

**POLICE PENSION BOARD MEETING  
(OLD HIRE)  
December 23, 2008 3:00 p.m.  
Human Resources Conference Room, City Hall, 250 N. 5<sup>th</sup> St.**

The Old Hire Police Pension Board met on Tuesday, December 23, 2008, at 3:00 p.m. in the Human Resources Conference Room at City Hall, 250 N. 5<sup>th</sup> St. Present were City Manager Laurie Kadrach, Jay Valentine, Assistant Financial Operations Manager standing in for the Finance Director, and Stephanie Tuin, City Clerk. Also present were John Shaver, City Attorney, Claudia Hazelhurst, Human Resources Manager and Shelly Williams, Benefits Specialist.

City Manager Laurie Kadrach called the meeting to order at 3:05 p.m.

**Minutes of Previous Meeting**

Laurie Kadrach moved to approve the minutes of the December 27, 2007. Stephanie Tuin seconded. Motion carried.

**Old Business**

Human Resources Manager Hazelhurst advised that the bi-annual Actuarial Study that was commissioned by FPPA took place in 2008. The study recommended the City's annual contribution to the funding of the unfunded liability be increased from \$288,831 to \$426,798. It had been determined that the actuarial study was no longer valid due to the downturn in the economy so the amount recommend by the Financial Operations Division and the Human Resource Division is \$312,934 which was the amount placed in the 2009 budget.

The previous year pensioners asked for certain amendments to the Plan. A study was conducted to determine the cost of the requested amendments and was included in the Actuarial Study. Pensioners asked that the surviving spousal rate be increased from 1/4 to 1/3 of the current salary of the retiree. That increase would cost the City \$866,000 total and \$114,000 annually. The second request was that pensioners' rate change from 50% to 60% of the current salary. That would cost the City \$1,000,029 total and \$131,500 per year. The cost to making both Plan amendments would be \$1,653,000 total and \$217,000 annually. Consequently, the study discourages any amendments at this time with the economy in its current state.

Laurie Kadrach moved that the Board not make any amendments to the Plan. Stephanie Tuin seconded. Motion carried.

## **New Business**

### **2009 Police Pension Rates**

The 2009 Pension Rates were distributed to the board members. Claudia Hazelhurst advised that one pensioner, former Sergeant Robert Cross, passed away in 2008 and so now his surviving spouse is on the benefit rolls. Ms. Hazelhurst advised those pensioners who completed their service prior to 1980 will receive the City's across the board increase of 1.9%. Those who were employed after 1980 will also receive the cost of living increase (COLA) of 2.9%, with the exact percentage based on their years of service.

Stephanie Tuin moved to approve the 2009 Police Pension rates for retirees as presented. Laurie Kadrach seconded. Motion carried.

## **Other Business**

There was no further business to come before the Old Hire Police Pension Board.

## **Adjournment**

Laurie Kadrach moved to adjourn. Stephanie Tuin seconded. Motion carried and the meeting adjourned at 3:30 p.m.

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Stephanie Tuin, MMC