

It is expected that a Quorum of the Personnel Committee, Board of Public Works, and Common Council will be attending this meeting: (although it is not expected that any official action of any of those bodies will be taken)

**CITY OF MENASHA  
ADMINISTRATION COMMITTEE  
Third Floor Council Chambers  
140 Main Street, Menasha  
April 21, 2015  
6:00 PM**

**AGENDA**

- A. CALL TO ORDER
- B. ROLL CALL/EXCUSED ABSENCES
- C. MINUTES TO APPROVE
  - 1. [Administration Committee, 2/16/15](#)
- D. COMMUNICATIONS
  - 1. [CVMIC Policyholder Disclosure Notice of Terrorism Insurance Coverage.](#)
- E. DISCUSSION/ACTION ITEMS
  - 1. Election of Chairman
  - 2. Election of Vice-Chairman
  - 3. [Post-Employment Retirement Plan with Precision Retirement Group \(Pelion Benefits, Inc.\)](#)
  - 4. Status report and timetable – Development Agreement with Menasha Downtown Development, LLC (Discussion only)
- F. ADJOURNMENT

"Menasha is committed to its diverse population. Our Non-English speaking population and those with disabilities are invited to contact the Menasha City Clerk at 967-3603 24-hours in advance of the meeting for the City to arrange special accommodations."

CITY OF MENASHA  
ADMINISTRATION COMMITTEE  
Third Floor Council Chambers  
140 Main Street, Menasha  
February 16, 2015  
MINUTES

DRAFT

A. CALL TO ORDER

Meeting called to order by Chairman Nichols at 7:47 p.m.

B. ROLL CALL/EXCUSED ABSENCES

PRESENT: Aldermen Zelinski, Englebert, Benner, Nichols, Taylor, Sevenich, Keehan

EXCUSED: Alderman Langdon

ALSO PRESENT: Mayor Merkes, CA/HRD Captain, PC Styka, CDD Keil,

PHD McKenney, Clerk Galeazzi

C. MINUTES TO APPROVE

1. [Administration Committee, 1/19/15](#)

Moved by Ald. Keehan seconded by Ald. Englebert to approve minutes.

Motion carried on voice vote.

D. COMMUNICATIONS

1. [Wisconsin Office of the Commissioner of Insurance, 2/12/15](#)

No action required.

E. DISCUSSION/ACTION ITEMS

1. [2015 Agreement and Contract Among ADVOCAP, Inc and City of Menasha & Neenah-Menasha YMCA with Menasha Senior Center for the term 1/1/15-12/31/15.](#)

PHD McKenney explained the annual agreement is to provide food service to seniors using the Senior Center facility.

Moved by Ald. Englebert seconded by Ald. Keehan to recommend to Common Council 2015 Agreement and Contract Among ADVOCAP, Inc. and City of Menasha and Neenah-Menasha YMCA with Menasha Senior Center for the term 1/1/15-12/31/15.

Motion carried on roll call 7-0.

2. [Renewal - Inland Marine - Electronic Data Processing Insurance.](#)

CA/HRD Captain explained the renewal of the Electronic Data Processing Insurance with AGCS Marine Insurance Company for one year at a premium of \$4,342.00. The premium amount includes TRIA coverage.

Moved by Ald. Keehan seconded by Ald. Englebert to approve the renewal of the Electronic Data Processing Insurance coverage with AGCS Marine Insurance Company for one year in the amount of \$4,342.00.

Motion carried on roll call 7-0.

F. ADJOURNMENT

Moved by Ald. Keehan seconded by Ald. Taylor to adjourn at 7:51 p.m.

Motion carried on voice vote.

Respectfully submitted by Deborah A. Galeazzi, WCMC, City Clerk.



## POLICYHOLDER DISCLOSURE NOTICE OF TERRORISM INSURANCE COVERAGE

Coverage for acts of terrorism is included in your policy. You are hereby notified that under the Terrorism Risk Insurance Act, as amended in 2015, the definition of act of terrorism has changed. As defined in Section 102(1) of the Act: The term "act of terrorism" means any act or acts that are certified by the Secretary of the Treasury—in consultation with the Secretary of Homeland Security, and the Attorney General of the United States—to be an act of terrorism; to be a violent act or an act that is dangerous to human life, property, or infrastructure; to have resulted in damage within the United States, or outside the United States in the case of certain air carriers or vessels or the premises of a United States mission; and to have been committed by an individual or individuals as part of an effort to coerce the civilian population of the United States or to influence the policy or affect the conduct of the United States Government by coercion. Under your coverage, any losses resulting from certified acts of terrorism may be partially reimbursed by the United States Government under a formula established by the Terrorism Risk Insurance Act, as amended. However, your policy may contain other exclusions which might affect your coverage, such as an exclusion for nuclear events. Under the formula, the United States Government generally reimburses 85% through 2015; 84% beginning on January 1, 2016; 83% beginning on January 1, 2017; 82% beginning on January 1, 2018; 81% beginning on January 1, 2019 and 80% beginning on January 1, 2020, of covered terrorism losses exceeding the statutorily established deductible paid by the insurance company providing the coverage. The Terrorism Risk Insurance Act, as amended, contains a \$100 billion cap that limits U.S. Government reimbursement as well as insurers' liability for losses resulting from certified acts of terrorism when the amount of such losses exceeds \$100 billion in any one calendar year. If the aggregate insured losses for all insurers exceed \$100 billion, your coverage may be reduced.

Your annual premium does not include any charges attributable to coverage for acts of terrorism or for the portion of losses covered by the United States government under the Act.

I ACKNOWLEDGE THAT I HAVE BEEN NOTIFIED THAT UNDER THE TERRORISM RISK INSURANCE ACT, AS AMENDED, ANY LOSSES RESULTING FROM CERTIFIED ACTS OF TERRORISM UNDER MY POLICY COVERAGE MAY BE PARTIALLY REIMBURSED BY THE UNITED STATES GOVERNMENT AND MAY BE SUBJECT TO A \$100 BILLION CAP THAT MAY REDUCE MY COVERAGE, AND I HAVE BEEN NOTIFIED OF THE PORTION OF MY PREMIUM ATTRIBUTABLE TO SUCH COVERAGE.

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Policyholder/Applicant's Signature

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Print Name

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Date

Cities and Villages Mutual Insurance Company  
City of Menasha  
Liability Policy Number: PEL 107  
Auto Physical Damage Policy Number: CAP-09-019



## MEMORANDUM

Date: April 9, 2015

To: Administration Committee  
From: Pamela A. Captain, City Attorney

RE: Post-Employment Retirement Plan  
Precision Retirement Group (Pelion Benefits, Inc.)

Prior to April 21, 2009, as part of the City's non-represented employee benefits package, upon an employee's death or retirement through the Wisconsin Retirement System, accumulated sick leave up to a maximum of ninety (90)/ninety-five (95) days was paid to the beneficiary/employee in a lump sum based on the employee's regular straight time pay rate at the time of death or retirement. After April 21, 2009, the Common Council approved the city's involvement with a post employment retirement plan through Precision Retirement Group (Pelion Benefits, Inc.). Rather than a lump sum cash payout, the funds are distributed to a trust account administered by a third-party and can only be used for certain qualifying medical expenses or retirement (as defined under IRS code/ERISA). The change to distributing the funds to a post retirement employment plan saved both the city and the employee money as an outright distribution of cash subjects that amount to income and FICA taxes. The fees associated with administration are borne by the former employee/beneficiary.

The distribution of accumulated sick leave benefits to Precision Retirement Group (Pelion Benefits, Inc.) cannot be an option to employees or it subjects all sick leave benefits to taxation. In other words, an employee/beneficiary cannot have an option to take a cash payout or it subjects all sick leave benefits to taxation. In order to maximize the tax benefits to both the city and the employee the distribution of these funds must be required by city policy.

Prior to 2015 this benefit applied only to non-represented employees. Union contracts required a cash payout. With the new police union contract this benefit applies to Menasha's represented employees (only upon retirement under WRS).

**RECOMMENDATION:** We need to amend the plan documents, agreements and the sick leave policy to apply to Menasha's represented employees. It is also recommended that the Common Council affirm the policy requiring the deposit of these funds to the post employment retirement plan and that no sick leave cash payout option is available.

**REQUESTED MOTION:** (1) Authorize an amendment to the plan documents and agreements with Precision Retirement Group (Pelion Benefits, Inc.) to include represented employees; and (2) Confirm the requirement that all eligible city employees are subject to the distribution of accumulated sick leave benefits to the post employment benefit plan administered by Precision Retirement Group (Pelion Benefits, Inc.).