CITY OF JOPLIN
STATE OF MISSOURI

POLICE AND FIRE PENSION BOARD

MEETING HELD ON JUNE 13, 2019

Transcribed by Holliday Reporting Service, Inc. from audio provided by the City of Joplin.
ATTENDANCE REPORT

JOHN ALFORD
JARED DELZELL
ADAM GRIMES
MARSHALL HOGUE
MIKE McGAVRAN (VIA TELEPHONE)
LARRY SWINEHART
MAYOR GARY SHAW (CHAIR)
LESLIE HAASE, FINANCE DIRECTOR
PETER EDWARDS, CITY ATTORNEY
S T I P U L A T I O N

IT IS HEREBY REQUESTED by the City of Joplin, to transcribe the meeting held from audio provided by their office.
BY MAYOR SHAW: It's 9:30 according to US Cellular. I call to order the special meeting of the Police and Fire Pension Board for Thursday, June the 13th, 2019. We've already done the roll call. We have the sheet there. Who is going to take charge here? Are you going to --

BY PETER EDWARDS: I'll take charge.

The purpose of today's special meeting is really just a follow-up meeting to what we discussed about three weeks ago. Just to give you some very brief general background, the City administrative staff, along with Chief Furgerson, Chief Stewart, and members of both the fire and police departments have been meeting now for about seven months to try to work on various things to improve recruitment and retention in both the police and fire departments. And we've met, we've gone through a lot of different scenarios, and this is kind of where we have ended up as a workgroup, collaborative effort, and I believe based on what's been said to me over the last several months that from our
workgroup what we have talked about and discussed has been funneled down through both departments, and I can't sit here and tell you that every single officer has gotten full disclosure, but based on what we understand, they have tried to keep everybody in the loop as to kind of the progress that's been made. And I know last week there was an FLP meeting where some issues were discussed, and the feeling that I have gotten in the workgroup meetings is that a lot of what we're doing has been very positive, positively viewed throughout both departments. But, again, I can't say that speaks for every single member.

So the plan that we have come up with to move forward is basically to take a tax ballot question to the City of Joplin voters in November, and the primary purpose of that tax is to fund the closing of the pension plan to new members. It won't have any effect on Tier One employees, won't have any effect on retirees. And, Leslie, certainly correct me if I misspeak.

The idea is that the tax will fund
the pension plan to 120 percent. That is the recommended rate that our actuary said that he feels comfortable with. I think at the very first we thought 100 percent, then we thought 105, 110, but after reviewing it with him, he thinks 120 percent is where we need to be to close the plan, and that's why that number is contained in the ballot.

So I'm happy to answer any questions.

We have contacted Alan Kandel, who normally does the pension plan amendments for the Pension Board, and he has done the amendment to the pension plan that memorializes everything. He has prepared the ballot. And the most recent version is what I sent out to you several days ago, and I'm hoping everybody had a chance to look at that and review it ahead of today's meeting.

Certainly happy to answer any questions or kind of start a discussion. That's just kind of brief overview.

BY JARED DELZELL: So I was wondering how you - how the 12 years - it expires in either 12 years or when it's 120 percent funded, whichever one comes earlier. How did
12 years come about?

By Peter Edwards: Twelve years is based on the calculations of what we expect the sales tax to be over that period of time to come up with 120 percent funding of the plan, as well as the Loggers prior service credit that the City will pay, as well as another 2 million dollar buy-down for Loggers. Those three components together, when the numbers were ran, basically put us at just shy of about 12 years to get to that point.

By Jared Delzell: So when the - did they use numbers like the market over the last couple years, or - so assuming 2008 occurs again, is 12 years enough? Is there some fluff built in there?

By Leslie Haase: There is.

By Jared Delzell: Like significant fluff?

By Leslie Haase: There is --

By Jared Delzell: I don't want to say - I guess that was worded wrong, but --

By Peter Edwards: I think there's fluff built in, Jared, but I think the one
thing that's different about what's happening now is that with retirees and with Tier One employees, once we had that fixed number of employees then the plan goes to less risky investments, and all of that has kind of been factored in so that - and Leslie can probably explain that a little bit better.

BY JARED DELZELL: So when you talk to the actuary about the 120, where they came up with 120 percent, I guess they were using that 12 year assumption as well?

BY LESLIE HAASE: No. So he came up with 120 percent, and then he doesn't know anything about our sales tax. That's my job. So, you know, what I looked at - so I built in some - what would the right word be.

BY JARED DELZELL: Conservative?

BY LESLIE HAASE: Yes. So the estimates are conservative, and I also - you know, we have - the sales tax is reduced by the TIF payments that we make. You know, I came out at whatever point and said, you know, that I've made projections, and our largest TIF is going to pay off, and so I've taken those projections. But I can tell you
that it would be my belief with the
information that I have today that we would
reach the 120 percent before we reach the 12
years. Now, with that said, that doesn't
mean if internet sales becomes 50 percent of
our sales versus in town, I cannot project
for that. But the answer that I will also
give is, at the end of 12 years, if this
moves forward as planned, the plan will be
better funded than the 63 percent that it is
right now. And the City would have a
decision at that point if, you know, if the
12 years comes before the 120 percent.

BY JARED DELZELL: And I think that's
the concern, is you've got people that - Tier
One folks specifically, that would be - let's
say they're 80 years old at that point in
time, and now we're having to go back to the
voters to say, hey, this wasn't quite enough.
Just trying to avoid the Springfield thing.
You're comfortable with --

BY LESLIE HAASE: I am comfortable.
I would not have recommended that number if I
was not comfortable. And furthermore, I
mean, the other piece that you have to weigh
in to that is voters want to see an end.

Even if - like Springfield had to go back and ask. So trying to avoid that, but also trying to not make it so long that the voters won't support it. There's a line in there. I don't know what that line is, but I'm telling you that I'm comfortable at 12 years.

BY JARED DELZELL: I used the word fluff. I didn't --

BY LESLIE HAASE: Yeah.

BY JARED DELZELL: -- necessarily mean the word fluff.

BY LESLIE HAASE: No, I understand.

BY JARED DELZELL: Investment activity.

BY JOHN ALFORD: So to go along with his question - I'm sorry. To go along his question, though, when rewriting that Section 6.2, which has to do with -

BY LESLIE HAASE: The contributions.

BY JOHN ALFORD: The contribution rates.

BY LESLIE HAASE: Yes.

BY JOHN ALFORD: I think that needs to also be added in there that if there is a
shortfall that the City will have to cover that shortfall. Because at some point in time there's still going to have to be an actuary report done.

BY LESLIE HAASE: No. Actuary reports will continue every year.

BY JOHN ALFORD: Yeah. Can we word it to where like the City has to be responsible for --

BY LESLIE HAASE: The City is --

BY JOHN ALFORD: -- the actuary, whatever the number he comes up with?

BY LESLIE HAASE: Right. So, first of all, the actuary reports still have to continue because of accounting standards. So those will never - those will not stop until this plan is gone.

BY JOHN ALFORD: Right.

BY LESLIE HAASE: And then second, the City already has a commitment to funding this plan.

BY MEMBER: They have a liability - I mean, not only commitment, but there's also liability.

BY PETER EDWARDS: Statutory
obligations.

BY MEMBER: Statutory obligations.

BY JOHN ALFORD: Which is fine, so why can't we put that in wording, I guess, is what I'm saying, into the ordinance, which would alleviate the concerns that Jared is hearing. And all it has to really say is the City will be responsible for the amount the actuary deems necessary to finish that last dollar.

BY MEMBER: Then the funding source would be --

BY JOHN ALFORD: The last person.

BY MEMBER: -- up to the City to approach the voters or -

BY LESLIE HAASE: Well, I mean, I guess I don't - I'm not an attorney, but I don't - when it's a statutory requirement that that -

BY PETER EDWARDS: I mean, it's state law.

BY LESLIE HAASE: Right. That trumps this.

BY PETER EDWARDS: If you want - if you want to include the provision of the
BY JOHN ALFORD: Yes, please. That's what I'm saying. Because right now we have state statute included into 6.2 saying that - let me find it.

BY JARED DELZELL: And regardless of what - I mean, to your point -

BY JOHN ALFORD: This is what -

BY JARED DELZELL: I'm sorry. Go ahead. Go ahead. I'm sorry.

BY JOHN ALFORD: It says if the City fails to catch up fully within the 60 days the City shall pay the past due obligation, plus interest, per state statute 408.020. So I guess I don't understand what the issue is of not including that language of the state statute that you're responsible if there is a shortfall.

BY PETER EDWARDS: That's up - it's up to you guys.

BY MEMBER: But why are we striking this? I mean, it seems simple to leave that.

BY PETER EDWARDS: And this was done by Alan Kandel, so --

BY MEMBER: Right. And that was my
question. To me, the delinquency and all that stuff, should it ever occur, why would you strike that? Is there --

BY JOHN ALFORD: I just want language added to 6.2 that says that if there is a shortfall, according to the actuary, that the City will be responsible. And if that is state statute, then you can quote the state statute, I guess, is all.

BY MEMBER: And, really, all of that that's been struck says --

BY JOHN ALFORD: Wouldn't that appease some of your people?

BY MEMBER: I see it both ways. You could add it in there. I don't see that it would hurt, it would hurt to add it in there.

BY MEMBER: Well, it's already there. Just been struck --

BY JOHN ALFORD: It's already there.

BY PETER EDWARDS: Do you want to see if we can get Alan on the phone?

BY LESLIE HAASE: Sure.

BY MEMBER: I mean, I guess, if it's a liability to the City already, and it's spoken in state statute, I'm good – I'm good
with whatever.

BY MEMBER: I mean, regard - I mean, the City - the sales tax is the City's obligation, is how - City is trying to figure out how to pay - the City being the citizens of the -

BY MEMBER: Yeah. I'll go with that.

So --

BY MEMBER: Well, but there's more into that than just the statute. You're talking about --

BY JOHN ALFORD: Yeah, because the sales tax will end. What happens if there is an '08 after the sales tax ends?

BY MEMBER: The City still has the obligation to pay the - pay in as per - they still have the obligation to make payments to the pension plan.

BY LESLIE HAASE: So you're --

BY JOHN ALFORD: I just want that in writing.

BY LESLIE HAASE: So you want the 4.0802 back in there?

BY JOHN ALFORD: Yes, please.

BY LESLIE HAASE: Okay. That should
1  not be a problem.
2  BY JOHN ALFORD:  Or whatever.
3  BY MEMBER:  Well, that whole --
4  BY LESLIE HAASE:  I may --
5  BY JOHN ALFORD:  The attorney
6  decides, yeah.
7  BY MEMBER:  Should it come up short after that 12 years, is it incumbent upon the City to make up the shortages above the Tier One employees 18.08 percent, or after 12 years do the Tier One - are the Tier One going to have to come back and come to an agreement with the City that, hey, it's going to cost this percent, and we're going to have to raise your contribution rates?
8  BY LESLIE HAASE:  Well, in 12 years --
9  BY MEMBER:  Tier One will be gone.
10  BY LESLIE HAASE:  Not necessarily gone, but there would be lots less. I mean, -
11  BY PETER EDWARDS:  In 12 years there shouldn't be any Tier One employees.
12  BY JOHN ALFORD:  Yeah. Tier One will be gone.
BY LESLIE HAASE: And there could still be Tier Two on the plan. I mean, everything is based on assumptions, and none of us have a crystal ball. So I would suppose, and this is just me, in like - if this is successful in moving forward - you know, we'll always be getting the actuary reports, but at year 9, 10, we'll be getting really serious and probably asking for some projections. And at that point, you know, there will be some decisions - I mean, let's say that - well, let's - you guys are only talking about if there's a shortfall. It could go the other way also.

BY MEMBER: Uh-huh. Yep.

BY LESLIE HAASE: And so there will be decisions to be made no matter what, because it's not going to come out exact. There is no way. So, you know, if - in those windows we will be - I would assume the City will be looking, and the Pension Board will be looking and saying, okay, here is where we think it's going to come out in order - and then decisions will have to be made. If there's a significant shortfall, which I
1 don't believe there will be, but if there is,
2 you know, then it can be, okay, well, maybe
3 we have to renew it one more time. And
4 renewals are, you know, - they're easier
5 because it's not a new tax, although there is
6 no guarantee. Or the City, you know,
7 depending - I don't know what the City's
8 finances will be at that point, but there be
9 decisions to be made. What I'm telling you
10 is if the plan is 110 percent funded, that's
11 going to be good, really good. If it's 115
12 percent funded, that's also going to be
13 really good. So at that window there will be
14 decision points. And then 50 years down the
15 road, as the plan has continued to pay the
16 beneficiaries and the retirees, I have no
17 doubt there will be more decision points to
18 make. Because it could be that the plan has
19 money left, and it could be that the plan
20 needs some more money at that point. Because
21 everything is based on how long people live.
22
23 BY MEMBER: It could end up being --
24
25 by John Alford: I know, but --
26
27 BY MEMBER: There could be a surplus
28 of cash in the plan at some point --
BY LESLIE HAASE: Yes.

BY MEMBER: -- and it would have to go - I don't what statutory happens with that, but there could - hopefully there is money left over and the City is not making payments directly to the beneficiaries, but -

BY JOHN ALFORD: I would like to see it say somewhere that the last dollar would - the last person will be taken care of.

BY PETER EDWARDS: Yeah. And I think we're -

BY JOHN ALFORD: And if there is excess of funds, I mean, that has to be - that's another question that I've got. What - where does that money go, I guess would be the question.

BY MEMBER: That's a question for --

BY JOHN ALFORD: Do we give it back to the City?

BY LESLIE HAASE: Well, that will literally be 50 or so years down the road, and we will all be gone.

BY MEMBER: But it's based on state statute?

BY MEMBER: It will be what the state
BY JOHN ALFORD: What's the state say about it, though?

BY MEMBER: Well, I do know that there is a state statute that talks about these trust funds and where the money goes, but the other aspect - I remember in one of the pension conferences they talked about there's adjustments being made all along the way. So the goal is to get to zero dollars when they're down to the last guy. Rarely does that happen. It's -

BY JOHN ALFORD: Yeah, because it's all a guessing game until then. I mean, I agree that the actuary will be ongoing up until the last person is done. It just needs to be written down somewhere. We need to have a plan and not just say, well, we'll take care of it when 50 years comes up.

BY MEMBER: Considering what - I mean, the assumed rate of - assumed interest rates, our - which is what they use a lot in some of this planning, with what it takes to get somebody retired, those adjust every - all the time as well. But the reason I
mention that is that at some point along the way, look at it, especially once the last employee has retired, end of the plan, now you have a fixed number of participants and a fixed number of dollars, you can actually start looking at insurance companies to provide annuities for folks, and then you can cash out the whole thing and dissolve the plan. You could do that. In 20 years you may dissolve the plan by making an insurance company responsible for making those payments. Now, the City still has the responsibility if the insurance company fails, but the liability of the insurance company, it's not likely that, you know, protective or, you know, one of these companies is going to go under. The City still has the responsibility to make that payment, but there's the - there are other funding mechanisms when you have a fixed dollar and you have a fixed number of folk in how to do that. But to be able to sit down today and say this is what we're going to do, would tie the hands of those sitting down here 20 years from now trying to figure out
what they need to do specifically at that time.

BY JOHN ALFORD: Yeah, and that's all I'm asking. I'm not asking how we pay the money. I don't care. I just want to know who is responsible.

BY MEMBER: Well, the City is responsible. That's the state statute.

BY JOHN ALFORD: Yeah, but it needs to be written down, is all I'm saying.

BY PETER EDWARDS: And I think we're -- I think --

BY JOHN ALFORD: I think we're there.

BY PETER EDWARDS -- we had kind of agreed that we'll get with Alan and see if we can include the language from 4.8020.

BY LESLIE HAASE: I'm sure it won't be a problem.

BY PETER EDWARDS: If that would take care of the concern.

BY MEMBER: I think so.

BY MEMBER: Well, but all this other stuff that's being struck, I guess where I'm struggling here, gives checks and balances --
BY PETER EDWARDS: I tell you what.
Let's take a break. Can we get Alan Kandel on the phone? He's the one that did the revision.

BY MEMBER: I think that's --

BY PETER EDWARDS: I can't speak to every single detail on why he did what he did.

BY MEMBER: Yeah, and I'm just --

BY PETER EDWARDS: Right. But let's see if we can get him on the phone and he can hopefully explain why he struck certain language and why he added language.

BY LESLIE HAASE: Mike, we'll call you back, okay?

BY MIKE McGAVRAN: Okay. Sure.

BY LESLIE HAASE: All right.

(OFF THE RECORD)

(SHORT BREAK TAKEN)

(BACK ON THE RECORD)

BY MEMBER: We're back in session?

BY LESLIE HAASE: Yeah. And I've - do you want to call Mike?

BY PETER EDWARDS: Yeah.

BY JOHN ALFORD: I can call Mike if -
BY MEMBER: 623-8430, I think.

BY LESLIE HAASE: You got it?

BY PETER EDWARDS: Yeah.

(phone call initiated)

BY LESLIE HAASE: Hello, Alan. Okay.

I'm going to put you on speakerphone in the Pension Board Meeting, okay? Thank you.

(phone call answered)


BY PETER EDWARDS: Hey, Mike?

BY UNIDENTIFIED: Steve.

BY PETER EDWARDS: I'm calling for Mike. It's Peter Edwards.

BY LESLIE HAASE: Hang on, Alan.

(ALAN KANDEL NOW PRESENT VIA TELEPHONE)

BY ALAN KANDEL: Hi. Good morning, everybody.

BY JOHN ALFORD: Good morning, Alan.

BY LESLIE HAASE: All right. We're ready, Alan.


BY PETER EDWARDS: Hey, Mike?

BY MIKE McGAVRAN: Yes.
1 (MIKE McGAVRAN NOW PRESENT VIA TELEPHONE)

2 BY PETER EDWARDS: Hey, we're back.

3 BY MIKE McGAVRAN: Okay. I'm here.

4 BY LESLIE HAASE: All right. I generally told him that, you know, we're — you guys are looking for the assurance that if there is a shortfall at the end of the 12 years, you're looking for an assurance that the City will fund it. So if you guys want to say anything else.

5 BY ADAM GRIMES: Alan, this is Adam Grimes.

6 BY ALAN KANDEL: Hi.

7 BY ADAM GRIMES: A Board Member. And in 6.2 there is a section that's in blue, and then the last part has all been struck. My concern was that those are the safeguards that we have to ensure that the City is meeting their obligations to the plan over the course of the plan's existence.

8 BY ALAN KANDEL: Uh-huh.

9 BY ADAM GRIMES: And so my question is why did we strike that, and is there another way to either restate it or to leave
it in the plan, for legal purposes, along with the assurance that the City, regardless of who is operating the plan, that they have some - a framework to go forward with.

BY ALAN KANDEL: Well, the reason that it was struck was that my understanding was that the half cent sales tax would fully fund the plan and that additional funding wouldn't be necessary. However, I hear the concern, and I think that we could restore some of that language so that it's clear that the City will be responsible for funding the plan if there is a shortfall when the tax expires.

BY ADAM GRIMES: Correct.

BY ALAN KANDEL: That's what you're looking for, right?

BY ADAM GRIMES: Yes.

BY ALAN KANDEL: Yeah.

BY ADAM GRIMES: We're not anticipating a shortfall. We want to - we want to be able to present the voters with a plan that says we're going to ask you once, our goal is to only ask you once, and the 120 percent 12 year plan we believe would do
BY ALAN KANDEL: Uh-huh.

BY ADAM GRIMES: But should something occur, we would like to have that protection.

BY ALAN KANDEL: Yes. That's fine.

And, you know, if you get to the end of 12 years and either - if it's not necessary, then that language wouldn't be - it just wouldn't be, wouldn't be relevant. You know, it's also possible, I suppose, that if the sales tax is not sufficient, the City could look at another alternative such as passing another sales tax, and if that happens, then this could be amended at that time. But I hear the concern that should make clear that the City will be responsible for funding the plan if the tax is not sufficient, and if some other - if another tax is not enacted, or, you know, some other funding source isn't found. So, yeah. I can add that in.

BY MARSHALL HOGUE: Alan, it's Marshall Hogue, another Board Member. Just, you know, I think the intent is we want to make sure that the pension is not a revenue - isn't revenue sensitive, but still a general
1 obligation to the City.
2 BY ALAN KANDEL: I'm sorry. I didn't
3 - I didn't catch what you said.
4 BY MARSHALL HOGUE: I said, I just -
5 I think we want to make sure the pension is
6 not revenue sensitive to the City, but it is
7 still a general obligation to the City.
8 BY ALAN KANDEL: Uh-huh.
9 BY LESLIE HAASE: You guys have
10 anything else for Alan? Is that the only
11 issue?
12 BY JOHN ALFORD: I've got another
13 issue, but -
14 BY LESLIE HAASE: With the plan?
15 BY JOHN ALFORD: With the ballot and
16 the plan, because they both state the same
17 thing.
18 BY LESLIE HAASE: Okay.
19 BY PETER EDWARDS: Real quick, John.
20 So, Alan, the language that you just
21 mentioned, the City will be responsible if
22 there is a shortfall. Do you foresee the
23 language that you craft being as simple as
24 that or more wordy?
25 BY ALAN KANDEL: Oh, it might be a
1 little wordier than that. I don't want to
2 make it wordier than necessary, but I think
3 we would want to have language in here that
4 would be effective and, you know, would
5 clearly bind the City. So I would have to
6 give it a little thought about – you know,
7 what I said was just kind of off the cuff,
8 the concept, but I think that I want to make
9 sure that the language would work.
10         BY JOHN ALFORD: Okay.
11         BY ADAM GRIMES: Could it be
12 something as simple as we just leave that
13 section in there, adding the top part, and
14 just leave the other part in?
15         BY LESLIE HAASE: Well, here – here
16 is my only comment about that. That whole
17 section was relative to the City paying in
18 the actuary recommended amount. None of that
19 will be happening, because it will be more –
20 it will just be all the tax money. So, I
21 don't know, to me, –
22         BY ADAM GRIMES: Right. So the
23 actuary would come back and say you've
24 exceeded the actuarial amount. You're
25 allowed to exceed it, but if you go
1 delinquent -
2 BY PETER EDWARDS: Alan - I think
3 Alan's - or Adam's question is the two
4 paragraphs that were struck in 6.02 - or 6.2.
5 Can those be left in this redraft?
6 BY ALAN KANDEL: Yes. I mean, I
7 think they would be effective upon the
8 expiration of the sales tax. In other words,
9 I don't - they shouldn't be - I don't think
10 they would be effective while the sales tax
11 is still in effect.
12 BY PETER EDWARDS: Well, and I mean,
13 the sales tax will be in effect, the plan
14 will get to 100 percent - 120 percent funded,
15 but in my mind we're not going to know of a
16 shortfall for 30-40 years.
17 BY MEMBER: Well, being a half glass
18 empty kind of guy, if the sales tax is still
19 in effect, and all of a sudden the sales tax
20 revenue that comes in is not covering what
21 the actuary says needs to be covered, the
22 City still has an obligation to cover that,
23 even if the sales tax is in effect.
24 BY MEMBER: And that's what the --
25 BY JOHN ALFORD: Yeah. We don't care
about the funding source, just the aspect
that whoever is responsible for it.

BY ALAN KANDEL: In other words, the
- for the next 12 years, assuming the tax
passes, the actuary will still be examining
the plan and determining what the required
funding amount is, and if there is - if not
enough money is raised by the tax to cover
the amount determined by the actuary that
needs to be contributed, then the City would
be responsible for making up the difference?

Is that what you're saying?

BY MEMBER: Yes, sir.

BY JOHN ALFORD: Yes.

BY ALAN KANDEL: Okay.

BY ADAM GRIMES: And obviously we
don't assume - we assume that the tax is
going to be in excess of what the actuary
would recommend.

BY ALAN KANDEL: Uh-huh.

BY ADAM GRIMES: Because you're
closing the plan and -

BY LESLIE HAASE: Well, let's not
forget for - I mean, if everything - the
sales tax continues like it is, the
contributions will far exceed the actuary recommended rate.

BY ADAM GRIMES: Yeah, absolutely.

BY JOHN ALFORD: Yeah, it will be irrelevant if it's --

BY LESLIE HAASE: Right.

BY JOHN ALFORD: -- the way you guys plan it.

BY ADAM GRIMES: That's my point, this is just in case --

BY JOHN ALFORD: But I want it written down in there in case it does happen. Just because you've got an actuary report in '08 that said the plan would be funded by this point, and that's not happened.

BY LESLIE HAASE: No, I know.

BY PETER EDWARDS: So to break it down, what you're asking is if after 12 years the tax sunsets and it's only funded to 115 percent, are you wanting the City's obligation to --

BY JOHN ALFORD: No, no, no.

BY LESLIE HAASE: No.

BY ADAM GRIMES: No, just - I think the - I'm sorry, go ahead.
BY JOHN ALFORD: I think it should be worded based off the actuary, because the actuary is going to make sure that the last dollar is paid. That's all I'm worried about. I don't care about the 120 percent.

BY MARSHALL HOGUE: And, John, I think really there's two things. One, as a citizen the tax dollars have to be 100 percent allocated to that. So there's - the actuary can't come in and say we only need to do this and the City says, well, we've got an excess of that in sales tax. So all of the sales tax needs - that is from this needs to go - I think the statutory --

BY LESLIE HAASE: And that's already - well, that's already in this plan.

BY MARSHALL HOGUE: That's already in there. But I don't want to change it so that then what's being contributed ends up being only what the actuary says. It needs to be the sales tax, the minimum of what the actuary is saying.

BY LESLIE HAASE: Well, wait a minute. I mean, you guys are getting - there could be a year - I mean, let's play out a
year if a disaster happens, and the sales tax may dip for one year and come back.

BY MARSHALL HOGUE: Right. That's fair.

BY LESLIE HAASE: And the City then may not - the City may have, through the tax, for 5 years contributed way more than what they were supposed to, but then if you get bogged down in one year, the City then may not have the resources for one year, but then it goes right back. And the plan - I mean, -

BY MARSHALL HOGUE: How is that any different than now? Something can happen tomorrow and you have a general obligation to fund this plan. There is no - I don't see how you're changing anything.

BY LESLIE HAASE: Except that, here is the difference. We're not for 5 years paying more money. Are you -

BY MARSHALL HOGUE: No, I - well, you're paying ahead. We're using this 12 year thing to get going, and at the conclusion of that the City has an obligation to fund the plan --

BY LESLIE HAASE: Right. At the
1 conclusion.
2         BY MARSHALL HOGUE:  Okay.  And during
3 that process --
4         BY LESLIE HAASE:  There's a
difference.
5         BY MARSHALL HOGUE:  -- you, not
6 saying you, but the City makes the decision
7 that we're not going to do this, then there's
8 some language in there that says if you
9 become delinquent you're going to make it up
10 with interest.
11         BY LESLIE HAASE:  Well, I mean, this
12 language says all of that money has to go
13 except for those two other provisions.
14         BY MARSHALL HOGUE:  Correct.
15         BY LESLIE HAASE:  So there is no
16 question about that.
17         BY MARSHALL HOGUE:  Okay.
18         BY LESLIE HAASE:  So the question is,
19 at the end of that time period - is the
20 question at the end of that time period or
21 during that time period?
22         BY JOHN ALFORD:  After.
23         BY MARSHALL HOGUE:  After.
24         BY JOHN ALFORD:  My question is for
after.

BY LESLIE HAASE: Right. So to me --

BY JOHN ALFORD: A few years down the road.

BY LESLIE HAASE: To me, what Alan said in the beginning, should - because we should keep it as simple as we can. And at the end, if the actuary deems that additional funds are needed, then the City will contribute them. I mean, --

BY JOHN ALFORD: That's all I want it to say. I want it to say that. If it's even that simple in here, that would be awesome, because then everybody would understand it.

BY LESLIE HAASE: Right.

BY MARSHALL HOGUE: At the conclusion of the 12 years --

BY JOHN ALFORD: I get it. That the City would be responsible for whatever the actuary says would pay the last dollar to the last person on the plan.

BY MARSHALL HOGUE: If you're saying that this language ties your hands to making the payment, there is no variation to that,
1 --
2       BY LESLIE HAASE: There's no
3 variation --
4       BY MARSHALL HOGUE: -- I'm fine with
5 that.
6       BY LESLIE HAASE: -- in this.
7       BY MARSHALL HOGUE: Yeah.
8       BY LESLIE HAASE: Are we clear as
9 mud, Alan?
10       BY ALAN KANDEL: Well, let me - let
11 me just say what I think, where I think I
12 heard everybody end up, and that is that at
13 the expiration of the sales tax the City will
14 be responsible for making any contributions
15 the actuary determines are needed.
16       BY MARSHALL HOGUE: Yes.
17       BY LESLIE HAASE: I think that's
18 appropriate.
19       BY ALAN KANDEL: But that - while the
20 sales tax is in effect there's no need to say
21 that because the sales tax is going to
22 generate much more than what the annual
23 contribution would be otherwise.
24       BY MARSHALL HOGUE: Well, that's the
25 hope. I mean, I --
1         BY LESLIE HAASE: It is.
2         BY MARSHALL HOGUE: And I agree. I
3         think everything - the moon aligns and the
4         stars go where they need to go, I think we're
5         fine, but my only concern is - and not a one
6         year issue, Leslie, I understand what you're
7         saying with that, but what happens if we get
8         into this four years from now and all of a
9         sudden, you know, we have a major sales tax
10        crisis. I don't know what will happen. Just
11        we didn't think an EF5 tornado would hit us
12        either. But what if, and then all of a
13        sudden for the next 10 years, so we're going
14        to be, you know, 3 years into this, and then
15        for the next 9 years we have 50 percent
16        funding in that process. We still have - so
17        now we're going to be 9 years behind on
18        funding that because we didn't get enough
19        money in from that. And I think that you've
20        done the right work to say that most likely
21        99 percent of this, we're going to get to the
22        end of this and we're going to be happy about
23        what happened. My question - and I
24        understand that if we get to the end of it
25        and there's still - we're behind the 8 ball,
then the City is going to be responsible for it, but what happens in the meantime?

BY LESLIE HAASE: Right. So what I'm - you know, Marshall, again, the workgroup's focus was on recruiting and retention, and in order to be able to fix that issue --

BY MARSHALL HOGUE: We've got to be able --

BY LESLIE HAASE: -- this is what we have to do.

BY MARSHALL HOGUE: So you need to spend the money on recruiting and retention and not the pension, is what you're telling me?

BY LESLIE HAASE: No. I'm saying we need to spend this sales tax on this pension plan.

BY MARSHALL HOGUE: The pension. Right. And then what you're - I'm sorry, you're right. What you have - what the City has been paying on the pension needs to go other places so that the sales tax is covering what the City is paying.

BY MEMBER: Plus, this saves the citizens money in the long run.
1. BY LESLIE HAASE: Yes.
2. BY MEMBER: Versus our 20 year plan that we have now.
3. BY LESLIE HAASE: Versus the lifetime plan we have now.
4. BY MEMBER: The lifetime plan.
5. Sorry.
6. BY PETER EDWARDS: So the language if at the end of 12 years the actuary says more money is due to the plan, City is responsible for making those further contributions. Does everybody seem to think that language satisfies everybody's concerns? I see lots of head nodding.
7. BY MEMBER: Yes, sir.
8. BY MEMBER: Yes.
9. BY MEMBER: Got a lot of heads nodding, yeah.
10. BY MEMBER: Yes.
11. BY PETER EDWARDS: Okay.
12. BY MEMBER: I concur.
13. BY LESLIE HAASE: So, Alan, could you work on that for us today?
14. BY ALAN KANDEL: Yes, I will.
15. BY PETER EDWARDS: Any input from the
1 cheap seats?
2     BY LESLIE HAASE: Don't leave yet,
3 Alan.
4     BY CHARLA GELLER: I do have a
5 concern here, and I know a tremendous amount
6 of work has taken place with your workgroups
7 and things. Your workgroups have a different
8 focus than the Pension Board does. The
9 workgroups have a focus of retaining and
10 employing and getting more services to our
11 community. Our Pension Board has a focus of
12 making certain that the pension plan stays
13 solvent. So my concern, and I hear what Adam
14 is saying, I hear what Leslie is saying. As
15 a - my concern being that if there are 5
16 years or 10 years, or God forbid, 20 years
17 from now to have a huge recession, that the
18 verbiage in there be that it gets funded
19 every year to the actuary amount, because
20 just from the past experiences that we've
21 had, I don't want us to run into a shortfall
22 again. So there you go. I mean, I get the
23 work that's been done. I just want to
24 reiterate the Board's responsibility is to
25 this plan, not to hiring officers or
firefighters, not to retaining firefighters, not to increasing benefits of firefighters. The Board's mission is to maintain the solvency of the plan.

BY MEMBER: And we have a fiduciary responsibility to that. I think that's what we're doing right now.

BY MEMBER: I agree.

BY JOHN ALFORD: So, Charla, do you agree with the language to be added, that the City is responsible for the actuary?

BY CHARLA GELLER: I would leave the language as it is, but that's just me.

BY MEMBER: Because if you have a short - and I'm not in that - but if you have a shortfall in sales tax revenue, then the City is making up the difference to what the actuarial recommendation would be for that year, versus just stick the sales tax in there, because if you cut yourself that revenue out, you're back behind the 8 ball again. Am I misunderstanding something?

BY CHARLA GELLER: Like Marshall said, there's a problem of 1 percent, even less, chance that that's going to happen.
BY MEMBER: Absolutely. And if we're so confident that it's never going to happen, then why does it matter to have the language in there?

BY MEMBER: If we don't have that language in there do we end up becoming what we were in 2001, which is a defined benefit and a defined contribution plan, which failed miserably?

BY MEMBER: I just feel comfortable that whatever Peter was talking about, that there - it ties their hands, what the actuary recommendations are. Gives us 12 years to get our funding up where it needs to be.

Obviously as a Board we can come back to the table and have a discussion should something happen unforeseeable, or whatever.

BY MEMBER: While I'm understanding what you stated about the language, I have not read it, but you are untying their hands for the 12 years you've got the sales tax in place. They are not actuarially required to pay it when the sales tax is contributing. You are saying that the sales tax is enough.

BY MEMBER: Well, I would say with 99
percent.

BY MEMBER: The actuary --

BY MEMBER: The amount that they're going to dump into the pension plan, 12 year period, and it's going to well exceed what the actuary will recommend every year.

BY MEMBER: I don't disagree.

BY MEMBER: Based on those dollars.

BY JOHN ALFORD: And the sales tax is for the pension plan specifically.

BY MEMBER: Yes. So that sales tax -- Leslie, you can jump in here. That sales tax typically generates 6 1/2 to 7, 8 dollars every year.

BY LESLIE HAASE: Yes, sir.

BY MEMBER: Half cent sales tax does. So if they're dumping 5 million dollars, 6 million dollars, or whatever into that plan every year, and we're -- actuary recommendation right now, 2? One point something?

BY LESLIE HAASE: Right. See, so I understand what you all are saying, and I don't disagree, but by the same token, I'm trying to foresee the worst case scenario
that you all are painting. And so the worst case scenario that you are all painting is that the sales tax isn't generating what we anticipated. Say it's generating half, half of that, which is still more than the actuary recommended rate today. But if there is a point - let's just say the sales tax disappears totally. That's the worst case. Zero. You know, all of us, the Pension Board, the Public Safety Departments, the City, we would all be phased. I mean, if our sales tax is zero, we're going to have bigger -

BY MEMBER: Lot of problems, yeah.

BY LESLIE HAASE: And so in order - so what I keep trying to wrap my head around, and I'm struggling with this, is, okay, what situation would the City be in in that moment in time. And, okay, so maybe for a moment in time we wouldn't make the actuary recommended rate in order to keep everyone employed that we have employed at that moment, but by the same token, there will have been a lot of years where we've paid in much more money under this tax. So what I'm - so let's say
that by then the plan is 80 percent funded,
which is good, everyone would be happy with
80 percent funded, but let's say that's the
year that sales tax tanks. Are you all
really saying that maybe you would rather the
City lay off people in order to - and I
understand a fiduciary responsibility of this
plan, and I also understand the fiduciary
responsibility of the City. And I'm in the
position of trying to take care of both. And
so that's why I'm sitting here struggling to
appease everyone and try to ensure that
everything is taken care of.

   BY MEMBER: Leslie, - I'm sorry, go
ahead.

   BY LESLIE HAASE: And so I don't
think anyone's intention would be for us
temporarily to lay off lots of people in
order to fund this. I would have to assume
that it would be a temporary measure, as long
as the language is in there at the end if
there is a shortfall the City is responsible.
I get what you're saying. We do not - and I
agree with what you're saying. I do not want
to get back to that point where we can't dig
out of the hole, which is exactly what you're saying, and I agree with it.

BY MEMBER: Well, could I - what does this do, because back whenever the lawsuit was filed, whatever, does that - you still have that obligation to follow that lawsuit, so even on an annual basis --

BY LESLIE HAASE: We didn't lose a lawsuit.

BY MEMBER: Wasn't there some kind of --

BY MEMBER: It was a compromise.

BY LESLIE HAASE: There is a state statute that right now says if stand alone pension plans are less than 50 percent funded they will hold our sales tax.

BY MEMBER: Okay.

BY LESLIE HAASE: So there is already that state statute.

BY MEMBER: So I - in knowing that, because here is the thing, Leslie. If for some reason, if for some reason - I'm just, you know, worst case scenario-ing here. We have to make sure that we're writing checks to retirees.
1         BY LESLIE HAASE:  Yes.

2         BY MEMBER:  I mean, that's - I mean,

3 I'm not talking --

4         BY LESLIE HAASE:  The City has --

5         BY MEMBER:  Right.

6         BY LESLIE HAASE:  No matter what

7 anyone says, that is the City's obligation.

8         BY MEMBER:  The City has to do that,

9 regardless as a state statute, the City has to

10 write checks to retirees regardless of any

11 other - how we have it languaged - how the

12 language is in here.

13         BY MEMBER:  Once you're vested.

14         BY MEMBER:  Huh? Yeah, once - I

15 mean, whoever is qualified, they have to

16 receive a payment from that. Even if it's

17 the fact that essentially they're going back

18 on payroll and there's no pension. I'm just

19 saying worst case scenario. There is no

20 pension dollars to send out. The City would

21 essentially just have to send those checks

22 out directly. Is that --

23         BY LESLIE HAASE:  Right. But I'm

24 saying if the pension plan is 80 percent

25 funded, those checks are going to continue.
BY MEMBER: And I agree with that.

And so what - I guess what I'm trying - what I'm trying to get back to, Leslie, is that if that's the case, then I think that the language that says that the City is back on the hook for it, actuarially back on the hook for it after 12 years, I think is fine, because the statute protects the retirees, fiduciarily protects retirees during that 12 year period of time. Now, if at the end of the 12 years we're at 40 percent funded and we've got - you know, what we planned to do didn't work for some ungodly reason, we don't know why that would be, the City is back on the hook for making those payments again. In the meantime, my concern of making sure that, you know, the folks that are in here that are receiving checks still get a check on a monthly basis is that's a statutory requirement. So I feel comfortable allowing the statutory requirement to fulfill that 12 year period of time and allow the tax to do its work during that period of time, and then after that, then we have to come back to the drawing board, then that's what we'll do.
1  Does that - does that make sense or am I out
2  in left field?
3  
4  BY PETER EDWARDS: The reality of it, too, is if we get to year 8 or 9 in the tax
5  and we see a shortfall on the horizon -
6  
7  BY LESLIE HAASE: We're going to be acting.
8  
9  BY PETER EDWARDS: We're going to have to make adjustments in the budget for
10  one - you know, annual contributions to the plan.
11  
12  BY MEMBER: And this Board still is going to exist.
13  
14  BY MEMBER: I'm comfortable, I'm comfortable with the after 12 years language at this point.
15  
16  BY MEMBER: Yeah, because I - you know, and I think about what you said earlier, you know, with sales tax goes completely away. Well, I mean, that's like saying Godzilla is going to visit Joplin. It's just not going to happen. People are always going to buy stuff. I am comfortable with this 12 year time. The tax is going to exceed - or our funding status is going to
improve to above 63 percent. We have a joint commission that's going to - the State is watching over this stuff. They approve the stuff. We have actuaries that are watching over. We have investment advisors. We have lots of checks and balances to protect us as plan participants, but we're using our fiduciary responsibility to make sure that the plan is being funded appropriately and it's being - it has some teeth to make sure that moving forward that we make - us and the City are making the right decisions to fund this for every retiree that has put their life on the line here in the City. So I'm comfortable with the 12 year, I think the provision that you were referring to earlier. And I think Alan can probably draft some language that's - that would meet that muster.

BY PETER EDWARDS: Okay.

BY JOHN ALFORD: Let me ask you this. The tax is in place, everything is being funded to reach that 120 percent. What is the actuary going to be saying is going to be the assumption rate - not the assumption
rate. What is the -

BY PETER EDWARDS: Contribution rate.

BY JOHN ALFORD: Contribution rate going to be from the actuary? Will you be paying that anyways, I guess, with the tax?

BY LESLIE HAASE: We'll be paying more than that.

BY MEMBER: Right.

BY JOHN ALFORD: So why is it an issue to write it down then? Because it's already irrelevant. And wouldn't that make everybody happy?

BY PETER EDWARDS: Well, John, I think the answer - I don't think the City is going to be making the contribution rate from general funds. They're going to be making the contribution rate from the tax. So it's not going to be the actuarial contribution rate plus the tax, it's --

BY JOHN ALFORD: So let's write it down the contribution rate is taken care of.

BY PETER EDWARDS: By the tax.

BY JOHN ALFORD: By however means.

If it's from the tax or from the City. Wouldn't that make everybody happy, and
wouldn't it be irrelevant if the tax is taken care of in the first place.

BY MEMBER: Well, for this Board it might, but say that right now we're going to be exceeding the contribution rate, but what if it gets to the point where you still need to make - and then all of a sudden you're - you still have that tax in place, but now you're just using minimal dollars for that tax to fund it instead of trying to get --

BY MEMBER: No. You just pay it off early.

BY JOHN ALFORD: The contribution rate would change, though.

BY LESLIE HAASE: Well, --

BY JOHN ALFORD: If you're throwing 6 million dollars in it every year, the contribution rate should lower, correct?

BY PETER EDWARDS: Yes.

BY LESLIE HAASE: Yes. Well, yes.

Yes.

BY JOHN ALFORD: So I think by writing it down, just saying by however means the contribution rate is taken care of, that should make -
1. BY MEMBER: Let's say --
2. BY LESLIE HAASE: So, wait a minute.
3. BY MEMBER: That is what it says here. All the money goes to the plan.
4. BY LESLIE HAASE: So I have an idea.
5. So what if the language said something like this. So we're sitting at 63 percent funded right now. Payments are being made to retirees. So what if the language said something like, you know, if -- and this isn't going to be exactly right, but if in any given year the tax proceeds, you know, don't meet what the actuary recommended by some percentage, then the City will make up the difference.
6. BY CHARLA GELLER: Absolutely.
7. BY JOHN ALFORD: Or be responsible.
8. BY PETER EDWARDS: But then --
9. BY LESLIE HAASE: But in that year.
10. BY CHARLA GELLER: Absolutely.
11. BY PETER EDWARDS: Then what happens the next year when the tax brings in 2 million dollars more than what the actuary recommended.
12. BY JOHN ALFORD: Then that section is
irrelevant, because you're reaching your contribution rate.

BY LESLIE HAASE: It's not for that year, though, John.

BY PETER EDWARDS: The City --

BY MEMBER: You're talking about being able to get the money back from general fund year 2, that you put out in year 1?

BY LESLIE HAASE: Okay. So, say, let's say years 1 through 3 go along like we anticipate. And we contribute -

BY PETER EDWARDS: Eighteen million dollars.

BY LESLIE HAASE: Let's just say 12 million. But the actuary really only called for, I don't know, 7 1/2. Okay. So, yes, John, we will have paid in - so what will happen is the funded status will go up. And the rate that the actuary - and I'm talking through this for myself.

BY JOHN ALFORD: Uh-huh. No, I get it, too.

BY LESLIE HAASE: So then the actuary percentage that they would say the City would owe would come down some. So status and
1 contribution. Then year 4 comes along, and
2 something happens, and the tax doesn't
3 generate what we anticipated. So, I mean,
4 right now the actuary says we contribute 2.6
5 million and 2.5 million, something like that.
6 So let's just say that the tax only was 1
7 million, okay? So we only generate 1
8 million. So what I'm saying is - and the
9 funded status would not go up as much that
10 year. And let's just say at this point
11 they're saying the City needs to contribute
12 the 2.5. But then next year - and let's just
13 say at this point the plan is 70 percent
14 funded, okay? So there's the case of is this
15 an isolated year issue. And I suspect if
16 it's an isolated year issue - well, we're not
17 going to be in that hole. One year of not
18 making the contribution, if we're sitting
19 here, is not going to be a big deal. So then
20 the question becomes are we going to recover
21 and come back to what we projected the sales
22 tax or not. And so we recover, I suspect
23 this isn't an issue, and yet it could be an
24 issue to the City if our sales tax is tanked
25 to here, where are we going to find 1.5
1 million dollars, and did we really need to do
2 that. Do we really need to take drastic
3 measures to find 1.5 million dollars if the
4 plan is 70 percent funded for one year. So
5 what I'm trying to say - now, you're right,
6 if that becomes a 10 year problem, it's a
7 problem.

BY MEMBER: What about 3 years or 6
9 years, where you're looking at the numbers.
10 BY LESLIE HAASE: Right. So what I'm
11 trying to say is, maybe we can come up with
12 some sort of a sliding scale --
13 BY JOHN ALFORD: But in the --
14 BY LESLIE HAASE: Or you have the
15 ability to wait until the end of the period
16 and see if it's an issue or not.
17 BY CHARLA GELLER: And then you might
18 have to pay 12 million.
19 BY LESLIE HAASE: You might.
20 BY CHARLA GELLER: Versus 1.2.
21 BY LESLIE HAASE: You might.
22 BY PETER EDWARDS: But then you might
23 go back to the voters and say we need this
24 tax for another two years.
25 BY JOHN ALFORD: The contribution
rate is based off the amortization of the plan, not off the tax. So if you're putting money into the plan, your contribution rate is going to be coming down --

BY LESLIE HAASE: It is.

BY JOHN ALFORD: -- because it's based off the 18 years we had left of our amortization.

BY LESLIE HAASE: No. It's based on the liabilities and the assets. That's what it's based off of. And you're --

BY JOHN ALFORD: But they're using the 18 --

BY LESLIE HAASE: Those unfunded liabilities by the 18 years, yes.

BY JOHN ALFORD: Right. But at the end of the 18 years they want it to be 100 percent funded.

BY LESLIE HAASE: Yes. That is correct.

BY JOHN ALFORD: That's what the contribution rate is based off of. The tax would do nothing but make it better.

BY LESLIE HAASE: So if we - if we put in 12 million dollars over 3 years, the
unfunded liability is going to decrease significantly, which is going to decrease that - this.

BY JOHN ALFORD: Correct.

BY LESLIE HAASE: And increase this.

BY JOHN ALFORD: Correct.

BY LESLIE HAASE: Not - I mean, the 18 years was only one piece of that mathematical equation. The biggest part of that mathematical equation are the unfunded liabilities, which are sitting at 24.1 million dollars right now.

BY JOHN ALFORD: Right. But every year the tax is giving more money to correct that unfunded liability situation.

BY LESLIE HAASE: Right. But your assumption, the whole reason you're looking at this language is that you're assuming this tax isn't going to generate this?

BY JOHN ALFORD: No. All I'm doing is, I don't care about doomsday. I'm not doomsdaying. I'm here to have a secure --

BY LESLIE HAASE: You are doomsdaying.

BY JOHN ALFORD: No, I'm not.
Listen. I'm here to have a security blanket saying to the people that are asking me questions what happens if doomsday happens. I'm just asking for a security blanket.

   BY LESLIE HAASE: Right. And you asked at the end of 12 years can we put that language in there that says the City will fund it, and I think that should be in there.

   BY JOHN ALFORD: Right. But I also have some beneficiary behind me that wants the contribution rates taken care of, and I have to listen to her because that's my job.

   BY LESLIE HAASE: Right. So what I'm trying to ask - so then we become doomsday because we're looking at worst case scenario. So I'm not saying - we're trying to look at worst case scenarios, not -

   BY LARRY SWINEHART: The 1 year issue is not the worst case scenario, it's the 10 year --

   BY LESLIE HAASE: It's this.

   BY LARRY SWINEHART: It's the 10 year issue.

   BY LESLIE HAASE: Yes.

   BY LARRY SWINEHART: I agree with you
if it's a 1 year blip in the road, and we understand why it happened, and we understand that it's not going to happen the next year, that we just allow the process to take care of itself, --

BY LESLIE HAASE: But if you put in that language you're not going to allow, you're not going to allow that process.

BY LARRY SWINEHART: And I understand that. And my whole thing is, the City is liable for the payments regardless of whether or not the pension gets funded. You're liable to make payments to the pensioners regardless of the assets in the pension plan itself. And so that's why I - I would prefer it to be at 100 percent, they would rather it be 100 percent - don't want to see the City all of a sudden try to bankrupt itself. You know, it's not going to happen. I'm just - I mean, those are really strong words. I don't mean to use that. But my point is, they want to make sure that there's money in the lockbox, you know, to be there.

BY LESLIE HAASE: Right.

BY LARRY SWINEHART: I think that
that language can be after the 12 years,
because, you know, they're going to have to
make a payment if - if everything went to
heck in a hand basket, you're going to be
making payments to them regardless of whether
or not there is money in the pension plan.

BY LESLIE HAASE: Well, so what I
would propose, I would make a proposal,
because I don't disagree with what Charla is
saying, and I don't disagree with what Larry
is saying. I don't want to - now, do I think
this is going to happen, no, I don't, but I
also don't want to be known as the finance
director that didn't make provisions for the
worst case scenario and us pay for it down
the road. So, you know, so we've all agreed
that we need to add back the language in
there that says at the end of the 12 years
that the City is responsible, and I think
we're all good with that. And, I mean, that
in and of itself - but then I don't want at
the end of the 12 years to owe millions of
dollars either if we haven't collected it on
the sales tax. So could we look at adding
some provision that said so we're sitting at
1 63 percent funded, it should not go - so at
2 any - could we say at any given year if the
3 funded status is less than 65 percent, or 60
4 percent, the City will make the actuary
5 recommended rate for any year that the funded
6 status is less than that percentage?
7   BY MEMBER: I think that's --
8   BY LESLIE HAASE: Because then you're
9 not any worse than you are today.
10   BY MEMBER: Right, right. I would
11 agree with that.
12   BY JOHN ALFORD: Here is the issue I
13 have. Right now you have to wear different
14 hats, and you have the City's hat on, and we
15 have the Pension Board's hat on. I think
16 that you need to put in there that the City
17 is responsible for the contribution rate that
18 the actuary comes up with.
19   BY LESLIE HAASE: So, John, in this
20 scenario right here, where the plan is 70
21 percent funded, you're telling me if there
22 was a shortfall of a million and a half
23 dollars you would want the City to come up
24 with a million and a half when it's funded at
25 that level?
1 BY JOHN ALFORD: I'm telling you --
2 BY LESLIE HAASE: For one - for a 1
3 year problem.
4 BY JOHN ALFORD: -- I don't care,
5 because as a Pension Board all I care about
6 is making sure the plan is solvent. I can't
7 worry about what the City does. It's not my
8 concern. My concern is to make sure the plan
9 is solvent, end of story.
10 BY LESLIE HAASE: Right. At 70
11 percent.
12 BY CHARLA GELLER: John, I think she
13 is giving us an olive branch here, and maybe
14 70 percent ought to be the number that you
15 use. Anything less than 70. We're looking
16 at a 1 percent scenario where you're not
17 going to have it funded, but then if it's
18 less than that, then there's an agreement
19 that the City will pay.
20 BY MEMBER: And I understand what
21 you're saying, John, but --
22 BY CHARLA GELLER: I whole-heartedly
23 do, but I'm --
24 BY MEMBER: I think that's
25 reasonable.
1 BY CHARLA GELLER: I mean, if I know
2 that it's going to - as a retiree, if I know
3 that it's going to get paid when we hit a
4 certain amount - and I don't know the exact
5 language to use. You're going to need
6 someone else to do that.
7 BY JOHN ALFORD: Yeah, Alan.
8 BY CHARLA GELLER: Alan will do it.
9 BY MEMBER: And I don't disagree with
10 what you're saying, John. I understand
11 exactly where you're at. I agree with where
12 you're at. I just think that's reasonable.
13 BY CHARLA GELLER: That if we're
14 going to hit a certain percentage, then
15 there's an agreement there that the City will
16 pay it after a certain percentage.
17 BY MEMBER: And that's the blanket.
18 BY LESLIE HAASE: Again, I don't wear
19 two hats.
20 BY JOHN ALFORD: You said that just
21 right there. You said it ten seconds ago.
22 BY LESLIE HAASE: I do. But funding
23 this plan is a part of the City hat. So I
24 said it poorly.
25 BY JOHN ALFORD: I get it. I just
1 want to make sure --
2         BY LESLIE HAASE:  So I said it poorly.
3         BY JOHN ALFORD:  -- the plan is good.
4                   BY LESLIE HAASE:  I do, too.
5         BY JOHN ALFORD:  Honestly, I'm okay with this.  I'm okay with the 12 years.
6         BY MEMBER:  And I would like --
7                   BY JOHN ALFORD:  But if the beneficiary is not okay with it, then I can't be okay with that.
8                   BY MEMBER:  That provision that we're not going backwards.
9                   BY MEMBER:  Because this is highly unlikely to occur.
10                  BY LESLIE HAASE:  It is.  I also --
11                  BY JOHN ALFORD:  I agree.
12                  BY LESLIE HAASE:  I don't want to get 12 years down the road and be in a humongous hole.
13                  BY MEMBER:  But if it does occur, on the slim chance it does occur, my opinion is that's reasonable.
14                  BY LESLIE HAASE:  So can we all - I can live with 70 percent.
1. BY MEMBER: I'm good with 70 percent.
2. BY MEMBER: It's better than we've been my entire career.
3. BY PETER EDWARDS: At what point?
4. BY LESLIE HAASE: At any given year.
5. So the language will say something like in any given year if the funded status is less than 70 percent, and the actuary recommended rate was not made, then the City will be responsible for funding up to that actuary recommended rate for that year.
6. BY MEMBER: I think you're going to have to be cautious on that any given year, because year 1 we might not be at 70.
7. BY MEMBER: But they're going to be -- but they're going to be at the actuarial rate --
8. BY MEMBER: At year 3 --
9. BY LESLIE HAASE: No, but it shouldn't apply because we're going to be putting in this amount of money --
10. BY MEMBER: Oh, I gotcha. I gotcha.
11. BY MEMBER: The revenue is there.
12. BY LESLIE HAASE: I'm comfortable with that. Only time this is going to come
into play is if our sales tax literally tanks to 1 million - a half cent tanks to a 1 million dollars, at which point I'm telling you we're going to have bigger problems.

BY MEMBER: Big trouble.

BY MEMBER: No, I got you. I was just thinking the first or second year we wouldn't get 70 percent, but you're meeting the recommendation of the actuary.

BY LESLIE HAASE: Yes.

BY MEMBER: So I'm good with that.

BY LESLIE HAASE: And if that makes everyone feel comfortable, and it makes me feel comfortable - I'm wearing 1 or 2 hats, John.

BY MEMBER: No, we're protecting all the participants, we're protecting the citizens, and the plan -

BY MEMBER: I think that's a really good compromise.

BY PETER EDWARDS: All right. So, Alan, are you still there?

BY ALAN KANDEL: Yeah, I'm still here.

BY PETER EDWARDS: You having fun?
BY ALAN KANDEL: Lots of fun, although I can't say that I understood everything that was said. I think some of the people who were farther away from the phone didn't - their voices were pretty muffled.

BY PETER EDWARDS: Okay. Well, I think we maybe have reached some sort of consensus on what the language needs to sound like. Do you feel like you know what that is or do you want us to kind of restate it for you?

BY ALAN KANDEL: Let me say it how I think I understand it at this point and then you can correct me if I've got it wrong, okay?

BY LESLIE HAASE: Okay.

BY ALAN KANDEL: Prior to the expiration of the sales tax, if for any plan year the funded status of the plan is less than 70 percent, and if the recommended - the contribution recommended by the actuary is greater than the proceeds from the sales tax, then the City will make up the difference.

BY LESLIE HAASE: That's perfect.
1         BY MEMBER:  Yeah.
2         BY LESLIE HAASE:  Plus the language
3         about at the end of the 12 years.
4         BY ALAN KANDEL:  And then at the end
5         of 12 - upon the expiration of the sales tax,
6         if the - the City will be responsible for
7         making any contribution recommended by the
8         actuary to make sure that the plan is fully
9         funded.
10        BY MEMBER:  Yes.
11        BY MEMBER:  Yes.
12        BY PETER EDWARDS:  Okay. I think if
13         you can work on those two revisions, Alan,
14         and get those to us ASAP, that would be
15         great, but don't hang up yet, because while
16         you're still on the phone I think John had
17         another section of the revision that he had a
18         question or concern about.
19        BY JOHN ALFORD:  Yeah. I just --
20        BY ALAN KANDEL:  Okay.
21        BY JOHN ALFORD:  Hi, Alan. My name
22         is John.
23        BY ALAN KANDEL:  Hi, John.
24        BY JOHN ALFORD:  I have just a
25         clarification of the official ballot, and it
1 also states it in 6.2 of the plan.

2 BY ALAN KANDEL: Okay.

3 BY JOHN ALFORD: So basically it

4 states that the net proceeds of the tax will

5 only fund the plan after the funding source

6 of the 1 million dollars paid to Loggers per

7 2 years. So the question is, is the plan

8 receiving money within that 2 years, or does

9 it have to wait until after everything is

10 paid for?

11 BY LESLIE HAASE: No. So I can

12 explain. I can explain that one, Alan.

13 BY ALAN KANDEL: Okay.

14 BY LESLIE HAASE: So, again, John,

15 next year the tax will generate 6 1/2 million

16 dollars, okay?

17 BY JOHN ALFORD: Right.

18 BY LESLIE HAASE: So what this says

19 is that, so those proceeds will be coming in

20 monthly, and, you know, we will just probably

21 - we'll prorate that million dollars over 12

22 months, and then the amount needed for the

23 gap, which as this moves forward we will have

24 --

25 BY JOHN ALFORD: Right. The 2
1 priorities.
2 BY LESLIE HAASE: -- the anticipated
3 amount for that. And then we would start
4 prorating that, but all of the rest of the
5 money monthly would be going to the plan.
6 So, ideally, the way that it's set up is we
7 would set aside 1 million for A, 1 million
8 for B, the B part will be over 5 years
9 because that's the vesting period, and so 4
10 1/2 million dollars in year 1 would go to the
11 plan. That's --
12 BY JOHN ALFORD: Right. And that's
13 what I thought, it's just it doesn't say
14 that. It says after the funding of the two
15 priorities.
16 BY MEMBER: So essentially if the tax
17 didn't bring in a million dollars, then
18 Loggers is going to get it. However, the
19 City is still going to pay the actuary
20 amount.
21 BY LESLIE HAASE: Right.
22 BY JOHN ALFORD: Yeah. I needed that
23 clarification.
24 BY MEMBER: If it only brought in a
25 million dollars in the first 2 years, by the
ballot language, the money would go to Loggers first. However, by the compromise that we just made, if that happened, the City would still pay the current actuary amount to pay off the back.

BY JOHN ALFORD: So does the ballot need to be changed because of the compromise we just made, I guess?

BY PETER EDWARDS: I don't think the ballot needs to be changed, but I think --

BY JOHN ALFORD: The word I have --

BY PETER EDWARDS: John's question is -- John's question basically gets to how that money is going to be divided up, monthly or yearly, for the first 5 years. And I don't know that it's appropriate to put that in the ballot language, but maybe it would be nice to have a more defined understanding how that contribution to Loggers and then the prior service credit, and then the balance to the plan, how that is going to be paid for those first 2 and 5 years.

BY LESLIE HAASE: Okay.

BY JOHN ALFORD: It would just be the first 2 years.
BY ALAN KANDEL: Do you think an example would help in the plan?

BY LESLIE HAASE: Yes.

BY ALAN KANDEL: To clarify the intent?

BY LESLIE HAASE: Yes.

BY MEMBER: I'm good with that.

BY PETER EDWARDS: So do you understand that, Alan, how Leslie --

BY ALAN KANDEL: Yes.

BY PETER EDWARDS: -- kind of stated it?

BY ALAN KANDEL: Yes. Yeah, maybe Leslie and I can get together after the meeting and talk about this, because I'm not sure - actually, maybe I have enough. I'll draft something and I'll send it to Leslie and then Leslie can tell me where I've got it wrong, or if it's right, or whatever.

BY LESLIE HAASE: Okay. That sounds good, Alan.

BY PETER EDWARDS: Are you good with that, John?

BY JOHN ALFORD: Yeah.

BY PETER EDWARDS: Okay. Does
anybody else have --

BY ALAN KANDEL: Okay.

BY PETER EDWARDS: -- any other questions substantive to the revisions in the plan while we have Alan on the phone?

BY MEMBER: All the striking out of the 6.1 and putting 6.1, is that just a formatting -

BY ALAN KANDEL: 6.1.

BY PETER EDWARDS: I think so.

BY LESLIE HAASE: It's just --

BY JOHN ALFORD: Yeah, I think it's just the computer did that.

BY PETER EDWARDS: Just renumbering.

BY LESLIE HAASE: Yeah.

BY PETER EDWARDS: Charla, you have any other questions right now?

BY MIKE McGAVRAN: Well, I have one question. I heard a lot about the tax revenue coming in. I didn't hear anything about what happens if the investment return is not there.

BY LESLIE HAASE: Well, --

BY MIKE McGAVRAN: Does that make any --
1. BY LESLIE HAASE: Yes. So, actually, the actuary, when he ran the numbers, when you close a plan, and when it reaches a certain point the investments will, by nature, move to less risky investments over time. And so he has made provisions in his — so the number — the amount of money that we needed the actuary figured out, and he took into account that the investment returns would go down over time as fewer and fewer people are on the plan. So that has been taken into account, Mike.

2. BY MIKE McGAVRAN: Okay. All right.

3. Thank you.

4. BY PETER EDWARDS: Okay. Everybody okay to let Alan go at this point?

5. BY JOHN ALFORD: Yes.

6. BY MEMBER: Thank you.

7. BY LESLIE HAASE: Thanks, Alan, for squeezing us in.

8. BY PETER EDWARDS: Thank you.

9. BY ALAN KANDEL: Okay. Thank you.

10. Have a good day.

11. BY LESLIE HAASE: Bye.

12. BY ALAN KANDEL: Bye.
BY MEMBER: So, Peter, what do we do from here? Is this - do we have more discussion or do we need to come back after we get some new language or -

BY PETER EDWARDS: Does anybody else have any other issues that they want to address?

BY MEMBER: If we could, the issue that the retired fire and firefighters propose, retired police officers have also asked that we use - run this by a second attorney. However, what I'm hearing, and I totally agree, they're not interested in using an attorney that has sued the Board, and I - I can't argue that one bit. I whole-heartedly agree with that. And perhaps we need to meet - or when you talk to Alan next, perhaps he could recommend some other attorneys that deal with closed pensions so that we're not ending up in a 1993 issue again. I whole-heartedly agree that we probably need to have someone take a look at this and say, yes, as your attorney I see no major issues that will cause you future harm. However, I'm not - I will speak totally
against using Tobin and his bunch.

BY PETER EDWARDS: Well, and I'll

tell you, to that end, it would be surprising
to me if they would take on that review just
for conflict of interest issues.

BY MEMBER: Whose client is Alan --

BY PETER EDWARDS: Alan is who you
guys go to for --

BY MEMBER: We're his client? The

Board is his client?

BY PETER EDWARDS: Correct.

BY MEMBER: I just wasn't sure.

BY PETER EDWARDS: And historically,

he has done all the plan revisions for the

Board. So certainly if it's the Board's
desire to have a second attorney review

Alan's revisions to the plan, and if you want

Alan to make a recommendation, it would

probably be good coming from him to have

someone who understands pension plans and

does work on pension plans to do that review,

if that's what I'm hearing.

BY MEMBER: Yes. The police retirees

have looked up a Schuchat, Cook & Werner out

of St. Louis area. That's who they would
love to see. If you guys are in agreement, mostly in agreement --

BY PETER EDWARDS: Say that again.

BY MEMBER: Schuchat, Cook & Werner.

Particularly a James Singer. I guess he has an expertise in closed plans.

BY PETER EDWARDS: Can I just get a motion and a vote?

BY MEMBER: I'll move that we have James Singer, or we approach James Singer regarding reviewing our plan through Schuchat --

BY MEMBER: Cook & Werner.

BY JOHN ALFORD: I need to do some research on this guy before I can make a decision. Can we do like a phone vote later?

BY PETER EDWARDS: Yeah. Did you get a second on your --

BY MEMBER: I didn't.

BY PETER EDWARDS: Let's talk about this. Let's talk about timing, okay? At this point in time in order to get on that November ballot we are --

BY MEMBER: Is it August?

BY PETER EDWARDS: We're up against a
little bit of a time crunch. And I don't want anybody to feel rushed, but I want everybody to understand that we are -

BY MEMBER: What is the deadline for that.

BY PETER EDWARDS: I'm assuming Alan is going to have the revisions done today, or at the very latest tomorrow morning. He has been very responsive up to this point. So I would assume he will have those revisions done today. At that point if we're in a position to forward those on to the attorney that you guys want to review it, we would need to do that immediately. And I think at the same time, it comes back to you guys for further review. And in a perfect world, that second attorney would have his review done maybe early next week. Are we supposed to meet next Thursday regular meeting?

BY MEMBER: Yes.

BY PETER EDWARDS: To where we're in a position to take this up next Thursday at the meeting. But I think if we get beyond that date of next Thursday of next week we're starting to kind of get to that point where
November ballot could become a little bit more problematic. I just want to let everybody know that.

BY MEMBER: Can we ask Alan if he knows anything about this firm or this person and what his recommendation would be, or --

BY PETER EDWARDS: Yeah, and I don't know, because Alan has all the historical understanding of this plan, and the documents, --

BY MEMBER: And it's nothing against Alan.

BY PETER EDWARDS: No, no, no. I just don't know what a new attorney to look at his revisions, I don't know what that's going to take.

BY MEMBER: What is Alan's history with closed plans? That would be something --

BY PETER EDWARDS: We're also making kind of making that assumption that Singer is in town, that he's got time, that --

BY MEMBER: Exactly.

BY MEMBER: Well, do we need to make a motion to have that and then we can do what -- or do a search. I don't know how we want
to - we've got a recommendation. Do we want a recommendation from Alan? Maybe we need to come up with -

BY PETER EDWARDS: Do we want to call Alan back and see if he -

BY MAYOR SHAW: Do you all feel that a second opinion and second attorney is necessary?

BY MEMBER: Well, -

BY MAYOR SHAW: I mean, to me, of course, I'm just kind of an organizer here, but the truth of the matter is that we're - you know, this is our attorney, and he's making a recommendation to us. Are we just throwing money to the wind. You know, that's the only thing that I would be concerned about.

BY MEMBER: Having talked to Alan, I'm more comfortable with Alan's recommendations than I was prior to this meeting.

BY MEMBER: Alan was - if you guys remember, I asked when we started this about getting our own attorney. I never would have thought that they would have brought it up,
but now that they've brought it up, my first pick would have been Alan. He has dealt with us for longer than I've been here. He would be my first pick. However, he is currently being paid by the City and not by the Pension Board. And I think that's their concern.

BY PETER EDWARDS: I've got no issue with easing the comfort of retirees and everybody else with a second review.

BY MEMBER: Yeah.

BY PETER EDWARDS: What I just want to make sure is that it's -

BY MEMBER: Timely.

BY PETER EDWARDS: It's timely, that the guy is going to be responsive, and he can get an answer back, or --

BY MEMBER: Yeah.

BY PETER EDWARDS: -- work out any differences within the next three, four, five, six, seven days, so we're in a position by the end of next week hopefully to move it forward.

BY MEMBER: Yes.

BY PETER EDWARDS: That's my only thing.
1       BY MEMBER: How do we - how do we
2       make that decision post this meeting, I guess
3       is the question?
4       BY MEMBERS: We'll take
5       recommendations from Alan and have - give him
6       that name.
7       BY LESLIE HAASE: Well, let me call -
8       let me see if I can call Alan.
9       BY PETER EDWARDS: Call Alan, and if
10      we can't get him, maybe we just have a little
11      subcommittee of Larry and Adam decide on
12      whether Singer or somebody else that can do
13      it --
14      BY MEMBER: So we can have the
15      subcommittee make the decision based off of a
16      vote we do.
17      BY LESLIE HAASE: Well, maybe Alan
18      will have some --
19      BY PETER EDWARDS: Kind of appoint
20      them to kind of -
21      BY LESLIE HAASE: Alan, hey, it's
22      Leslie. We're still in the Pension Board
23      Meeting, and we have one more question for
24      you, if that would be all right. Okay. Hang
25      on. I'm going to put you on speakerphone.
Okay.

BY PETER EDWARDS: Alan, are you there?

BY ALAN KANDEL: Yes, I'm here.

BY PETER EDWARDS: There has been some discussion about having a second attorney review all of your revisions, --

BY ALAN KANDEL: Uh-huh.

BY PETER EDWARDS: -- I think just to make sure that it eases everybody's concerns just about moving into kind of the territory that we're going. A name was - so I think we may have - the Board may have a second attorney just look at everything that you've done and bless it or not.

BY ALAN KANDEL: Okay.

BY PETER EDWARDS: Are you familiar with a James Singer up in your area?

BY ALAN KANDEL: I am. Yeah, I know Jim.

BY PETER EDWARDS: And what do you think of Jim?

BY ALAN KANDEL: I think he's - he's a very competent lawyer.

BY PETER EDWARDS: Okay.
BY ALAN KANDEL: He - and I - I'm sure that if he has any concern - you could tell him that if he would like to discuss any concerns with me he is welcome to call me or email me.

BY PETER EDWARDS: Okay. If there was anybody else up in your area that was familiar with pension plans, closed plans, any other names come to mind just in case he would not be available on short notice?

BY ALAN KANDEL: Yes. There's another firm. I need to make sure I get the name right. Rick Shinners.

BY PETER EDWARDS: How do you spell Shinners?

BY ALAN KANDEL: S-H-I-N-N-E-R-S. He's with the firm Hammond Shinners. And both Rick and Jim are with firms that generally represent labor, you know, labor unions, and they also do a lot of work representing funds of multi-employer pension plans. But their - I mean, their focus is on the labor side. You know, my firm's focus is generally on the employer side, although when it comes to plan documents that doesn't
really make a lot of difference which side you tend to represent.

BY PETER EDWARDS: Okay. Thanks for your input.

BY ALAN KANDEL: You're welcome.

BY LESLIE HAASE: Thanks, Alan.


BY LESLIE HAASE: Bye.

BY MEMBER: Are you guys able to do - be on a subcommittee to make a decision on who to -

BY PETER EDWARDS: I think if we just vote to - pick one first, call them, see if they're available in the next week to take the review on and provide feedback timely, and if they're not available, move to the second choice, if you guys are comfortable with those two choices, that will pare it down or make it a little more - so if someone makes a motion, wants to make a motion who is first choice, who is second choice, and we'll contact them immediately.

BY MEMBER: Do you guys have an opinion?

BY MEMBER: It sounds like to me
they're both union side, or labor side.

BY MEMBER: Labor side.

BY MEMBER: Either one I'm fine with.

BY MEMBER: Do you want to start with Singer? Is everybody okay with that, then go on to the other guy if there's -

BY MEMBER: I'm good.

BY JOHN ALFORD: I've kind of got an issue with - the guy we want to double-check is the guy who is making the suggestions. And I don't know anything about Singer. I don't know if he's - I've never heard of him. I'm okay with getting a second lawyer, I really am, I just want to know who this guy is, is all I'm saying.

BY MEMBER: I'll tell you straight up, and I'm sorry to throw you under the bus.

BY CHARLA GELLER: No.

BY MEMBER: Charla Geller has been - ever since this issue came up Charla Geller has been out there looking, making contacts with the contacts she had previous when she was on the Board, and this is who they recommended.

BY MEMBER: And I'll tell you that
he's on the Missouri Retirement Pension Attorneys list also, so he's -

BY JOHN ALFORD: If you're good with it I'm just going to -

BY MEMBER: Yeah. I'm good with Singer.

BY PETER EDWARDS: I mean, --

BY JOHN ALFORD: I've just never heard of him.

BY PETER EDWARDS: Personally, I think the plan amendment is pretty straightforward. I don't --

BY MEMBER: I agree, --

BY PETER EDWARDS: And I think it's fine to have a second review, but I don't think it's more than what it is.

BY CHARLA GELLER: I'll just step up and say, look, when you're looking at the closing the plan, I just thought you ought to have another set of eyes looking at it.

That's -

BY PETER EDWARDS: And that's great.

BY JOHN ALFORD: And I absolutely agree. I just want to make sure it's the right set of eyes, too.
BY PETER EDWARDS: Somebody make a motion.

BY MEMBER: I'm going to make a motion that the Pension Board hire a second attorney to review the amendments to the plan starting with Singer as the primary, and if he is not available, moving to the other gentleman, who is -

BY PETER EDWARDS: Rick Shinners.

BY MEMBER: Rick Shinners.

BY MEMBER: I'll second.

BY PETER EDWARDS: Have motion and a second. All in favor.

BY MULTIPLE MEMBERS: Aye.

BY JOHN ALFORD: I would like to abstain because I don't have any information to go off of. Not nay or yea or anything, just -

BY PETER EDWARDS: Mike, are you still there?

BY MIKE McGAVRAN: Yes, I'm here.

BY PETER EDWARDS: Do you have a vote yea or nay?

BY MIKE McGAVRAN: Yea.

BY PETER EDWARDS: Okay. So I have
six in favor. Is that what I'm hearing?

BY MEMBER: I guess.

BY PETER EDWARDS: Well, what is your vote, Mayor?

BY MAYOR SHAW: I'm for it.

BY PETER EDWARDS: I think I have six in favor and one abstention. Okay. Any other business we want to talk about? Okay. I guess from here we will get the plan amendment from Alan, we'll immediately get that out to you guys. From here I will go down and contact James Singer and see if he is able and willing to undertake the revision - yeah, the review, and I'll let everybody know once we secure that second attorney, okay?

BY MEMBER: Do we need to do anything to have this transcript done?

BY MEMBER: Yes, can we get it transcribed word-for-word? Our goal is not to be 20 years down the line in the middle of a lawsuit and have people guessing what we said in this meeting as much as we guessed what they said in the --

BY PETER EDWARDS: You just want it
transcribed for --

BY MEMBER: Yes, please.

BY PETER EDWARDS: -- perpetuity?

BY MEMBER: Yes.

BY PETER EDWARDS: Not by next week or anything?

BY MEMBER: No, no, no, no.

BY PETER EDWARDS: We'll give your request to the City Clerk.

BY MEMBER: Thank you.

BY MEMBER: If we need to pay for it we can - I think we can pay for it.

BY MEMBER: Sure. Absolutely.

BY PETER EDWARDS: So I think in a perfect world, Leslie, correct me if I'm wrong, but hopefully by next Thursday we'll have had feedback from everybody and feedback from Mr. Singer, and maybe be in a position to have a vote at that meeting. Does that sound like a plan to everybody?

BY MEMBER: Yep.

BY PETER EDWARDS: Anybody see any problems with that?

BY LESLIE HAASE: I have one question. So you're talking about maybe
having a vote next Thursday. You know, usually we do educational meetings, and I think the consensus of the workgroup is that those will be needed for everyone involved, all the membership. Is that kind of the consensus? Would you guys be looking towards having educational meetings?

BY MEMBER: Oh, for sure.

BY MEMBER: We have to.

BY MEMBER: Absolutely.

BY LESLIE HAASE: Okay.

BY MEMBER: Just taking the --

BY LESLIE HAASE: So we've got a small window of availability with some groups that will be involved with that. So we're going to continue to try to get those scheduled and get those teed up.

BY MEMBER: Creating a tentative timeline? Is that what you're saying?

BY PETER EDWARDS: Yeah. We've already got a tentative timeline, but we're off by about a week now, so -

BY MEMBER: Well, tentative dates for education.

BY LESLIE HAASE: Right.
BY JOHN ALFORD: Can you make up that week, or are we looking at just being a week behind?

BY PETER EDWARDS: I think it's going to be okay. I think more of the timing was that some of those meetings start to fall around the Fourth of July, so knowing that people are going to be gone or on vacation.

BY MEMBER: I mean, I know as far --

BY LESLIE HAASE: There's some other components, too.

BY MEMBER: We need to create other special meetings because things are moving faster, because these other guys are done with their stuff, I'm fine with that, too.

BY PETER EDWARDS: We can talk, Leslie, because I think --

BY MEMBER: Because it depends on what these attorneys are going to recommend.

BY MEMBER: I would say we can just continue with those educational -

BY LESLIE HAASE: Yeah. That's what I think.

BY MEMBER: I think so. I think we continue down that path.
1            BY PETER EDWARDS:  All right.
2    Anything else for the good of the group?
3            BY MAYOR SHAW:  Need a motion to
4    adjourn.
5            BY MARSHALL HOGUE:  I'll make that
6    motion.
7            BY JOHN ALFORD:  I'll second.
8            BY MAYOR SHAW:  Motion by Marshall,
9    second by John to adjourn.  All those in
10    favor say aye.
11            BY MULTIPLE MEMBERS:  Aye.
12            BY MAYOR SHAW:  Looks like unanimous.
13                BY LESLIE HAASE:  11:13.
14
15            (MEETING ADJOURNED)
16            (END OF RECORDING)
17
REPORTER'S CERTIFICATE

STATE OF MISSOURI

       ss.

COUNTY OF NEWTON

I, JILL A. RENFRO, Certified Court Reporter in the State of Missouri, do certify that the foregoing was transcribed from audio provided by the City of Joplin, and to the best of my ability is a true and correct transcription of the meeting held.

I further certify that I am not counsel, attorney, or relative of either party, or clerk, or stenographer of either party or of the attorney of either party, or otherwise interested in the event of this suit.

_/s/ Jill A. Renfro_

JILL A. RENFRO, CCR-605