

## **Ottawa Police Pension Board**

### **August 9<sup>th</sup>, 2016 Meeting Minutes**

**Meeting held in the Ottawa Police Department Break Room**

**Members present:**

Brenden Donahue – President

Jeff Bangert – Secretary

Randy Baxter – Vice-President

Jamie Kummer

Dale Baxter

Don Harris (City of Ottawa Treasurer)

Meeting called to order at 1:23 P.M.

*No one wished to address the board*

Bob Paglis provided the board with the August 9th, 2016 Pension Fund portfolio analysis, a review of investment activities over the past 10 years, and a board quiz.

A motion was made and carried to forego the reading of the previous meeting minutes in the interest of time spent on the previous presentation.

Financial Report (May, June, and July 2016) was read by President Donahue. Motion made by Dale Baxter, second by Jeff Bangert, to approve the financial reports. By acclamation, motion carried unanimously.

**Old Business:**

Brenden Donahue made the following advisements:

We are still going through all the pension files for active employees to insure all required documents are up to date.

The annual audit is in progress. Several documents have been sent to Duane Lockas for his review.

The financial presentation of the Edward Jones Portfolio appears to be down about \$220,000.

**New Business:**

President Donahue advised the board that Officer Jim Bell went out on an unpaid medical leave of absence effective June of 2016. In speaking with Atty. James Dolbrovolney, Officer Bell can make payments on his own to the pension fund to continue accruing service time while out on leave. Officer Bell chose to make pension payments until he returns from leave. To date, Officer Bell has made payments of \$527.88 and \$792.02 for the months of June and July, respectively, at 9.91% of his salary for each month.

Officer Hite retired from the Ottawa Police Dept. effective July 15, 2016. Al Hite submitted his required QUILDRO and his pension was computed as follows:

Hourly rate at retirement: \$40.391

$40.391 \times 2080$  (hours annually) = \$84,011.20

20 years at time of retirement for 50%

Annual benefit amount of \$42,005.60

July first payment of \$1,919.61 (17 days)

Regular monthly payment of \$3,500.47 with a 9.75% increase on November 1, 2019

As per the QUILDRO presented, the formula is as follows:

$140$  months (at OPD while married) /  $240$  months (OPD total months in

Pension) =  $.5833 \times \$3,500.47$  (monthly payment)  $\times 50\%$

Al Hite monthly payment is \$2,479.56

Jane Wilson (ex wife) monthly payment is \$1,020.91

\* Jane's benefit ceases on Al's death. Surviving spouse Lauri Hite will receive all benefits at that time.

President Donahue advised that due to a computer based payroll disbursement error at F.N.B., retiree Dave Guinnee was overpaid \$440.08 for two months (upon retiree's request to change his IRS withholding amount) and was paid \$2149.03 instead of the correct amount (1928.99). The error was discovered by the bank and has since been corrected.

Property Tax disbursements received first distribution of 2015 = \$117,386.54 (07/01/2016)

second distribution 2015 = \$230,345.98 (07/29/2016)

The First National Bank CD automatically renewed and will be up for renewal again in two years. It will be closed out at the time. Upon review, it is the only local CD still outstanding.

President Donahue advised the board that Officer Jonathan Berninger (D.O.B. 08/03/1992) started with the Ottawa Police Dept. on January 1, 2016. Officer Berninger is a Tier II participant. A motion was made by Dale Baxter, second by Randy Baxter, to accept Jonathan Berninger into the pension fund. By acclamation, motion carried unanimously.

President Donahue advised that the IPPFA Mid-West Pension Conference is coming up in Lake Geneva, WI. on October 4th through the 7th. Board members were advised that the conference was open to all board members and covers board member's annual continuing educational / training requirement.

Jamie Kummer advised the board that he had spoken with representatives from the Vanguard Group regarding a potential investment presentation to be made to the board at a later date. After some discussion, it was decided to have Jamie set up a meeting with Vanguard. Time and date to be determined yet.

A motion to adjourn was made by Randy Baxter, second by Jeff Bangert. By acclamation, motion carried unanimously. Meeting adjourned at 3:05 P.M.

The next scheduled meeting for the Ottawa Police Pension Board is **October 11th, 2016 at 3:00 P.M.** at the Ottawa Police and central Fire Station.

Respectfully submitted,

Jeff Bangert

Ottawa Police Pension Board Secretary