

MINUTES OF THE POLICE PENSION BOARD MEETING

The regular monthly meeting of the Police Pension Board was held on Wednesday, February 15, 2017, at 4:00 p.m., in the 1st Floor Conference Room at City Hall.

MEMBERS PRESENT: Chris Connally, Police Chief; Bryan Carter, City Attorney; Paula Heyde, City Clerk; Tom Mahoney, Asst. Director of Administrative Services; Alicia Nolan, Human Resources Manager; Captain Shawn Green, Paul Gatewood and Steven E. Gumm.

MEMBERS ABSENT: Officer Devin Kallauner.

CITY STAFF/CONTRACTUAL REPRESENTATIVES PRESENT: Traci Christian and John Naylor, McCloud & Associates, Inc.; Citizens Bank & Trust representatives Bill Titcomb and Mark Kempf, Plan Administrator/Investment Manager; Gregg Larson, Board Attorney; and Kitty Karr, Accountant/Administrative Services Dept.

2017 MAR 15 PM 4:33
CITY CLERK

Steve Gumm, Vice-Chairman, called the meeting to order.

Agenda #I – Approval of minutes from the January, 2017 meeting. Paul Gatewood made a motion to approve the minutes of the January 18, 2017 meeting. Second by Police Chief Chris Connally. Motion carried (8-0).

Agenda #II – Approval of pension payments for February, 2017. Chief Connally made a motion to approve the total pension retirement payments as of January 31, 2017, in the amount of \$214,718.48. Second by Mr. Gatewood. Motion carried (8-0).

Mr. Gatewood made a motion to approve the funeral benefit for Paul Litton in the amount of \$2,000.00. Second by Chief Connally. Motion carried (8-0).

Agenda #III - Vendor invoices. Tom Mahoney made a motion to pay the invoice from Citizens Bank and Trust in the total amount of \$4,007.67 (\$742.09 for February administration fees; \$3,339.79 for February custodian fees; and -\$74.21 for dual contract discount). Second by Mr. Gatewood. Motion carried (8-0).

Chief Connally made a motion to pay the invoice from MAPERS (Missouri Association of public Employee Retirement Systems) annual membership dues in the total amount of \$100. Second by Mr. Captain Shawn Green. Motion carried (8-0).

Chief Connally made a motion to pay the invoice from McCloud & Associates, Inc. in the total amount of \$2,100.00 for information requested by the auditor. Second by Captain Green. Motion carried (8-0).

Agenda #IV - Other related business or issues. a) McCloud & Associates, Inc. representatives Traci Christian and John Naylor spoke about valuation results under various alternatives. Ms. Christian said

they had prepared the annual valuation with the new long term rate of return assumption of 7.1% (discount rate). It occurred to them that they wanted to present some additional information to the Board for discussion. One is the possibility, in addition to lowering the discount rate, of also lowering the salary scale and to introduce the smoothing of the asset gains and losses. She distributed and reviewed a handout titled "Valuation Results under Various Alternatives."

Mr. Gatewood made a motion to include a 3% salary increase rate and a "smoothed" asset method when preparing the valuation (far right column on handout). Second by Chief Connally. Motion carried (8-0).

b) Mr. Gatewood said the Police Pension Plan does not allow anyone over the age of 36 to be eligible for the pension benefits and currently there are several police officers that are over 36. He would like to discuss this at the next meeting.

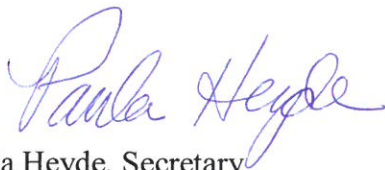
Ms. Christian said they could do a study on any potential cost impacts changing or removing the age limit would have on the plan and/or alternative plan designs for the Board to consider. They could bring some possible scenarios to the next meeting and requested information on officers hired over the age of 35.

Gregg Larson, Board Attorney, said any changes to the plan would have to be expense neutral.

c) Handout: Report from Citizens Bank and Trust for the period 1/1/17 - 1/31/17.

The meeting adjourned at 4:38 p.m.

Respectfully submitted,



Paula Heyde, Secretary
Police Pension Board