

POLICE PENSION BOARD

MINUTES

September 15, 2011

8:30 a.m.

CALL TO ORDER

PLEDGE OF ALLEGIANCE

ROLL CALL

PRESENT:

Bob Rogers, Chairman
Bruce Johnson, Secretary
Sean McAuley, Member
Jerry Gorup, Member

ALSO PRESENT:

Pamala Prell, Deputy City Clerk

1. **Approval of Minutes of November 5, 2010, April 22, 2010, January 20, 2011 and April 21, 2011**

Member Gorup made a motion to approve the minutes as written. The motion was seconded by Secretary Johnson and approved by a unanimous voice vote.

2. **Review/Approval of Invoices**

Secretary Johnson stated that he left the invoices in his office but the list on the agenda is the invoices that were paid.

Member McAuley made a motion to approve the invoices, as presented. The motion was seconded by Secretary Johnson and approved by a unanimous voice vote.

Chairman Rogers presented a memo analyzing pension data and asked each member to review it for discussion at their next meeting.

Chairman Rogers commented that he was concerned with The Bogdahn Group's performance and that Patrick Donlan of Foster & Foster does a very good job for the City.

Chairman Rogers asked Consultant Nash of Bogdahn Consulting to present his report.

3. Bogdahn Consulting

Mr. Tim Nash agreed that it was his firm's responsibility to make recommendations regarding the plan's money managers.

Mr. Nash presented the Quarterly Report ending June 30, 2011. He reported that the managers in the plan generated over 3.75% rate of return above their benchmark, after fees, for FY ending June 30, 2011, which is well above average.

Member Gorup was concerned about the Pension Fund being \$5.7 million underfunded. There was discussion regarding the current assumption rates.

Chairman Rogers requested to hear the Actuary's report and stated that he did not agree with some of the figures presented today by Mr. Nash.

Member Gorup agreed the assumption rate should be lowered.

Secretary Johnson made a motion to transfer \$1,000,000 from the fund into the American Realty Fund. The motion was seconded by Member McAuley and defeated by a 2-2 roll call vote, with Member McAuley and Secretary Johnson voting aye, and Member Gorup and Chairman Rogers voting nay.

4. Christiansen & Dehner, P.A.

Attorney Lee Dehner presented legislative updates and read the State's requirements for fiduciary responsibility of trustees.

Secretary Johnson stated that he paid the premium to renew the fiduciary liability insurance.

Attorney Dehner suggested the board hold a training session with the two other pension boards.

Secretary Johnson made a motion to schedule a training workshop to include Lee Dehner, Tim Nash and Patrick Donlan. The motion

was seconded by Member Gorup and approved by a unanimous voice vote.

Attorney Dehner asked Deputy City Clerk Prell to coordinate the date of the training session. Attorney Dehner stated that he will advise the other boards about the training session.

5. Other Reports

Lynn Skinner, Salem Trust, provided an authorization form for signatures by Secretary Johnson and Member McAuley.

Ms. Skinner advised that she will be sending out two mailings to the Secretary, the first verifying end dates and the second regarding any change date for pension payments for retirees.

6. New Members and Terminated Members

Secretary Johnson announced that Officer J.R. Raleigh and Sgt. Chris Hollenbeck left employment.

7. Miscellaneous

Secretary Johnson pointed out that there is still one trustee vacancy on the board.

Secretary Johnson made a motion to appoint Phil Riles. The motion was seconded by Member McAuley.

Chairman Rogers stated that he would like to have more than one candidate to consider for the position.

The motion was defeated by a 2-2 roll call vote with Member McAuley and Secretary Johnson voting aye, and Member Gorup and Chairman Rogers voting nay.

Member McAuley requested that board members confine their comments regarding the pension plan to members within their board.

8. Adjournment

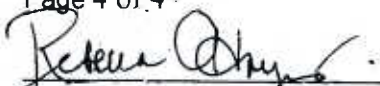
There being any further business to come before the board, the meeting was adjourned at 10:25 a.m.

Attest:

Police Pension Board

September 15, 2011

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Rebecca C. Haynes, City Clerk



Bob Rogers, Chairman

1/23/2012

Minutes approved on: 1/23/2012