

MINUTES

RETIREMENT ADMINISTRATIVE COMMITTEE WEDNESDAY, OCTOBER 10, 2008 – 10:00 A.M. COMMISSIONERS' COMMITTEE ROOM

Present: Cheryl Whipple, Commissioners Van Doren and Tillotson, Dan Rudd, Vicki Daniels, and Irv Shaw (alternate)

Also Present: Steve Oman, Richard Erickson, Raymond Fortin, Michael Roys, Roxann Holloway, Marilyn Woods, Dennis Pelham, and Bev Kampmueller.

I Approval of Minutes

Motion by Van Doren, supported by Daniels, to approve the minutes of the September 19, 2007 meeting. Motion carried.

II Review actuarial report for 2008 plan year

Rick Erickson, Actuary for MassMutual, explained that when looking at a defined benefit plan the time horizon is on the order of human lifetime. It is important to remember that a defined benefit plan is a long term situation prior to discussing the short term fluctuations to the plan.

Mr. Erickson reviewed the actuarial valuation report for the 2008 plan year and the spin off status of the Medical Care Facility. He recommended a spin off date of October 31st for the Medical Care Facility.

Motion by Van Doren, supported by Daniels, to approve the spin off of the Medical Care Facility effective October 31, 2008. Discussion. Motion carried.

Mr. Erickson explained that he will begin to review *smoothing*, a technique that averages the assets, beginning January 2009. He will bring additional funding options back to the County, if the County so chooses to additionally fund the plan. He further noted that in twenty years as an actuary, he has never experienced the short term volatility as this. He also stated that there are no requirements for minimum funding.

It was discussed that the Retirement Committee would meet again in April 2009 to review the funding status of the defined benefit plan once calculations are completed by Rick Erickson of MassMutual.

III Review investment report and allocations for 2008-09

Raymond Fortin, Relationship Manager with MassMutual, reviewed the asset allocation and plan performance for the current plan year. He stated at this time there were no recommendations for change.

IV Report on defined contribution plan

Mr. Fortin reviewed the defined contribution investment options and the current allocation of assets as of September 30, 2008.

A full text of the investment performance and allocations of the defined benefit and defined contribution plans are on file.

V Review new standard for normal retirement age

Rick Erickson reviewed the new standard for normal retirement age set by the Treasury regulations. It was discussed to change the language to reflect identifying an early unreduced normal retirement. It was noted that this would not change the amount of benefit that a participant would receive. The benefit would be the same benefit as they would under the present language. It was strongly recommended to seek the opinion of an attorney experienced in retirement plan language.

Commissioner Van Doren will contact David Gunsberg regarding the new standard for normal retirement age.

VI Other Business

Michael Roys from the Drain Commission addressed the committee regarding an estimate he received from MassMutual.

Commissioner Van Doren nominated Commissioner Tillotson as Chair for the Retirement Administrative Committee.

Motion by Daniels, supported by Whipple, to appoint Commissioner Tillotson as Chair of the Retirement Administrative Committee. Motion carried.

Commissioner Tillotson nominated Cheryl Whipple as Vice Chair for the Retirement Administrative Committee.

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Motion by Tillotson, supported by Daniels, to appoint Cheryl Whipple as Vice Chair for the Retirement Administrative Committee. Motion carried.

VII Adjournment

Motion by Van Doren, supported by Daniels, to adjourn the meeting at 11:39 A.M. Motion carried.

CLW/bkk