

MINUTES OF THE DOUGLAS PENSION COMMITTEE
MAY MEETING
May 28, 2015

The following members were present:

Joe Lorenz	Kathy Allen	Roger Goeser	Karen Buche
Dawn Honig	Patrick Bloomingdale	PJ Morgan	Brad Alexander

Members Absent: Mark Foxall Jennifer Beisheim Tom Wheeler

Also present were Glen Gahan, with SilverStone Group, Gary Clatterbuck with Baird Holm, Bill Ouren with the County Attorney, and Kathy Adair, Asst. Secretary.

Joe Lorenz called the May meeting to order with roll call. The minutes from the April 30, 2015 regular pension meeting were reviewed and a motion was made by PJ Morgan to approve minutes as presented. Motion was seconded by Karen Buche, motion carried.

Gary Clatterbuck with Baird Holm presented his review of the Pension Plan document for tax qualification requirements as well as other areas for language clarification. He reviewed his report with the committee. Joe suggested that a sub-committee meet to include Bill Ouren from the County Attorney's Office to review the report, make the necessary changes to the Plan document and then have Baird Holm review one final time. Once the final review has been completed by Baird Holm, Joe will prepare a Resolution to recommend approval of the updated Pension Plan Document.

Joe informed the committee that the current rate of interest earned on employee's contributions is at 5% annually which is much higher than the market. He presented a report to the committee which summarized the interest paid out to terminated employees who withdrew their contributions and interest over the past five years. He is recommending that the annual 5% interest earnings be changed to a rate more in line with the bond or money market rate. Since this change would need to be made at the end of June 30 or December 31 of any year, he is suggesting this be slated for December 31, 2015. Patrick Bloomingdale made a motion to recommend to the County Board adjusting the current 5% annual interest rate on the pension contributions to the 10-Year Treasury Rate as stated on November 30th and would become effective the following January 1st next calendar year. He further added that the Pension Committee would review the interest rate on an annual basis and recommend to the County Board adjustments on the interest rate as necessary based on the 10-Year Treasury Rate. Motion was seconded by PJ Morgan and motion carried.

The committee was updated on the Disability Report and Summary of Activities report for the month of May and the first half summary report.

In Other Business, Joe updated the committee on the Long-Term Disability vendor and status for County Board approval and implementation. Current participants on disability would continue under the Mutual of Omaha plan. Any disabilities after the approval of the CIGNA contract will be handled by CIGNA on a fully-insured basis and no longer be paid out of the pension plan.

There being no further business Patrick Bloomingdale made a motion to adjourn which was seconded by Karen Buche. The next regular monthly meeting is scheduled for July 30, 2015 in Room 903 Civic Center at 9:00am.

Respectfully submitted,

Jennifer Beisheim, Secretary