



MEMORANDUM

EUGENE WATER & ELECTRIC BOARD

Rely on us.

TO: Commissioners Carlson, Mital, Helgeson, Schlossberg and Brown
FROM: Sue Fahey, Assistant General Manager/CFO;
Deborah Hart, Financial Services Manager/Assistant Treasurer
DATE: October 24, 2019
SUBJECT: Supplemental Retirement Plan Committee Updates
OBJECTIVE: Approval of Resolution No. 1937

Issue

EWEB maintains a Supplemental Retirement Plan (SRP) that requires the appointment of committee members to make certain decisions.

Background

The SRP was created in 1968 and closed to new participants in 1988. The objective of the plan is to provide a benefit on retirement which, together with the benefit from PERS, will provide 1.67% of the highest 36-month average salary for each year of service. Independent actuaries determine EWEB's contributions. The plan currently has 22 participants or beneficiaries to whom payments are made. Through September 2019, EWEB has paid \$100,000 in supplemental retirement benefits to plan participants. In 2018, EWEB paid \$145,000 in benefits, down from \$171,000 and \$233,000 in 2017 and 2016, respectively. There have been no recent changes in the design or terms of the plan, and none are anticipated in the future. EWEB funds the plan on a "pay as you go" basis, and the SRP committee monitors and administers the plan. A contracted payroll service prepares monthly checks and tax documentation for plan participants. The plan requires committee members to be appointed by the Board of Commissioners.

Discussion

The SRP requires a committee with a minimum of three members. One member of the committee is no longer an EWEB employee, and a new member must be appointed.

Recommendation

Management requests that the Board approve the appointment of Bridget Otto, Human Resources Supervisor to the Supplemental Retirement Committee.

Requested Board Action

Approval of Resolution No. 1937

**RESOLUTION NO. 1937
NOVEMBER 2019**

**EUGENE WATER & ELECTRIC BOARD
APPOINTMENT OF SUPPLEMENTAL RETIREMENT PLAN
COMMITTEE - REPLACEMENT MEMBERS**

WHEREAS, the Eugene Water & Electric Board maintains a Supplemental Retirement Plan in effect since January 1, 1968, which was last amended and restated in July 1988, with an objective to provide a benefit on retirement which supplements Oregon PERS benefits;

WHEREAS, the Supplemental Retirement Plan is a single employer plan providing retirement, death and disability benefits to a closed group of EWEB retirees and their beneficiaries;

WHEREAS, a Trust was created in accordance with the Pension Trust Agreement effective May 16, 1975, for the benefit of funding the Supplemental Retirement Plan;

WHEREAS, funding of the plan since is provided by Board contributions, deposited to the existing trust account as needed to meet obligations to retirees, together with earnings on plan assets;

WHEREAS, the Supplemental Retirement Plan provides for annual appointment and reappointment by the Board of a Retirement Committee of three to seven members charged with the general administration of the Plan, subject to the consent and approval of the Board of Commissioners;

WHEREAS, a member of the Retirement Committee has left EWEB employment, creating a vacancy on the Retirement Committee;

WHEREAS, the Board of Commissioners shall appoint new members to fill any vacancies on the Retirement Committee which may occur for any reason,

WHEREAS, Management recommends Bridget Otto (EWEB Human Resources Supervisor), as EWEB personnel without rights in or to the Supplemental Retirement Plan funds, to be appointed to the Retirement Committee,

NOW, THEREFORE, BE IT RESOLVED by the Eugene Water & Electric Board that:

With appreciation of her service, the Board formally removes Laura Fowler (EWEB Human Resources Benefits Consultant), from service as of this date. The Board continues the Supplemental Retirement Plan without amendment, and hereby appoints the Retirement Committee to be prospectively comprised of Deborah Hart (EWEB Assistant Treasurer), Bridget Otto (Human Resources Supervisor), and Jeremy Whittlesey (Payroll Administrator).

The Retirement Committee shall continue to administer the Supplemental Retirement Plan in accordance with its terms, and remain as trustee fulfilling applicable duties under the 1975 Pension Trust Agreement.

DATED this 5th day of November 2019.

THE CITY OF EUGENE, OREGON
Acting by and through the
Eugene Water & Electric Board

President

I, ANNE M. KAH, the duly appointed, qualified, and acting Assistant Secretary of the Eugene Water & Electric Board, do hereby certify that the above is a true and exact copy of the Resolution adopted by the Board at its November 5, 2019 Board Meeting.

Assistant Secretary