



PENSION COMMITTEE MINUTES - PEACE OFFICER MONEY PURCHASE PLAN

May 18, 2016 2:30 p.m.

City and County Building - Council Conference Room

One DesCombes Drive

Agenda:

1. Disposition of Minutes (Chairperson) - One minute
2. New Business
 - Strategies Update - 45 minutes
 - Investment Consulting Review
 - Plan Consulting Review
 - Participant Education and Advice
 - Empower Update - 10 Minutes (Tim Bock)
1. Old Business
2. Other Business
 - Items Not Noted Above
1. Adjournment

The chairperson presides over the meeting and signs the minutes. Individuals noted in parentheses next to each agenda item are responsible for leading the discussion of the item.

Minutes:

Attendance:

Present: Employee-elected committee members Bryan Lingo, Micheal Deedon, Director of Finance Pat Soderberg and Director of Human Resources Suzanne Smith.

Others Present: Krista Rhode from Human Resources. David Halseth, Troy Jensen and Christine Kirk from Strategies. Tim Bock from Empower Retirement.

Disposition of Minutes:

The minutes of the February 16, 2016 meeting were approved. (Motion - Mr. Lingo, Second - Ms. Soderberg, unanimous acceptance).

New Business:

Strategies Update:

Mr. Halseth provided a market review from the first quarter. He noted the GDP went down to 1.4% and the unemployment rate was around 5%, but the labor force participation saw a positive trend. Interest rates rose during the end of 2015 and the projection is that they will remain steady and not rise for a period of time. Commodities did make some money in this quarter.

Mr. Halseth also provided investment observations for the plan. JP Morgan High Yield R6 (JHYUX) fell below its benchmark by 85 basis points this quarter. T. Rowe Price Instl Large Cap Growth (TRLGX) trailed its benchmark by 7.18% and fell into the tenth decile for the quarter. PIMCO Commodity Real Ret Strat Instl (PCRIX) rebounded in the quarter and landed in the second decile for the quarter and beat its benchmark by 1.33%. JP Morgan Smart Retirement Series fell into the 8th and 9th deciles for the quarter. There are no funds on the watchlist at this time.

Several fund transitions occurred within the plan on May 17, 2016

- Federated Prime Obligations Instl (POIXX) was discontinued and assets were mapped to new investment option Vanguard Treasury Money Market Fund Investor Shares (VUSXX).
- PIMCO Total return Instl (PTTRX) was discontinued and assets were mapped to new investment option Vanguard Total Bond Market Index Adm (VBTLX).
- T. Rowe Price Emerging Mkts Stk (PRMSX) was discontinued and assets were mapped to a lower-cost share class of the same fund strategy, T. Rowe Price Emerging Markets Stock Fund I (PRZIX).

Mr. Jensen provided fiduciary training and upcoming changes from the Department of Labor that have to deal with the reasonableness of participant fees. This is a heightened area of regulation, with much recent litigation between plan participants and plan sponsors and/or administrative and investment committees.

Empower Update:

Mr. Bock gave a recordkeeping updated and noted that there were five distributions for the plan in the previous quarter, totaling \$122,125 and each of these were taxable distributions made out to the participant.

Old Business: None.

Other Business: None.

Adjourn - 3:24 p.m.