

NON-CERTIFIED EMPLOYEE RETIREMENT PLAN (NCERP)

COMMITTEE MEETING

May 13, 2015

MINUTES

CALL TO ORDER

Mr. Kevin White called the regular meeting of the NCERP Committee to order at 9:17 a.m. in the SC-031, Café East, at the Forest Park Campus.

Members Present

Ruth Lewis
Bill Miller
Keisha Robinson
Calla White
Kevin White
Mike Wibbenmeyer

Others Present

Julie Hupperts
Don Schisler
James Wilkinson (tele-conference)
Kent Kay
Steven Kanterman
Lallie B. McDonald
Tim O'Neill

COMMENTS FROM PARTICIPANTS

Steve Kanterman wished to discuss with the NCERP committee the formula utilized in determining retirement benefits. He wanted to bring to their attention that possibly since the formula selects the highest 4 (four) salaries out of the ten years, should be replaced with the highest 4 (four) out of an entire career. Reason for the suggested change is that some of the higher salaries will drop off the participant's salary listing because of being outside the selected 10 year period. He suggested the committee change the NCERP Plan document to accommodate his request.

APPROVAL OF MINUTES

Regular Meeting Minutes of February 11, 2015

Mrs. Lewis moved that the minutes of the regular meeting of February 11, 2015 be approved as written. Mrs. Calla White seconded the motion.

INVESTORS' REPORT

Columbia Management's Investment Presentation as of March 31, 2015.

Mr. James Wilkinson, Columbia Management, Senior Institutional Relationship Manager, began his quarterly presentation by indicating the first thing he wanted to bring to everyone's attention is that since our last meeting February 11, 2015 Columbia Management and Threadneedle have combined to make up Columbia Management Treadneedle as of March 31, 2015. This change will have no bearing on our current relationship. The format of the quarterly reporting may look a little different with some color changes, but no other changes are expected.

He explained the first quarter has had its challenges with; work stoppage which occurred due to cold weather snap, francs to dollar conversion was an issue, strength of euro has decreased, however; economy is expected to grow to the 2-3 per cent range next quarter, gas prices are lower, resulting in more discretionary income thus strengthening the market. It has been said time and time again, "it's a very slow recovery from the 2009 market." Unemployment rate has declined to 5.5 per cent, housing recovery stabilized last year in the aftermath of stricter regulatory standards and reduced affordability, both sets stage for strengthen the economy. Columbia Threadneedle Investments anticipates 2.5 – 3.5 per cent real growth in the market in the next 4 to six quarters; interest rates are expected to rise sometime this year due to continued growth and further improvement in labor markets.

The Plan's market value at the beginning of the quarter (1/1/2015) was \$76,870,605, net contributions and withdrawals were \$ (\$1,629,295), the income earned was \$348,431, change in market value was \$1,073,804, and the ending market value (3/31/2015) was \$76,663,544.

The Plan's value increase for the quarter measured at 1.90 percent, the value for the last 12 months is at 9.53 per cent gain, last (3) three year gains at 10.45 percent , the (5) five year return has been 10.40 percent, and at the (10) ten year point is has been 7.62 percent.

A well-diversified portfolio is the leading factor the Plan is doing so well. Then Mr. Wilkinson asked for any questions. There were none.

REPORT ON NEW PARTICIPANTS/RETIREES/RETURN OF CONTRIBUTIONS/DECEASED RETIREES

Mr. Hayden reported that during the period of January 1, 2015 through March 31, 2015 there were six (6) new participants added to the Plan and five (5) separated from the College. Of those who separated from their returned contributions and credited interest totaled \$49,143.18.

During the same period, six (6) Plan participants chose to retire. One (1) chose the Annuity Payments for Life Option and five (5) chose the Lump Sum Payment option totaling \$371,047.45. One participant chose the 50 percent Annuity/50 percent Lump Sum method of payment.

Also, there was one retiree who expired during this period who was receiving a monthly benefit pension; Mr. Early Johnson, who worked at the Meramec campus, expired March 23, 2015, his monthly benefit payment has been suspended.

SUBMISSION OF BILLS

Mrs. Kevin White asked for a motion to approve the payment of the bills. Mrs. Calla moved to approve the payment of the (5) five bills and Mrs. Lewis seconded the motion, and the motion carried. The bills included:

Columbia Management Investment Services (01/01/15 - 3/31/15)	\$33,514.36
State Street Bank and Trust Company (01/01/15 – 3/31/15)	\$ 1,610.91
State Street Bank and Trust Company (01/01/15 – 3/31/15)	\$17,996.93
Nadoz Catering – Reimbursement for Refreshments; February 12, 2015	\$ 121.45
St. Louis Community College - Auditing Services; February 20, 2015	\$ 5,500.00

REPORT FROM ACTUARY

Mr. Schisler, Towers Watson, reported to the committee that they would be providing the interest for employee contributions and the new lump sum rates, no changes are anticipated. Mrs. Hupperts, Towers Watson indicated that they would be forwarding a request for data to complete the annual actuarial report sometimes in June 2015.

UNFINISHED BUSINESS

NCERP's Operational Budget – Ending March 31, 2015– James Hayden

The original budget for the 2014-2015 fiscal year was established at \$411,483.00 and as of, March 31, 2015, with the deduction of all approved expenditures of \$252,446.83, including the encumbered charges of \$37,327.18, the remaining balance for the upcoming quarter is \$121,708.99.

NCERP Reports: Mr. Hayden indicated he had nothing to report to the NCERP committee. However, he wished to convey that the understanding of paragraph 13.4 of the Plan document, based on those who interpret the plan on a regular basis, agree that this paragraph indicates no person will be able to contribute to both plans at the same time. This clarification has been discussed with Mr. Miller and general counsel and we will continue to process participants who are promoted the same as we have in the past, providing them with an option to switch plans or remain in NCERP.

NEW BUSINESS

Mr. Hayden as the NCERP committee to provide approval to the new budget that is in the packages mailed to the committee members. Proposed budget introduced for FY 2015/2016 in the amount \$419,774.00 is generally based on the CPI index obtained from Mr. Schisler, Towers Watson, Plan’s actuary and increases are provide by that amount. However; the CPI Index was reported to be in negative territory and most line items on the proposed budget remained the same, but some services were increased because their billing is contingent on value of the Plan’s holding - those were increased by 10% no other changes were made to the previous budget. Mr. White asked for any questions, there being none, he asked for a motion, Mr. Wibbenmeyer provided the motion to approve the new budget and Mrs. Robinson seconded the motion, the motion carried.

SUGGESTED CHANGE IN CURRENT RETIREMENT CALCULATION:

Mr. White wanted to readdress Mr. Kanterman’ s previous request to evaluate the current retirement benefit calculation by viewing the four highest years of salary within the last ten years versus utilizing the four highest salaries over a career. After a lengthy discussion among the committee they determined that the actuary would provide a comprehensive review comparing the highest salaries in the last ten year and the highest salaries during a career, and possible increase cost to the Plan. Mr. Hayden will provide the salary history data to the actuary, then actuary will conduct the study to assist the NCERP committee discuss for possible implementation. Mrs. White suggested that once the data is obtained the committee will have a special meeting to discuss the results of the actuarial study.

ADJOURNMENT

There being no further business, a motion was made by Mrs. White and seconded by Mrs. Lewis to adjourn the meeting. The motion carried and the meeting was adjourned at 9:57 a.m. The meeting of the next NCERP Committee will take place on Wednesday, August 12, 2015 at 9:15 a.m., at the Meramec Campus, SC-125.

Chairman

Date

Administrator

Date