

MINUTES

METROPOLITAN EMPLOYEE BENEFIT BOARD

STUDY & FORMULATING COMMITTEE

August 18, 2011

The Metropolitan Employee Benefit Board's Study & Formulating Committee met on Thursday, August 18, 2011 at approximately 9:00 a.m., in Room 163, Civil Service Conference Room in the 222 Building.

Committee Members present: Chair: Dorothy Shell-Berry; Vice-Chair: Gerald Nicely; Members: Steve Farner and Bruce Sullivan.

Member Betty Nixon was unable to be present.

Benefit Board Members present: B.R. Hall, Sr., Edna J. Jones, Clyde D. Smith, Richard Riebeling and Rita Roberts-Turner.

Other Members present: Shannon Hall, Metro Human Resources, Margaret Darby and Nicki Eke, Metro Legal Department.

Dorothy Shell-Berry called the meeting to order and asked if there were any amendments, corrections or questions of the minutes from the last meeting held on June 16, 2011. With no corrections, Bruce Sullivan moved for approval of the minutes. Steve Farner seconded and the Committee approved without objection.

The Human Resources staff submitted the following for the Committee's consideration and appropriate action:

1. New public comments regarding employee benefits.

Richard Riebeling, Finance Director, addressed the Committee regarding the pension, medical and injury on duty benefits. He stated that no one is suggesting or attempting to take away any benefit from a vested employee or any benefit that has been earned. He stated that he would like for the Committee to review transitioning to a defined contribution plan for new employees, return vesting to 10 years and require an employee contribution as it relates to pension benefits. In regards to the medical plans, he discussed the other post employment benefits (OPEB) retiree liability and the task force that was appointed to discuss that liability and gave examples of other entities/municipalities and how they handle retiree benefits. He stated that he would like for the Committee to review establishing 10 year vesting for medical coverage at retirement, eliminate medical coverage at retirement unless retire as a Metro employee, require all retirees to have a Medicare Part D policy, adjust employee/Metro contribution at retirement based on years of service and eliminate medical coverage at Medicare age. Mr. Riebeling stated that with the injury on duty program, he would like for the Committee to require use of General Hospital for all injuries unless it is an emergency situation or an outside specialist is required, transition to a worker's compensation model, eliminate ability to draw 100% of gross pay tax-free while on in jury on duty and eliminate ability to use medical insurance for work related injuries.

The Committee discussed the suggested benefit changes, contribution rates, the impact of health care reform, compliance with government accounting standards board (GASB) changes and requested a copy of the financial statements.

B.R. Hall brought up the issue of active employees being able to opt out of the insurance programs. He requested that the Committee consider expanding this option to pensioners.

2. Committee deliberation on items raised at previous meeting(s).

The Committee discussed costs associated with some of the items and obtaining updated costs.

The Committee discussed obtaining consulting services and utilization of staff in prioritizing and obtaining additional information related to items presented to the Committee.

3. Consulting services discussion.

Rita Roberts-Turner indicated that there are funds allocated for consulting services for this Committee and stated that staff will work with Legal and Purchasing Departments to draft a request for proposal (RFP). She also reviewed the timeline (60 days) for the process.

There was interest in knowing how other entities/municipalities are handling the healthcare reform and GASB changes.

Steve Farnier moved for approval of issuance of an RFP for consulting services. Gerald Nicely seconded and the Committee approved without objection.

Bruce Sullivan distributed handouts to the Committee regarding the GASB changes.

Kim McDoniel, Finance, addressed how Metro currently discloses liabilities.

There was discussion of the length of time to obtain a consultant, the Committee being able to complete their duties, and extension of this Committee, if necessary.

After some discussion of having someone from the Committee serve as an advisor for the RFP Committee, Gerald Nicely volunteered to serve as a advisor for the RFP Committee.

It was also requested to provide a draft of the RFP to the Committee prior to issuance.

It was also noted that if any Committee members have any suggestions to bring them forward as well.

With nothing further presented, the meeting adjourned accordingly.

ATTEST:

APPROVED:

***Mrs. Rita Roberts-Turner, Director
Human Resources***

***Mrs. Dorothy Shell-Berry, Chair
Study & Formulating Committee***