

MINUTES

**POLICE AND FIRE RETIREMENT SYSTEM
BOARD OF TRUSTEES
OMAHA/DOUGLAS CIVIC CENTER, LEGISLATIVE CHAMBERS
1819 FARNAM STREET, OMAHA, NEBRASKA
THURSDAY, JULY 17, 2014, 1:30 P.M.**

MEMBERS PRESENT: James Sklenar, Chairperson
Aaron Hanson, Secretary
Stephen Curtiss, Finance Director
Mikki Frost, Human Resources Director
Robert Mooney, Outside Member
Franklin Thompson, City Council Member
Michael Henrich, Vice Chairperson

AMONG OTHERS PRESENT: Bernard in den Bosch, Deputy City Attorney
Anne Yirak, Human Resources Department
Zachary Wagner, Human Resources Department
Janine Kirk, Recording Secretary

SCOTT+SCOTT PRESENTATION

Mr. Don Broggi from Scott+Scott presented an overview of the services their firm provides as securities litigation attorneys. Mike Burnett from the Omaha office was available to answer questions.

After the presentation, Mr. Sklenar asked to take the agenda out of order for further discussion.

MOTION by Mooney, second by Henrich to take the agenda out of order.

VOTING: Aye: Curtiss, Frost, Hanson, Henrich, Mooney, Thompson, Sklenar
MOTION carried: 7-0

MOTION by Mooney, second by Henrich to go into Executive Session for purposes of discussing pending and potential litigation.

VOTING: Aye: Curtiss, Frost, Hanson, Henrich, Mooney, Thompson, Sklenar
MOTION carried: 7-0

Board went into Executive Session at 2:15 pm.

Board returned from Executive Session at 3:00 pm

Mr. Henrich left the meeting at 3:00 pm.

Mr. Sklenar reported the board only discussed matters of pending or potential litigation.

MOTION by Thompson, second by Mooney to return from Executive Session.
VOTING: Aye: Curtiss, Frost, Hanson, Mooney, Thompson, Sklenar
MOTION carried: 6-1 (1 absent)

MOTION by Mooney, second by Thompson to return to order of the agenda.

VOTING: Aye: Curtiss, Frost, Hanson, Mooney, Thompson, Sklenar
MOTION carried: 6-1 (1 absent)

FINANCIAL REPORT

Mr. Curtiss reported the month of June 2014 began with assets of \$584,544,289.11; total receipts for the month were \$13,486,718.59; total expenses for the month were \$5,477,138.55; leaving a balance at the end of June of \$592,553,869.15.

MOTION by Mooney, second by Thompson, to approve the financial report for June 2014.

VOTING: Aye: Curtiss, Frost, Hanson, Mooney, Thompson, Sklenar
MOTION carried: 6-0 (1 absent)

APPROVAL OF MINUTES: JUNE 19, 2014, REGULAR MEETING

MOTION by Hanson, second by Mooney, to approve the minutes of the June regular meeting.

VOTING: Aye: Curtiss, Frost, Hanson, Mooney, Thompson, Sklenar
MOTION carried: 6-0 (1 absent)

INVESTMENT COMMITTEE

Mr. Curtiss stated there was no report.

DISABILITY COMMITTEE

Mr. Hanson reported a disability application for James Wisinski is on the today's agenda. Mr. Gentile requested a layover for one month. Next month Tony Lang's disability application will be withdrawn, per his request. The Committee is also waiting on several independent medical exams and additional documentation for other applicants.

OLD BUSINESS

DISCUSSION/ACTION

DROP Interest Rate Determination

Mr. Curtiss referred to the draft of the 2010-2013 DROP interest rate, pending approval of the Board. Mr. Curtiss recommended approving the rates of 1.78% for 2012, and 6.37% for 2013. The 2011 rate of 0% was previously approved.

MOTION by Curtiss, second by Thompson, to set the DROP interest rate for 2012 to 1.78% and to set the DROP interest rate for 2013 to 6.37%.

VOTING: Aye: Curtiss, Frost, Hanson, Mooney, Thompson, Sklenar
MOTION carried: 6-0 (1 absent)

NEW BUSINESS

REQUEST FOR SERVICE CONNECTED DISABILITY

Michael Gentile

Mr. Sklenar reported that Mr. Gentile had requested his request be laid over until next month.

MOTION by Hanson, second by Mooney, to lay over Michael Gentile's request for one month.

VOTING: Aye: Curtiss, Frost, Hanson, Mooney, Thompson, Sklenar
MOTION carried: 6-0 (1 absent)

James Wisinski

Ms. Frost reported Mr. Wisinski called to indicate he could not attend the meeting but wanted to preserve his right to present additional medical information in the future. Mr. Hanson stated the independent medical exam indicated there is no medical necessity to review whether it was work related because he did not meet the component of having a permanently disabling condition. Mr. Wisinski is currently on a service retirement and worked until his retirement date with unrestricted duty. Mr. Hanson recommended denial of his service connected disability request.

Mr. Mooney indicated the Independent Medical Evaluation on page 20, "...the atrial fibrillation and PACs are unlikely to be secondary to the claimant's job duties as Firefighter/Battalion Fire Chief, and this is likely an underlying medical process unrelated to his occupation." Under the Heart and Lung Act, the medical condition must render him permanently disabled.

MOTION by Hanson, second by Thompson to deny the service connected disability for James Wisinski for heart arrhythmia based on the evidence indicating his condition is not permanently disabling and not a duty related condition.

VOTING: Aye: Hanson, Curtiss, Frost, Mooney, Thompson, Sklenar
 MOTION carried: 6-0 (1 absent)

REQUEST FOR APPROVAL SERVICE RETIREMENT DATES/PENSION AMOUNTS

Employee	Title	Age	Yrs Service	Retire Date	Pension \$
Dickerson, Jr, James	Fire Captain	50	23y	*	5,491.53

*Deferred Vested: terminated employment 5/9/14; pension effective 7/16/14

MOTION by Thompson, second by Hanson to approve the above service retirement dates/pension amounts.

VOTING: Aye: Curtiss, Frost, Hanson, Mooney, Thompson, Sklenar
 MOTION carried: 6-0 (1 absent)

REQUEST FOR APPROVAL REFUND OF PENSION CONTRIBUTIONS

Name of Deceased Employee - Beneficiary	Job Title	Date of Death	Pension Refund \$
Laura Larson – Ingrid Olson	Fire Captain	5/9/14	27,413.05
Laura Larson – Susan Bizjack	Fire Captain	5/9/14	31,981.89
Laura Larson – Amy Regan	Fire Captain	5/9/14	31,981.89
Laura Larson – Joanne Larson	Fire Captain	5/9/14	30,458.94

MOTION by Frost, second by Mooney, to approve the above refunds of pension contributions.

VOTING: Aye: Curtiss, Frost, Hanson, Mooney, Thompson, Sklenar
 MOTION carried: 6-0 (1 absent)

REQUEST FOR APPROVAL OF REFUND OF UNCLAIMED PROPERTY TO STATE OF NEBRASKA BACK TO REGULAR REFUND OF PENSION CONTRIBUTIONS

Employee	Title	Employment Start Date	Employment End Date	Refund \$
Perlman, Seth	Police Officer	11/26/2001	2/6/2002	835.69

MOTION by Thompson, second by Mooney, to approve the above refund of unclaimed property back to a regular refund of pension contributions.

VOTING: Aye: Curtiss, Frost, Hanson, Mooney, Thompson, Sklenar
 MOTION carried: 6-0 (1 absent)

REQUEST FOR APPROVAL WIDOWS' PENSION

Name of Spouse	Name of Deceased Employee	Job Title	Date of Death	Pension Effective Date	Monthly Pension \$
Hauptman, Jeanette	Robert Hauptman	Police Officer	6/26/14	6/27/14	2,500.04
Duis, Shirley	Lester Duis	Batt. Fire Chief	7/8/14	7/9/14	2,297.59

MOTION by Thompson, second by Mooney, to approve the above widows' pension.

VOTING: Aye: Curtiss, Frost, Hanson, Mooney, Thompson, Sklenar
 MOTION carried: 6-0 (1 absent)

REQUEST FOR APPROVAL CHILDREN'S PENSION

Name of Child	Name of Deceased Employee	Job Title	Date of Death	Pension Effective Date	Monthly Pension \$
Hauptman, Sarah	Robert Hauptman	Police Officer	6/26/14	6/27/14	842.99
Hauptman, Juliana	Robert Hauptman	Police Officer	6/26/14	6/27/14	842.99
Hauptman, John	Robert Hauptman	Police Officer	6/26/14	6/27/14	842.99

MOTION by Thompson, second by Hanson, to approve the above children's pensions.

VOTING: Aye: Curtiss, Frost, Hanson, Mooney, Thompson, Sklenar
 MOTION carried: 6-0 (1 absent)

REQUEST FOR APPROVAL PAYMENT OF DEATH BENEFITS

Name of Beneficiary	Name of Deceased Employee	Job Title	Date of Death	Pension Effective Date	Years of Service	Death Benefit \$
Yost, David	William Yost	Police Officer	6/5/14	7/17/87	34y, 8m	83.34
Yost, Gary	William Yost	Police Officer	6/5/14	7/17/87	34y, 8m	83.33
Yost, Patrick	William Yost	Police Officer	6/5/14	7/17/87	34y, 8m	83.34
Knudsen, Michelle	William Yost	Police Officer	6/5/14	7/17/87	34y, 8m	83.33
Schnepel, Lorraine	William Yost	Police Officer	6/5/14	7/17/87	34y, 8m	83.33
Yost, Michael	William Yost	Police Officer	6/5/14	7/17/87	34y, 8m	83.33
Chiesa, James	Reno Chiesa	Police Sgt	6/20/14	2/19/76	28y	500.00
Petersen, Kara	Scott Petersen	Firefighter	5/30/14	5/31/14	7y, 2m	71,111.04
Duis, Shirley	Lester Duis	Batt Fire Chief	7/8/14	7/9/14	32y, 10m	1,000.00

MOTION by Hanson, second by Curtiss, to approve the above death benefit.

VOTING: Aye: Curtiss, Frost, Hanson, Mooney, Thompson, Sklenar
MOTION carried: 6-0 (1 absent)

MEDICAL BILLS

Coventry Health Care of NE (admin fees)	\$ 3,334.94
Coventry Health Care of NE	\$71,738.20

MOTION by Thompson, second by Curtiss, to approve the above medical bills.

VOTING: Aye: Curtiss, Frost, Hanson, Mooney, Thompson, Sklenar
MOTION carried: 6-0 (1 absent)

DISCUSSION/ACTION

Review and Discussion of the 2010 DROP Interest Rate

Mr. Sklenar reported that in 2010, the DROP interest rate was not reduced by 50% as required. The amount needs to be corrected from the previously approved rate of 4.71% to 2.36%.

MOTION by Curtiss, second by Thompson to correct and amend the 2010 DROP rate to 2.36%.

VOTING: Aye: Curtiss, Frost, Hanson, Mooney, Thompson, Sklenar
MOTION carried: 6-0 (1 absent)

Bylaws – Order of Business

Ms. Frost recommended a committee be appointed to review and update the bylaws, which were last updated in 2002.

Mr. Sklenar established a Bylaw Committee with Ms. Frost, Mr. Thompson, Mr. in den Bosch, and Mr. Sklenar.

Executive Session - pending litigation

Executive session was already held earlier in the meeting.

ADJOURN

MOTION by Thompson, second by Curtiss, to adjourn.

VOTING: Aye: Curtiss, Frost, Hanson, Mooney, Thompson, Sklenar
MOTION carried: 6-0 (1 absent)

The July 17, 2014, meeting of the Police and Fire Pension Board adjourned approximately 3:30 P.M.

Respectfully submitted,

Janine Kirk

Recording Secretary

8/21/14

Date

Approved by a Board vote of: 6-0 (1 abstain

James Sklenar

8/21/14

Date

Aaron Hanson

Secretary

8/21/14

Date