

**POLICE PENSION BOARD MEETING  
(OLD HIRE)  
January 4, 2005 1:00 p.m.  
Administrative Services Conference Room, City Hall, 250 N. 5<sup>th</sup> St.**

The Old Hire Police Pension Board met on Tuesday, January 4, 2005, at 1:00 p.m. in the Administrative Services Conference Room at City Hall, 250 N. 5<sup>th</sup> St. Present were Ron Lappi, Administrative Services Director and Stephanie Tuin, City Clerk. Also present was Claudia Hazelhurst, Human Resources Manager, Shelly Williams, Administrative Specialist, and retiree Derryl Soden.

Administrative Services Director Ron Lappi called the meeting to order at 1:06 p.m.

**Minutes of Previous Meeting**

Stephanie Tuin moved to approve the minutes of the December 17, 2003 meeting. Ron Lappi seconded. Motion carried.

**Old Business**

Ron Lappi advised that the Old Hire Police Pension Fund will be the last fund to be fully funded in the State. It may be fully funded by the year 2013. It is a huge unfunded liability and the State has committed to continue payments to the fund. The State skipped a year and that means it will take about 1.5 years to catch up. With the current economic situation at the State, that may happen again.

The FPPA on the other hand is doing better, returns are doing better. Due to "asset smoothing" the improvement on returns is not seen all at once.

**2005 Police Pension Rates**

Human Resources Manager Claudia Hazelhurst distributed the 2005 Pension Rates to the board members and the pensioner that was present. She noted that there were no changes as to the list of pensioners since 2004; there are 23 pensioners and there have been no deaths. She reminded the Board that Phyllis Safford's rate is tied to the Police Records Manager position and has been frozen. There has been a 2.4% market adjustment and 2.2% increase for limited rank. The incentive adjustment of 5 to 15% for those active employees that pursued education was later reduced as no tangible advantage was perceived.

Ron Lappi moved to approve the 2005 Police Pensions for retirees. Stephanie Tuin seconded. Motion carried.

