

MINUTES OF THE DOUGLAS PENSION COMMITTEE
OCTOBER MEETING
October 30, 2014

The following members were present:

Joe Lorenz	Kathy Allen	PJ Morgan	Jennifer Beisheim
Mark Foxall	Ken Lant	Tom Wheeler	Brad Alexander
Lee Lazure			

Members Absent: Patrick Bloomingdale

Glen Gahan with SilverStone Group, Bernie Monbouquette with the County Attorney, Dan Esch with the Clerk's Office, Kathy Adair, Asst. Secretary and Debbie Otwell, Human Resources, were also present. Brian Parizek with the Sheriff Office and Brian Morlan from First National Bank were present in the audience as well.

At 9.00 a.m. Lee Lazure called the meeting to order. Lee welcomed new committee member Dawn Honig from the County Clerk's office who replaced Lee Behrens who retired in July, 2014. The minutes from the September 25, 2014 regular pension meeting were reviewed and a motion was made by Jennifer Beisheim to approve minutes as presented. Motion was seconded by Brad Alexander, motion carried.

Mark Jenkins, employee from the Assessor Office and Nancy Ward from Local 571 were present on an appeal regarding Rule 75 pension plan benefit. Mark Jenkins previously left employment on August 17, 2013 and became a new hire employee as of May 5, 2014. Based on Section 5.4 of the Pension Plan a rehired employee is able to regain prior service credit in the pension plan if the withdrawn contributions and interest were paid back to the Plan. Mark's contention is he should not only regain those years of service but he should also be afforded the Rule 75 Plan provisions rather than the new pension plan provisions passed by the County Board for new hire employees as of 01/01/2012. After a detail account of the appeal, review of the pension plan document and especially section 2.1(d) several committee members thought the Plan did not completely address the specific situation presented. PJ Morgan addressed the committee stating that he felt that the appeal was valid and the committee should allow Mr. Jenkins to be in the Rule 75 eligibility pension plan. He further stated that the Plan document did not make it clear enough how to handle a "buy back" of prior service credit under one eligibility rule to a new eligibility pension rule. After discussion by several committee members in favor and opposed of the appeal, PJ Morgan made a motion to allow Mark Jenkins to be under the RULE 75 eligibility provisions of the pension plan for his second employment period even though the Plan eligibility for new hires as of January 1, 2014 should be under the new rule passed by the County Board. Brad Alexander agreed and seconded the motion to approve the appeal by Mark Jenkins. Motion carried with six votes in favor of the appeal and four votes against the appeal. Mark Foxall asked that the committee review the Plan document and Plan language to address and clarify the issue of prior service credit as it relates to new plan eligibility provisions when buying back into the Plan for service credit under previous Plan eligibility provisions. After discussion, Mark Foxall made a motion to amend and clarify Plan language which would address this issue going forward. The motion was seconded by Dawn Honig and motion carried.

Kathy Allen asked to address the committee on a related issue with an employee who moved from one union to another union and because they were considered a new employee to that union they lost longevity pay. She is questioning the eligibility under the pension plan if longevity was lost because they were a new employee to that union would pension eligibility be the same and this employee no longer would fall under the RULE 75 provisions and they would be considered a new hire for pension eligibility as well. Lee Lazure addressed this issue stating that the union contract is the determining factor and that this employee would still be under the same pension provisions as before due to the language in the union contract.

Jason Pulos with Asset Consulting presented the quarterly investment review. Jason also addressed the replacement for the PIMCO investments which was terminated in September, 2014. The funds from PIMCO were transferred to State Street Index Fund until a new manager could be determined. Jason brought information on two Fixed Income managers, Delaware and Loomis, Sayles for the committee to review. After the review, discussion and questions from the pension members, Joe Lorenz made a motion to approve Delaware Investments as the new fixed income manager and to move \$15ml from State Street investment fund to Delaware Investment manager. The motion was seconded by PJ Morgan and motion carried. Jason will work with preparing appropriate documents for the transfer of funds.

Lee Lazure recognized Brian Morlan for First National Bank and Brian Parizek from the sheriff office as visitors to the pension meeting. He also welcomed any employee or public member to come to any of the monthly pension meetings.

The committee was updated on the Disability Report and Summary of Activities report for the month of October, 2014.

Lee Lazure read a resignation letter from retiree Ken Lant. Ken will be stepping down from the pension committee at the end of 2014. Lee thanked him for his service to the committee not only as a retiree but also as an employee prior to his retirement. Kathy Adair informed the committee that information on a retiree committee member replacement is on the pension committee website as well as an informational letter was sent to retirees with the Open Enrollment notification letter on October 23, 2014. As of today there has been no response from any retiree to fill this vacancy.

Lee Lazure informed the committee that Commissioner Boyle was requesting that the pension committee review the number of members on the committee. He also suggested possibly increase the size of the committee to included employees from various departments. Lee reminded the committee that the committee size has been reviewed several times. He has also had SilverStone Group as well as Asset Consulting give their input on other entity committee size and the Douglas County Pension committee is one of the larger size committees. It was also noted that with the replacement of Lee Behrens due to his retirement only two employees showed interest in filling the vacancy. PJ Morgan stated he felt the committee was a good size with eleven members.

There being no further business Mark Foxall made a motion to adjourn which was seconded by Jennifer Beisheim. The next regular monthly meeting is scheduled for December 3, 2014 in Room 903 Civic Center at 9:00am.

Respectfully submitted,

Jennifer Beisheim, Secretary