calculations done until new software could be implemented at a cost of \$150 each.

Vote: Voice vote showed: AYES: Ms. Hurley, Ms. Costello, Mr. Lepa, and Mr. Kahant. NAYS: None.

Action: Motion made by Ms. Costello and seconded by Mr. Allen to direct the Finance Director and staff to visit the Actuary's office to review various software packages and request that the Actuary verify final calculations done until new software could be implemented at a cost of \$150 each.

Vote: Voice vote showed: AYES: Lt. White, Ms. Costello, and Mr. Allen. NAYS: None.

CONSENSUS - to direct the Board Secretary to coordinate with Finance and forward information to the Actuary regarding the names and final calculations of Police Officers who have retired since the adoption of Ordinance No. 2004-25.

Action: Motion made by Ms. Costello and seconded by Mr. Lepa to add an action item to the agenda.

Vote: Voice vote showed: AYES: Ms. Hurley, Ms. Costello, Mr. Lepa, and Mr. Kahant. NAYS: None.

Action: Motion made by Ms. Costello and seconded by Mr. Allen to add an action item to the agenda.

Vote: Voice vote showed: AYES: Lt. White, Ms. Costello, and Mr. Allen. NAYS: None.

Action: Motion made by Ms. Costello and seconded by Mr. Lepa to direct the Actuary to separate the Firefighters Actuarial Valuation Report from the General Employees' and Police Officers' Actuarial Valuation Report which will be separate reports.

Vote: Voice vote showed: AYES: Ms. Hurley, Ms. Costello, Mr. Lepa, and Mr. Kahant. NAYS: None.

Action: Motion made by Ms. Costello and seconded by Mr. Allen to direct the Actuary to separate the Firefighters Actuarial Valuation Report from the General Employees' and Police Officers' Actuarial Valuation Report which will be separate reports.

Vote: Voice vote showed: AYES: Lt. White, Ms. Costello, and Mr. Allen. NAYS: None.

(2.) Discuss cost of living allowance (COLA)

The Board Attorney explained that the Trustees had asked Lt. White to contact Mr. Palmquist to get the cost to do studies for a 2% and 3% COLA.

Lt. White said the cost per plan would be \$1,500 which included two studies for each plan.

Action: Motion made by Ms. Costello and seconded by Mr. Kahant to table discussion until the next meeting.

Vote: Voice vote showed: AYES: Ms. Hurley, Ms. Costello, Mr. Kahant, and Mr. Lepa. NAYS: None.

Action: Motion made by Ms. Costello and seconded by Mr. Allen to table discussion until the next meeting.

Vote: Voice vote showed: AYES: Lt. White, Ms. Costello, and Mr. Allen. NAYS: None.

A. Employees' Retirement Board:

None.

B. Police Retirement Board:

1. Annual disability review for Bruce Stoller

The Board Attorney explained that Mr. Stoller had reached twenty years of service and no longer needed to provide an affidavit and doctor's note every year.

Action: Motion made by Mr. Allen and seconded by Ms. Costello to accept Mr. Stoller's annual disability paperwork, continue his benefits, and not require him to provide an affidavit and doctor's note annually.

Vote: Voice vote showed: AYES: Lt. White, Ms. Costello, and Mr. Allen. NAYS: None.

2. Annual disability review for Joseph Viera

Questions arose regarding Joseph Viera's affidavit. The Board Attorney recommended that the Trustees require Mr. Viera to clarify information on his affidavit and ask Dave Murphy, Risk Manager, to attend the next meeting to explain any off-set by worker's comp.

C. Employees' and Police Retirement Boards:

1. Stephen Palmquist, Gabriel Roeder Smith & Company, to discuss proposals for pension calculation software

Discussed earlier in the meeting.

2. Update regarding Calamos Investments contract

The Board Attorney said the terms of the contract with Calamos Investments was still in negotiation, and the contract was not signed yet.

3. Discuss cost of living allowance (COLA)

Discussed earlier in the meeting.

IV. NEW BUSINESS:

A. Employees' Retirement Board:

1. George L. Smith, Waste Removal, requests entrance into the Deferred Retirement Option Plan (DROP), to be effective July 4, 2006

Action: Motion made by Mr. Lepa and seconded by Mr. Kahant to accept, with regret, George L. Smith's request for entrance into the Deferred Retirement Option Plan (DROP), to be effective July 4, 2006.

Vote: Voice vote showed: AYES: Ms. Hurley, Ms. Costello, Mr. Kahant, and Mr. Lepa. NAYS: None.

B. Police Retirement Board:

1. Donna Murphy, Police Department, requests duty disability

Action: Motion made by Mr. Allen and seconded by Ms. Costello to accept Donna Murphy's duty disability request and schedule her for a doctor's appointment.

Vote: Voice vote showed: AYES: Lt. White, Ms. Costello, and Mr. Allen. NAYS: None.

C. Employees' and Police Retirement Boards:

1. Discuss changing the meeting time

Discussion ensued regarding changing the meeting day and time.

CONSENSUS - to leave the meeting as is and ask the Board Attorney to review his schedule and report back to the Board at the next meeting.

V. CONSENT AGENDA:

A. Employees' Retirement Board:

- 1. Authorize payment of invoice from Sugarman & Susskind dated April 4, 2006 in amount of \$2,083.74**
- 2. Authorize payment of invoice from Davis Hamilton Jackson & Associates for period January 1 – March 31, 2006, in amount of \$13,155.59**
- 3. Authorize payment of invoice from Gabriel Roeder Smith & Company dated March 31, 2006, in amount of \$2,335 for preparation of the October 1, 2005 Actuarial Valuation Report (\$1,985) and the purchase of military time for Bill Bucklew (\$350)**
- 4. Receive credit balance from Merrill Lynch for quarter ending December 31, 2006, in amount of -\$17,694.95**
- 5. Authorize payment of invoice from Richmond Capital Management for quarter ending March 31, 2006, in amount of \$17,071**
- 6. Receive fee advice from Salem Trust for period January 1 – March 31, 2006, in amount of \$4,903.75**

7. Ratify refunds of pension contributions as reported by Finance Department

Employees Pension Fund:

Checks Disbursed 03-30-06

Barbara Haselman, Library, 5 Years/1 Month/2 Days, \$7,887.64, separated February 18, 2006

Pernese Lowery, Library, 8 Months/28 Days, \$974.61, separated February 23, 2006

Kevin Sossi, Pool & Beach, 7 Months/2 Days, \$834.78, separated February 20, 2006

Jerry Banks, Library, 2 Months/30 Days, \$298.51, separated February 13, 2006

Kristen Iverson, Pool & Beach, 3 Months/29 Days, \$491.37, separated January 17, 2006

Action: Motion made by Ms. Costello and seconded by Mr. Lepa to approve Consent (A), in its entirety, as presented.

Vote: Voice vote showed: AYES: Ms. Hurley, Ms. Costello, Mr. Kahant, and Mr. Lepa. NAYS: None.

B. Police Retirement Board:

- 1. Authorize payment of invoice from Sugarman & Susskind dated April 4, 2006, in amount of \$3,125.60**
- 2. Authorize payment of invoice from Davis Hamilton Jackson & Associates for period January 1 – March 31, 2006, in amount of \$4,587.09**
- 3. Authorize payment of invoice from Gabriel Roeder Smith & Company dated March 31, 2006, in amount of \$3,030 for preparation of the October 1, 2005 Actuarial Valuation Report (\$1,132); preparation of page 6a for inclusion in the 2005 State Report (\$550); calculation of**

amounts for two police officers to retire before their normal retirement dates and opinion letter dated November 29, 2005 (\$1,034; and opinion letter dated November 1, 2005 (\$314)

- 4. Authorize payment of invoice from Merrill Lynch for quarter ending December 31, 2006, in amount of \$2,217.07**
- 5. Authorize payment of invoice from Richmond Capital Management for quarter ending March 31, 2006 in amount of \$5,372**
- 6. Receive fee advice from Salem Trust for period January 1 – March 31, 2006, in amount of \$1,590.64**

Action: Motion made by Mr. Allen and seconded by Ms. Costello to approve Consent (B), in its entirety, as presented.

Vote: Voice vote showed: AYES: Lt. White, Ms. Costello, and Mr. Allen. NAYS: None.

C. Employees' and Police Retirement Boards:

- 1. Approve minutes of March 28, 2006, joint meeting, as presented**

Action: Motion made by Mr. Lepa and seconded by Ms. Costello to approve Consent (C), in its entirety, as presented.

Vote: Voice vote showed: AYES: Ms. Hurley, Ms. Costello, Mr. Kahant, and Mr. Lepa. NAYS: None.

Action: Motion made by Ms. Costello and seconded by Mr. Allen to approve Consent (C), in its entirety, as presented.

Vote: Voice vote showed: AYES: Lt. White, Ms. Costello, and Mr. Allen. NAYS: None.

D. Board Attorney's Report:

None.


VI. ADJOURNMENT:

The meeting adjourned at 4:20 p.m.

MINUTES APPROVED: 7/25/06


Valerie Hurley, Chair
Employees' Retirement Board


Kenneth White, Chairman
Police Retirement Board


Evanna Stephenson, Recording Secretary
Employees' & Police Retirement Boards

Minutes transcribed by: Evanna C. Stephenson, City Clerk's Office.

A compact disc of this meeting will be available in the Office of the City Clerk for two years after approval of these minutes.