

MINUTES OF THE POLICE PENSION BOARD MEETING

The regular monthly meeting of the Police Pension Board was held on Wednesday, February 16, 2022, at 4:00 p.m., in the 1st Floor Conference Room at City Hall.

MEMBERS PRESENT: Chris Connally, Police Chief; Amy Cohorst, Human Resources Director; Paula Heyde, City Clerk; Paul Gatewood, Steven E. Gumm, Gregg Lewis and Richard Shelton.

MEMBERS ABSENT: Lisa Robertson, City Attorney; and Tom Mahoney, Asst. Finance Director.

CITY STAFF/CONTRACTUAL REPRESENTATIVES PRESENT: Traci Christian and John J. Naylor, MCG Consulting Group representatives; Citizens Bank & Trust representative Mark Kempf, Plan Administrator/Investment Manager; and Kitty Karr, Accountant.

Paul Gatewood, Chairman, called the meeting to order.

Agenda #I - Approval of minutes from the January, 2022 meeting. Richard Shelton made a motion to approve the minutes of the January 19, 2022 meeting. Second by Police Chief Chris Connally. Motion carried (7-0).

Agenda #II – Approval of Pension Payments for February 2022. Steve Gumm made a motion to pay police pension payments as of February 28, 2022, in the total amount of \$221,367.04. Second by Gregg Lewis. Motion carried (7-0).

Agenda #III – Actuarial Valuation Report. Traci Christian, MCG Consulting Group, presented the findings of the Actuarial Valuation as of January 1, 2022 for the fiscal Year beginning July 1, 2022 (copy distributed). She proposed dropping the long term rate of returns on the plan’s investment, which is currently 7.1%, to 6.5%.

After discussion, Mr. Shelton made a motion to change the long-term rate of return to 6.5% (from 7.1%). Second by Chief Connally. Motion carried (7-0).

Ms. Christian was asked to provide information on providing members with a 100% COLA rather than the current 50%.

Agenda #IV – Proposed Change to Investment Policy. Mr. Gumm made a motion to add the following sentence at the end of Paragraph C under “Fixed Income Securities:” When calculating the portfolio’s average maturity, average life should be utilized instead of average maturity for mortgage-backed, commercial mortgage-backed and asset-backed securities. Second by Mr. Shelton. Motion carried (7-0).

Mr. Gumm made a motion to approve the funeral benefit for Delbert Boulting in the amount of \$2,000.00. Second by Chief Connally. Motion carried (7-0).

Agenda #V - Vendor invoices. a) Mr. Gumm made a motion to pay the invoices from Citizens Bank and Trust in the total amount of \$3,363.21. Second by Mr. Lewis.

b) Mr. Shelton made a motion to pay the invoice from MCG Consulting Group, Inc. for actuarial costs in the amount of \$6,300.00. Second by Mr. Gumm. Motion carried (7-0).

Agenda #VI - Other Related Business or Issues. Handouts: Audit documents (“Financial Statements and Required Supplementary Information For the Years Ended June 30, 2021 and 2020” and “Required communications for the Year Ended June 30, 2021”) and Report from Citizens Bank and Trust for the period 1/1/22 - 1/31/22.

By general consent, the board adjourned at 4:21 p.m.

Respectfully submitted,



Paula Heyde, Secretary
Police Pension Board