

BOARD OF TRUSTEES
PEACE OFFICERS' RETIREMENT, ACCIDENT AND DISABILITY SYSTEM
PUBLIC SAFETY BUILDING, DES MOINES, IOWA 50319-0050
Minutes of Meeting Held December 19, 2016

The Board of Trustees of the Peace Officers' Retirement, Accident & Disability System convened on December 19, 2016 at 2:03 p.m. Members of the Board present were Chairman Roxann Ryan, Trustee Michael Fitzgerald, and Trustee Gail Schwab. Others in attendance: John Lundquist (Attorney General's Office), Jina Bresson (Treasurer's Office), Brian Guillaume (House Democrats), Matthew Clifton (DCI), Holly Clifton, Michael Motsinger (DCI), Amy Kluender (DCI), Mitch Mortvedt (DCI), Executive Officer Jeff Ritzman, Acting Director Gerard Meyers, POR Board Secretary Linda Guffey and Recording Secretary Christal Hills (DPS Administrative Services Division).

Item 1 – Approval of minutes from POR Board meeting held November 21, 2016. Trustee Fitzgerald made a motion to approve the minutes. Trustee Schwab seconded. Motion carried.

Item 2 – Application for Service Retirement – Kelly Hindman. Lieutenant Kelly Hindman with the Iowa State Patrol has submitted an application for service retirement effective December 31, 2016. Trustee Schwab made a motion to accept the application. Trustee Fitzgerald seconded. Motion carried.

Item 3 – Application for Survivor's Benefits – Judy Naber. Retired Captain Larry Naber passed away on November 23, 2016. He retired from the Iowa State Patrol in 2003 and is survived by his wife, Judy, who has submitted a completed application and documentation for survivor's benefits. Trustee Schwab made a motion to accept the application. Trustee Fitzgerald seconded. Motion carried.

Item 4 – Application for Withdrawal of Contributions – Audrey Becker. Audrey Becker was a Trooper with the Iowa State Patrol from April 2008 to April 2012. She is a vested member and has applied to withdraw and roll over her contributions and interest from POR. Trustee Schwab made a motion to accept the application. Trustee Fitzgerald seconded. Motion carried.

Item 5 – Request for Medical Reimbursement – Kert Schnell. Accidental disability retiree Kert Schnell has requested reimbursement for \$20.00 in medical expenses related to his disabling condition that were not paid by his insurance. These were for the two items that the Board previously asked for additional documentation on, which he provided. Trustee Fitzgerald made a motion to approve payment of \$20.00 to Mr. Schnell. Trustee Schwab seconded. Motion carried.

Item 6 – Request for Medical Reimbursement – Billy Miller. Accidental disability retiree Billy Miller has requested reimbursement for \$216 in medical expenses related to his disabling condition that were not paid for by his insurance. The items have been approved in the past. Trustee Schwab made a motion to approve payment of \$216.00 to Mr. Miller. Trustee Schwab seconded. Motion carried.

Item 7 – Quarterly Performance Report – Jina Bresson. The market value of the PORS Fund on September 30, 2016 was \$421,613,913 which was an increase of \$19,713,223 from the Fund market value on June 30, 2016. For a year over year comparison, the fund has experienced an increase of \$41,708,069 since September 30, 2015. Westfield Capital had a return of 5.42% before fees. Vanguard had a return of 4.12%. Loomis Sayles had a return of 2.44%. Lord Abbett had a return of 1.35%. Fisher produced a return of 5.76% before fees. Baillie Gifford had a quarterly return of 11.48%. The quarterly return for the Principal Core Real Estate Fund was 2.05% and the Principal Enhanced Real Estate Fund produced a 2.18% return.

Item 8 – Application for Accidental Disability – Matthew Clifton. Special Agent Matthew Clifton with the Division of Criminal Investigation submitted an application for POR accidental disability benefits on September 14, 2016. He was seen by physicians at the University of Iowa Hospitals and Clinics on November 15 and November 16, 2016. Trustee Fitzgerald made a motion to approve Matthew Clifton’s Application for Accidental Disability. Trustee Schwab seconded. Motion carried.

Item 9 – State of Iowa Audit for FY 2016 – Staff. Staff provided information concerning a misstatement made by the auditor’s office when preparing POR’s “Working Trial Balance” which provides the System’s year-end financial totals to POR’s actuary for use in the annual valuation and also to the State of Iowa Accounting Team for inclusion in the state’s Comprehensive Annual Financial Report (CAFR). When completing the Trial Balance for FY16, state auditor’s office staff inadvertently included member and employer contributions for one additional pay period, which should have been attributed to FY17 on next year’s trial balance. This resulted in a misstatement of \$782,909.90. The Auditor’s Office recommended not going back to correct the misstatement for the FY16 trial balance, but make the corrections going forward by not including those contributions again next year. Patrice Beckham, POR’s actuary, was contacted and agreed that the amount didn’t significantly change the overall valuation results and that it would be costly to reissue reports. Trustee Fitzgerald made a motion to accept the auditor’s recommendation to make corrections in subsequent reporting and net out the corrections. Trustee Schwab seconded. Motion carried.

Item 7 – Open Forum. Trustee Fitzgerald spoke of upcoming pension related conferences and encouraged attendance from other Board Members. Staff advised that they would put together a list of upcoming conferences and send the information out.

- **Next POR Board Meeting** – January 17, 2017 – 2:00 p.m.
Oran Pape State Office Building, 1st Floor Public Conference Room

Adjournment. Trustee Schwab made a motion to adjourn the meeting. Trustee Fitzgerald seconded. The meeting was adjourned at 2:18 p.m.

Respectfully,



Linda Guffey, POR Secretary



Christal Hills, Recording Secretary