



DES MOINES WATER WORKS  
Board of Water Works Trustees

Agenda Item No.       PEN-I        
Meeting Date: December 15, 2015  
Chairperson's Signature  Yes  No

**AGENDA ITEM FORM**

**SUBJECT: Board of Water Works Trustees of the Des Moines Water Works Pension Plan**

**SUMMARY:**

Minutes of the July 28, 2015, Meeting of the Board of Water Works Trustees of the Des Moines Water Works Pension Plan are attached.

**FISCAL IMPACT:**

No impact to budget.

**RECOMMENDED ACTION:**

For review and approval.

**BOARD REQUIRED ACTION:**

Motion to approve the July 28, 2015, minutes.

_____/_____ (date)	_____/_____ (date)	_____/_____ William G. Stowe CEO and General Manager (date)
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**MEETING OF THE BOARD OF WATER WORKS TRUSTEES  
AS TRUSTEES OF THE DES MOINES WATER WORKS  
and  
AS TRUSTEE FOR THE DES MOINES WATER WORKS PENSION PLAN  
Held July 28, 2015**

Present: Ms. Leslie A. Gearhart, presiding; Mr. David A. Carlson, Ms. Susan R. Huppert, and Mr. Marc R. Wallace. Staff members attending were: Pat Bruner, Ted Corrigan, Peggy Freese, Doug Garnett, Donna Heckman, Amy Kahler, Dan Klopfer, Mike McCurnin, Laura Sarcone and Bill Stowe. Also in attendance were Rick Malm, legal counsel and Linda Kirk and Lane Sires, of The Principal Financial Group.

Ms. Gearhart called the meeting to order at 5:25 p.m.

Approve Minutes of the July 22, 2014, Meeting – A motion was made by Mr. Carlson, seconded by Ms. Huppert, to approve the minutes of July 22, 2014, meeting of the Board of Water Works Trustees of the Des Moines Water Works Pension Plan. Upon vote, the motion was adopted, with each member of the Board, who is identified above as present, voting in favor of the motion.

Receive and File 2014 Pension Plan Audit – Ms. Huppert made a motion, seconded by Mr. Wallace, to receive and file the 2014 Pension Plan audit report prepared by McGladrey, LLP. Upon vote, the motion was adopted, with each member of the Board, who is identified above as present, voting in favor of the motion.

Pension Plan Actuarial Valuation – Linda Kirk gave a brief presentation regarding Principal Financial Group's actuarial valuation of Des Moines Water Works' Pension Plan. Although the Plan was frozen December 31, 2013, contributions to the Plan will continue for some time. She reviewed assumptions, liability estimates, market asset gains and losses, and the smoothing process. The Actuarially Determined Contribution for 2015 is \$911,175. Ms. Kirk noted people are living longer and receiving benefit payments longer. The liability discount rate is a key assumption; however, there is an annual process to determine the rate. Based on this analysis, 6.50% is in the rate of reasonable rates to be used for this period. Mr. Wallace moved to receive and file the Pension Plan Actuarial Valuation. Ms. Huppert provided a second to the motion. Upon vote, the motion was adopted, with each member of the Board, who is identified above as present, voting in favor of the motion. Mr. Stowe noted that finance staff will integrate the recommendations into the 2016 budget, which will come back to the Board for approval this fall. Ms. Huppert noted that this it is nice to be in this position. The impact to freeze the pension was a sound business decision for employees and ratepayers.

Public Comment Period – No public comments were received.

Adjournment – A motion to adjourn was made by Mr. Wallace and seconded by Ms. Huppert. Upon vote, the motion was adopted, with each member of the Board, who is identified above as present, voting in favor of the motion. Meeting adjourned at: 5:41 p.m.