



PENSION COMMITTEE MINUTES - PEACE OFFICER MONEY PURCHASE PLAN

November 17, 2016 3:00 p.m.

City and County Building - Council Conference Room

One DesCombes Drive

Agenda:

1. Disposition of Minutes (Chairperson) - One minute
2. New Business
 - Quarterly Investment Report - 45 minutes (Strategies)
 - 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, Heidi Walts, Micheal Deedon, Director of Finance Pat Soderberg and Director of Human Resources Suzanne Smith.

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

Disposition of Minutes:

The minutes of the August 8, 2016 meeting were approved. (Motion - Mr. Lingo, Second - Ms. Walts, unanimous acceptance).

New Business:

Strategies Update:

Mr. Halseth provided an economic review for the quarter and noted that the GDP was around 1.4% at the end of the third quarter and the Unemployment was fairly low around 4.9%. Domestic stocks were up 4.3% for the quarter and 8.4% year to date. Small caps outperformed the large caps for the quarter.

The plans investment observations were review by Mr. Halseth.

- Vanguard Total Bond Market Index Adm - fell into the 9th decile. The fund has minimal credit risk and longer duration compared to its peers.
- T.Rowe Price Instl Large Cap Growth - outperformed its benchmark for the quarter.
- Prudential Global Real Estate Q - trailed the benchmark and fell in to the 9th decile for the quarter and 8th decile year to date. Conservative strategy has avoided highest yielding REITs.

There are no funds on the watchlist at this time. There were two fee changes:

- PIMCO Foreign Bond (Unhedged) I - decreased its fees from 0.52% to 0.51% in the third quarter.
- PIMCO Commodity Real REt Strat Inst - increased its fees from 1.64% to 1.78% in the third quarter. Mr. Halseth noted that this is the gross fee, what they could charge, but really there was no change in the net fee.

Me. Jensen provided a plan overview for the quarter and noted that as of the end of the third quarter there were 177 participants in the plan. He stated that so far in 2016 there has been three one-on-one training dates with Kristi Sullivan and a fourth one is scheduled for this plan on December 7, 2016.

Empower Update:

Mr. Bock gave a recordkeeping updated and noted the following observations:

- Total Plan Asset balance as of the end of the quarter was \$29,034,498.
- Loan balances has significantly decreased over the past two years. As of 12/31/2014 the total amount of outstanding loans balance was \$1,039,715. As of 9/30/2016 the total amount of outstanding loan balance was \$585,588.

- There have been \$2,092,958 in distributions so far this year.

Mr. Bock also noted that the majority of the participants in the plan that are under 30 years old seem to remain in the target date funds. There is also about 10% usage in the plan in Managed Accounts.

Old Business: None.

Other Business:

Ms. Walts brought up to the committee that she has received some inquiries from participants in the plan about FPPA. Ms. Smith suggested that they do a google forms to see the interest of people in the plan. Mr. Deedon will work on putting this together.

Ms. Rhode will work on the election in December.

Adjourn - 3:46 p.m.