

**CITY OF EAST PROVIDENCE
POLICE & FIRE RETIREMENT SYSTEM
JOURNAL**

A special meeting of the Police & Fire Retirement System Board of Trustees was held on Monday, the 27th of February, 2012 at 9:00 in Conference Room A at City Hall.

Trustees:

Lt. James Bellamy, Chairman, Fire Representative – Present
Lt. William Nebus, Police Representative – Present
John C. Neale, Retiree Representative – Present
John Bovi, Civilian Representative – Present
Bruce Rogers, Mayor-Absent
Peter Graczykowski, City Manager – Present,
Ellen Eggeman, Director of Finance, Administrator & Secretary-Present

Additional Attendees:

Betty Rynda, City Deputy Treasurer
Mike Dwyer, Wainwright Investments
Jeff Fabrizio, Wainwright Investments
Ralph Ososki, IPPO Attorney, 9:25-11:00
Mike Fallon, Plan Actuary
Mike Ursillo, Esq., arrived 10:00
Dave Janiesch, Pension Intern

The meeting was called to order at **9:07 AM**.

A. Experience Study presentation by Mike Fallon:

Adoption of Assumptions:

1. Motion to use 8% annual rate of return
By: Neale 2nd Eggeman Vote: Yea 6 Nay 0
2. Motion to use 4.25% as the annual base compensation increase
By: Eggeman 2nd Graczykowski Vote Yea 6 Nay 0
3. Motion to assume annual rate of inflation of 3%
By: Eggeman 2nd Nebus Vote: Yea 6 Nay 0
4. Motion to continue 3% annual cost of living adjustment
By:
5. Motion to accept disability rates – age related, grading from about .5% at age 25 to 3.0% at age 55
By: Graczykowski 2nd Eggeman Vote: Yea 6 Nay 0
6. Motion to accept retirement rates: after age 40 at 12% and grade up to 100% at age 60
By: Eggeman 2nd Neale Vote Yea 6 Nay 0

7. Motion to use a 1% annual termination rate
By: Graczykowski 2nd Neale Vote: Yea 6 Nay 0
8. Motion to use the RP-2000 mortality table with blue collar adjustment and do further research regarding risk group
By: Graczykowski 2nd Eggeman Vote: Yea 6 Nay 0
8. Motion to reduce the married rate to 85%.
By: Neale 2nd Eggeman Vote Yea 6 Nay 0
9. Motion to change actuarial cost method to EAN Asset Value Method
By: Neale 2nd: Eggeman Vote: Yea 6 Nay 0
10. Motion to maintain amortization of unfunded actuarial accrued liability at 30 years
By: Neale 2nd: Eggeman Vote: Yea 6 Nay 0
11. Motion to maintain current asset valuation method
By: Neale 2nd: Eggeman Vote: Yea 6 Nay 0

B. Financial Discussion

1. Review of January flash performance report.
2. Motion to hire Duff & Phelps as RIET manager:
By: Nebus 2nd: Graczykowski Vote Yea 6 Nay 0
3. Motion to move \$700,000.00 from IRM to
By: Neale 2nd Eggeman Vote: Yea 6 Nay 0
4. Motion to move \$2,500,000.00 from Rhumblin to Duff & Phelps
5. Kessler agreement distributed.

C. Proposal from Atty. Howe as QDRO attorney, \$250/hour

D. Executive Session:

Motion to enter into Executive Session:

By: Eggeman 2nd Neale vote Yea 6 Nay 0

Motion to exit Executive Session:

By: Eggeman 2nd Neale Vote Yea 6 Nay 0

Motion to seal executive session minutes

By: Eggeman 2nd Neale Vote Yea 6 Nay 0

E. Adjournment

Motion to adjourn 12:12 pm:

By: Eggeman 2nd Bovi Vote: Yea 6 Nay 0

NEXT MEETING MONDAY, MARCH 26, 2012