



# Board of Directors' Meeting Minutes

December 5, 2011

Board Room, Hyatt Regency Hotel  
Minneapolis, MN

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## Attendance:

Dennis Hegberg, Chair, Washington County  
Sharon K. Anderson, Vice-Chair, Cass County  
Scott Sanders, Secretary/Treasurer, Watonwan County  
John Hoscheid, Lake of the Woods County  
Felix Schmiesing, Sherburne County  
Melvin Ruppert, Nobles County  
Graylen Carlson, Laq qui Parle County  
Don Diedrich, Polk County

## MCIT Staff:

Robyn Sykes, Executive Director

Steve Nelson, Deputy Director  
Karen Ebert, Staff Counsel for Program Management

## Service Providers:

Peter Bergstrom, General Counsel

## Others Attending:

Jeff Spartz, AMC  
Jack Frost, Beltrami County  
John Roper, Faribault County

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## CALL TO ORDER

**000** Chair Hegberg called the MCIT Board of Directors' Meeting to order at 9:00 a.m. on December 5, 2011 in the Board Room of the Hyatt Regency Hotel in Minneapolis, Minnesota.

## APPROVE THE AGENDA

**11-12-01** Motion by Schmiesing, seconded by Hoscheid to approve the agenda. Motion carried. Voting Yes: Hegberg, Anderson, Ruppert, Hoscheid, Sanders, Carlson, Diedrich and Schmiesing.

## APPROVE THE MINUTES

**11-12-02** Motion by Schmiesing, seconded by Carlson to approve the minutes of the meeting of the MCIT Board of Directors held on November 18, 2011. Motion carried. Voting Yes: Hegberg, Anderson, Diedrich, Ruppert, Hoscheid, Sanders, Carlson and Schmiesing.

## MEMBERSHIP ISSUES

**000** Sykes presented the Sunrise River Watershed Management Organization for membership. She noted that since the organization is in Anoka County, a non-MCIT member county, MCIT will need to sponsor the group. The board discussed the merits of MCIT sponsoring organizations and the

changing role of watershed districts and lake improvement districts. Staff was asked to compile information on this topic for consideration at an upcoming strategic planning meeting.

**11-12-03** Motion by Sanders, seconded by Hegberg to approve the Sunrise River Watershed Management Organization for membership in MCIT effective January 1, 2012, with MCIT as the sponsoring organization. Motion carried. Voting Yes: Hegberg, Anderson, Diedrich, Ruppert, Hoscheid, Sanders, Carlson and Schmiesing.

## **2012 BUDGET DISCUSSION**

**000** Executive Director Sykes reviewed the 2012 MCIT Program Budget with the board (on file). She provided the 2012 highlights, a narrative on budget items, detail about MCIT operations and detailed explanation of budget items as provided in the summary spreadsheet of the budget.

**11-12-04** Motion by Ruppert, seconded by Anderson to accept the 2012 Budget Program as presented. Motion carried. Voting Yes: Hegberg, Anderson, Diedrich, Ruppert, Hoscheid, Sanders, Carlson and Schmiesing.

## **DESIGNATION OF 2011 FUND BALANCES**

**000** Executive Director Sykes reviewed the fund balance policy with the board and advised that based on the risk based analysis conducted by MCIT's actuary the 2012 designated fund balance indicates that \$23.2 M be designated in the Workers' Compensation Division and \$22.2 M in the Property Casualty Division.

**11-12-05** Motion by Ruppert, seconded by Hoscheid to designate \$23.2 M of the 2001 Workers' Compensation fund balance and \$22.2 M of the 2011 Property Casualty fund balance per MCIT's Fund Balance Policy. Motion carried. Voting Yes: Hegberg, Anderson, Diedrich, Ruppert, Hoscheid, Sanders, Carlson and Schmiesing.

## **AUTHORIZATION OF 457(B) PLAN CHANGES**

**000** Executive Director Sykes explained that recent changes in federal tax regulations require a review and modification to MCIT's 457(b) plan documents. VALIC and ING presently administer this plan for MCIT. Sykes advised that staff is researching this matter, but the changes do not appear to be monetary in nature. Material changes will be presented to the Personnel Committee for consideration.

**11-12-06** Motion by Ruppert, seconded by Anderson to adopt the following resolution authorizing adoption of a 457 (b) plan restatement:

Whereas, Minnesota Counties Intergovernmental Trust (hereinafter, the "Employer") established the Section 457(b) Deferred Compensation Plan (thereafter, the "Plan"), effective December 4, 1997 for the exclusive benefit of its employees and their beneficiaries;

NOW, THEREFORE, BE IT RESOLVED that the Employer hereby amend and restates the Plan as authorized and on file; and,

RESOLVED, FURTHER, that the appropriate officers of the Employer, or their designees, are hereby authorized to execute the amendment and restatement of the Plan effective December 31, 2011.

Motion carried. Voting Yes: Hegberg, Anderson, Diedrich, Ruppert, Hoscheid, Sanders, Carlson and Schmiesing.

#### **ANNUAL MEETING DETAILS**

**000** Executive Director Sykes reviewed the schedule of MCIT activities related to the MCIT Annual Meeting and MCIT's role during the AMC Conference.

#### **OTHER BUSINESS**

**000** The next regular meeting of the MCIT board will be held Friday, January 13, 2012.

#### **ADJOURN**

**000** The chair adjourned the meeting at 9:50 a.m.

Respectfully submitted by:

Scott Sanders  
MCIT Secretary/Treasurer