

LMUD Finance Committee
Meeting Minutes – July 5, 2012

Members in Attendance: Loyd Smith (chair), Larry Burmeier, Jack Lewis, Norty Markham, Earl Foster and Kay Andrews

Meeting time: Start 3pm / adjourn 4:45pm

Agenda Items

1. Bill Cobb was nominated and elected as Secretary but declined the position so Jack Lewis graciously agreed to be Secretary.
2. The Finance Committee recommends a 2.5% merit increase pool for the 2013 budget year.
3. Reviewed the Monthly Financial Report and made some suggestions for minor improvements.
4. Reviewed capital expenditures for the 2013 budget and agreed with Earl's recommendations.
5. Budget -- No discussion -- preliminary budget submitted by Earl for the group's review. Budget work session scheduled for July 19, 2012.
6. The committee submitted a report on the 457 retirement supplement plan to the Board last month and we are concerned that our recommendations pertaining to funding may have been overlooked in the discussions that ensued. The Finance Committee **strongly recommends discontinuing the MUD match beginning October 1, 2012.**

The existing pension plan coupled with the 457 matching contribution makes for an "exceptionally" benefit rich retirement package. The total package when Social Security is included provides a monthly benefit **well in excess of 100%** of a 30 year employee's final income if that person retires at age 65. Additional years of service or a later retirement age increases thje retirement income even more!

Even without the 457 match the combination of Social Security and the pension plan provides a **"premium"** retirement benefit unavailable to the vast majority of others in the public or private sector.

Norty Markham

Secretary