

CITY OF PERRY SPECIAL COUNCIL MEETING

PERRY COMMUNITY BUILDING

SPECIAL CITY COUNCIL MEETING HELD ON December 1, 2009

PRESENT: COUNCILMEMBERS THOMAS CHAPUT, CHRISTINE TOBIAS, GREGORY WEKWERT, TERRY WOOD, MAYOR ROSS DELAU AND CITY CLERK JUDY GUENTHER

ABSENT: COUNCILMEMBER MARK LANDERS AND BRAD SHARLOW

ALSO PRESENT: Police Chief, Kyle Bawks  
City Treasurer, Jo Ann Velting  
Public Works Superintendent, Chuck Mudge  
MERS Representative, John Waugh  
Valic Representatives, Steven Warner & Ryan Nichols

Mayor Ross DeLau called the meeting to order at 6:18 P.M.

The meeting followed the following agenda:  
Representatives from MERS and Valic were present to answer Council's questions regarding their respective retirement programs.

Question by Wood: Is it true that it will be 20 years before your program would be fully funded.

Answer by Waugh: Yes that approximately correct and it would now be 3% contribution from the employee and 5% from the City. Typically, plans are not allowed to go above 10% on the employee side. Changes would have to be agreed upon by all employees voting.

Comment by Chaput: In looking at the Laingsburg agreement that was given to him, the City's portion is 6.92% and it has never gone below that.

Answer by Waugh: They don't have a cap and that's a completely different plan.

Wekwert: Is there a win/win situation?

Answer by Waugh: With MERS, yes and the employee will still have the option of contributing to deferred comp with Valic.

Answer by Warner: You have to decide what is more beneficial, defined contribution or defined benefit? The Defined Contribution does not lock the employees in to investments whereas they have no say as to how the money is invested with the defined benefit.

Comment by Bridges: Exit policy is a big concern. Could be very costly.

Comment by Mayor: It could be costly to the City if they decided to quit the MERS program because the City would still be liable for the remainder of the unfunded liability.

Comment by Waugh: Even if the City decided to end the Defined Benefit program, they could still continue with a Defined Contribution program with MERS.

**ADJOURNMENT:** 7:02 P.M.

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Ross A. DeLau, Mayor Date

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Judy A. Guenther, City Clerk Date