

**MINUTES OF A REGULAR MEETING OF THE BOARD OF TRUSTEES OF THE POLICE RETIREMENT SYSTEM HELD IN THE CONFERENCE ROOM AT CITY HALL ON WEDNESDAY, JANUARY 24, 2001, AT 1:30 PM.**

**I. ROLL CALL:**

**A. Pertained to Employees' Retirement Board**

**B. Police Retirement Board:**

The Chairman called the meeting to order at 1:40 PM.

Trustees present were Mayor Thomas Ramiccio (Chairman), Deputy Chief Patrick Hampshire (Vice Chairman), Lt. Kenneth White and Philip Blumel. Chuck Powers was absent. Also present were Board Attorney Robert Sugarman and Recording Secretary Valerie Hurley, City Clerk's Office.

**II. ADDITIONS/DELETIONS/REORDERING:**

**A. Pertained to Employees' Retirement Board**

**B. Police Retirement Board**

None.

**C. Employees' and Police Retirement Boards:**

Action: Motion made by Mr. Hampshire and seconded by Mr. Blumel to add New Business item C.1. Calculations from Trusco,(M.Calloway), New Business item C.2. New Statements from SunTrust, New Business item C-3. Proposal from Ralph Schenck, New Business item C-4. Election of secretary; and New Business item C-5. Reconsideration of DROP

Vote: 4- Ayes. Nays-none.

**III. UNFINISHED BUSINESS:**

**A. Pertained to Employees' Retirement Board**

**B. Police Retirement Board:**

None.

**C. Employees' and Police Retirement Boards:**

1. **Receive and file letters dated December 29, 2000, from Robert A. Sugarman, Esq., Sugarman & Susskind, to Michael A. Callaway, First Vice President, Merrill Lynch Consulting Services, and dated January 4, 2001, from Michael A. Callaway, First Vice President, Merrill Lynch Consulting Services, re Trusco Capital Management's Finova Bond investments**

Action: Motion made by Mr. Testa and seconded by Mr. Lepa to receive and file the letters.

Vote: 4-Aye. Nay-none

2. **Receive and file letter dated January 2, 2001, from Robert A. Sugarman, Esq., Sugarman & Susskind, to J. Stephen Palmquist, Actuary, Gabriel, Roeder, Smith & Company, requesting an actuarial study for proposed amendment to Pension Code to lower the age for vested termination benefit to normal retirement age or lower normal retirement age to 55**

Action: Motion made by Mr. Testa and seconded by Mr. Lepa to receive and file the letter.

Vote: 4-Aye. Nay-none

3. **Receive and file letter dated January 2, 2001, from Kenneth R. Harrison, Sr., Esq., Sugarman & Susskind, to Charles T. Platt, Senior Trust Officer, Oppenheimer Trust Company, re investment management agreement**

Action: Motion made by Mr. Charest and seconded by Mr. Testa to receive and file the letter.

Vote: 4-Aye. Nay-none

**IV. NEW BUSINESS:**

**A. Pertained to Employees' Retirement Board**

**B. Police Retirement Board**

1. **From, Police Department, requesting regular retirement based on the Rule of 20-years and Out, effective February 18, 2001**

Action: Motion made by Mr. Testa and seconded by Mr. Charest to grant, with regret, the request of Lt. Jeff Dean, Police Department, for regular retirement, based on the Rule of 20-years and Out, effective February 18, 2001.

Vote: 4-Aye. Nays-none.

**C. Employees' and Police Retirement Boards:**

1. **(Added) Calculations from Trusco**

Consensus was to direct Mr. Calloway to review calculations and confirm they are correct based on the approved formula.

2. **(Added) Statements of fee invoices from SunTrust.**

Consensus was to table consideration of the invoices, to permit Mr. Calloway to review and make a recommendation regarding payment based on his formulas and equity of the situation due to losses incurred.

3. **(Added) Proposal from Ralph Schenck of Moors & Cabot, Inc.**

The letter of proposal was withdrawn in order to resubmit proposal with suggested changes regarding listing of brokers for direct recapture.

4. **(Added) Election of Board Secretary to sign annual report.**

Action: Motion made by Mr. Blumel and seconded by Vice Chairman Hampshire to nominate Lt. Kenneth White to fill position of Board secretary for purposes of signing documents on behalf of the board. Lt. White was unanimously elected.

Vote: 4-Aye. Nays-none.

5. **(Added) Reconsideration of DROP**  
Consensus to reorder this item until end of agenda.

**V. CONSENT AGENDA:**

**A. Pertained to Employees' Retirement Board**

**B. Police Retirement Board:**

Action: Motion made by Vice Chairman Hampshire and seconded by Mr. Blumel to approve Consent Agenda (B) as follows:

1. **Authorize payment of invoice from Sugarman & Susskind, dated January 2, 2001, in amount of \$750.00 for retainer fee for month of January, 2001.**

Vote: 4 – Aye. Nays-none.

**C. Employees' and Police Retirement Boards:**

Action: Motion made by Vice Chairman Hampshire and seconded by Lt. Kenneth White to approve Consent Agenda (C), in its entirety, as follows:

1. **(Addition) Ratify refunds of pension contributions as reported by Finance Department, as follows:**

Checks disbursed 12/14/00:

Steve Regis, Police Department, 5 month/28 days, \$1,087.37, separated from service November 28, 2000; and

Jay H. Donde, Police Department, 3 years/11 month/26 days, \$7,471.83, separated from service November 25, 2000.

Vote: 4-Aye. Nays-none.

**IV. NEW BUSINESS C: (Reordered)**

**5. (Added) Reconsideration of DROP**

Discussion ensued regarding forcing employees out after 5 years with drop plan as it pertained to layoffs and new employees. Suggested were more options and incentives to keep good employees. Mr. Sugarman described several options.

Consensus was to request Board Attorney Sugarman to contact the actuary regarding the cost impact and report the feasibility for options as follows:

1) undrop option – keep taking contributions and employee can redrop; 2) earn interest and keep working resulting in a 2<sup>nd</sup> pension amount up to 100% earned during the years worked after original drop date; 3)back drop; 4)extend drop 10 years.

**VI. ADJOURNMENT:**

**B. Police Retirement Board**

Motion made by Vice Chairman Hampshire and seconded by Mr. Blumel to adjourn the meeting at 2:20 P.M. by unanimous vote of those members present.

**MINUTES APPROVED:** 7-23-03

  
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Mayor Rodney G. Romano, Chair  
Police Retirement Board

*for*   
\_\_\_\_\_  
Valerie Hurley, Recording Secretary  
Police Retirement Board

A tape recording of this meeting will be available in the Office of the City Clerk for two years after approval of these minutes.