

October 29, 2012

A special meeting of the Board of School Trustees was called to order at 6:00 p.m. by Mrs. Shuey. Mrs. Shuey led the Board in the Pledge of Allegiance. All Board members were present. Also present were Mr. Brimbury, Dr. Thompson, Mr. Hall, Mrs. Minard, Tyra Walker, Rob Cole, Ryan Doyle, and a news media representative.

On motion by Mr. Maxwell, seconded by Ms. Rice, the Board unanimously approved the consent agenda and agenda as presented.

I. PROGRAM

A. CONSIDERATION OF CHANGE IN RETIREMENT BENEFIT PROVIDER - Mr. Hall informed the Board this summer we were notified Hartford was getting out of the retirement business as of January 1, 2013. He stated we started with them about five years ago. He explained our options are to go with Mass Mutual or American Funds. Mr. Hall stated currently 80% of our funds are with American Funds. Tyra Walker, Edwards Jones, has an agreement with American Funds to be an agent but does not have an agreement with Mass Mutual. Mr. Hall stated by staying with American Funds there would be less disruption, loans track over, there would not be any changing fees, and Tyra Walker will continue to be our agent. Staying with American Funds would be a smooth transition. Mrs. Walker stated new money can be going into funds by December. Mr. Brimbury asked about penalties to the employees. Mr. Cole responded there would not be any penalties but there could possibly be market value adjustments. Mrs. Walker stated this change is a win-win for the participants as there are also cheaper internal fees. Mr. Comerford asked if this change will be limiting the options. Mr. Ryan Doyle with American Funds stated American Funds has a very good track record. He shared Morning Star completed an independent study showing of the 46 funds rated high, 12 are American Funds.

Mr. Hall reviewed the implementation plan. He stated an informational meeting will be held next week for the staff and then Mrs. Walker will meet with each employee individually at each of the schools. He also informed the Board Joe McCormick and Ron Youngblood, representatives from the certified and classified staffs, met and stated the recommendation to change the retirement fund to American Funds is a no brainer. Mr. Hall stated this was also brought before the teachers at a meet and discuss.

Mr. Comerford asked if fees are charged to the general fund. Mrs. Walker stated the fees are charged to the participants' accounts. Mr. Doyle stated IRS regulations state if a participant is taking a loan, the costs are known up front.

Mr. Hall recommended to move the 403B and 401K funds to American Funds with Tyra Walker and Edward Jones. Mr. Maxwell moved to approve the recommendation, seconded by Mr. Comerford, unanimously approved. Mr. Brimbury thanked everyone for attending.

Mr. Brimbury also shared with the Board the A-F grades should be released October 31. He will keep the Board updated.

II. ADJOURNMENT

With no further business to discuss, Mr. Maxwell moved to adjourn the meeting at 6:18 p.m., seconded by Mr. Stanton, unanimously carried.

Secretary,

Lowell Maxwell