

Minutes of the City of Plano Retirement Security Plan Committee

April 22, 2010

The City of Plano Retirement Security Plan Committee met in regular session on April 22, 2010 at 3:00 pm in Building Inspections Training Room of the Plano Municipal Center. Committee members present were Chairman John Kortenhaus, Mark Israelson, Casey Srader, Denise Tacke, and Steve Doud. City staff present were: Darlene McAndrew, Retirement Specialist; Victoria Huynh, Assistant City Attorney III; and Stacey Stagich, RSP Secretary. Guests present were Leon Andrus and John Tindall from U.S. Trust.

1. The meeting was called to order by Chairman John Kortenhaus at approximately 3:00 pm.

2. General Discussion

No one asked to speak before the Committee.

3. Approval of minutes from the January 21, 2010 meeting

On a motion by Vice Chairperson Tacke, seconded by Member Doud; the January 21, 2010 minutes were unanimously approved.

4. Quarterly report by Comerica

Darlene McAndrew presented the quarterly report for Cliff Langwith who was unable to attend. Darlene reported that the opening balance as of 01/01/2010 was \$68,918,745.40 and the ending balance as of 03/31/2010 was \$71,743,832.29. During that period, the employer contributions were \$793,342.75.

5. Quarterly appraisal report by U.S. Trust

Leon Andrus and John Tindall provided the investment review for the first quarter on the plan performance. See [Attachment "A"](#) for the details of their report.

6. Discussion related to the cost impact associated with maximum annual cost of living percentage (COLA).

Darlene McAndrew advised that this discussion had started a year ago and it was possible that the information that had previously been provided by the actuarial may no longer be valid. Darlene asked Gabriel, Roeder, and Smith what the cost would be to provide an updated study comparing the costs associated with lowering the cost of living percentage maximum from four percent to three percent and was quoted between \$2000 and \$4000. Darlene also confirmed that the Council must approve plan changes. Denise Tacke explained that by reducing the cap to 3% it would put the plan in line with the Texas Municipal Retirement Plan (TMRS), and also went on to state that the rating agencies also like to see the retirement plans funded at 100 percent, which we currently are between 98 and 102% funded. Mark Israelson felt an updated study would provide a tool that could be used to explain any decision to retirees, and Darlene McAndrew added that it would be useful for current employees as well. COLA has surpassed 3% three times; in 2006 it was 3.5%, in 2007 it was 3.2%, and in 2009 it was 4%. Upon a motion by Member Israelson, seconded by Vice Chairperson Tacke, the Committee unanimously agreed to have Gabriel, Roeder, Smith & Company provide an updated study showing the cost impact associated with lowering the annual cost of living percentage cap from 4% to 3%.

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7. Ratification of payment to Bank of America (U.S. Trust) for period January 1, 2010- March 31, 2010

Upon a motion by Vice Chairperson Tacke, seconded by Member Israelson, the Committee unanimously ratified payment to Bank of America.

8. Ratification of payment to Gabriel, Roeder, Smith & Company

Upon a motion by Vice Chairperson Tacke, seconded by Member Doud, the Committee unanimously ratified payments to Gabriel, Roeder, Smith & Company.

9. Ratification of payment to D. Brennan Reilly P.C.

Upon a motion by Vice Chairperson Tacke, seconded by Member Israelson, the Committee unanimously ratified payments to D. Brennan Reilly P.C.

10. Ratification of payments to participants:

Upon a motion by Member Israelson, seconded by Member Srader, the Committee unanimously ratified payments to the following participants:

PARTICIPANT PAYMENTS		
April 20, 2010		
Name	Amount	Payment Method
Beckemeyer, Carol	\$ 646.47	Monthly
Boykin, Delores	\$ 6,103.95	Lump Sum
Carpenter, Russell	\$ 9,633.75	Rollover
Collett, Judith	\$ 170.24	Monthly
Day, Johnny	\$ 366.89	Monthly
Dunham, Larry	\$ 422.98	Monthly
Kirby, Raymond	\$ 327.78	Monthly
Majewski, Thomas	\$ 3,683.69	Lump Sum
Mark, Jon	\$ 325.25	Monthly
Ramon, Eddie	\$ 256.75	Monthly
Roberts, Barbara	\$ 111.49	Monthly
Wright, Sharon	\$ 648.00	Monthly
Alcantar, Johnnie	\$ 165.63	Monthly

11. Items for future discussion/action on future agendas

Review estimated cost impact associated with current annual cost of living adjustments (COLA) with the updated study that will be provided by Gabriel, Roeder, Smith, & Company.

12. Adjournment

Upon a motion by Chairman Kortenhaus, seconded by Member Doud, the meeting adjourned at 4:21 p.m.

Respectfully Submitted,
Stacey D. Stagich
Plan Secretary