



Bismarck Pension & Retirement Board of Trustees

6/7/2022 - Minutes

1. Call To Order
Call To Order by Chair Leanne Schmidt at 2:00 pm.

2. Roll Call

Board Members present include:

Leanne Schmidt/HR,

Kathy Feist/Parks and Recreation

Greg Haug/Airport

Jason Tomanek/Administration

Jannelle Combs/City Attorney

Gabe Schell/Engineering

Jeff Heintz/Public Works Services

Rena Moch/Public Health

Michael McMerty/Police

Randy Ziegler/Police

Kevin Klipfel/Parks and Recreation

Christine Kujawa/Library

Keith Hunke/Administration

Dmitriy Chernyak/Finance,

Michelle Klose/Public Works Utilities

Ben Ehreth/Community Development

Joel Boespflug/Fire

Roger Marks/Police

Dave Draovitch/Police

Breann Schauer and Brandi Morrison with City HR Department attended.

Eric Lund and Tyson Lund from City Finance department attended.

Jason Stugelmeyer from City Police department attended.

Committee members absent:

Charlie Jeske/Event Center; John Brocker/Police Retiree, and Steve Marquardt/Mayor were absent.
Agenda

3. Review Of City Of Bismarck Pension Valuation Report By Gallagher Benefit Services

Report by Gallagher Benefit Services.

The review by Arthur J. Gallagher & Co. was completed by Larry McNamara, Senior Actuarial Consultant for Gallagher & Co. Mr. McNamara presented a Valuation Summary of City Pension Plan. The city pension plan is in a healthy standing as of 2021.

4. Review The Police Pension Valuation Report By Gallagher Benefit Services

Report by Gallagher Benefit Services.

The review by Arthur J. Gallagher & Co. was completed by Larry McNamara, Senior Actuarial Consultant for Gallagher & Co. Mr. McNamara presented a Valuation Summary of the Police Pension Plan. The police pension plan is also in a healthy standing as of 2021.

5. Discount Rate / Projected Rate Of Return From 7.5% To 7.25% To Match Current Market Rates (Action Item)

Due to the current economic environment and market uncertainty Dmitriy Chernyak moved to adopt a 7.25% assumed rate of return to match projected market rates over the next 20 to 30 years. Motion was seconded by Janelle Combs. The City Trustees voted 15 in favor of the motion with zero opposing. The motion to adopt 7.25% was carried.

Police Plan:

Michael McMerty moved to adopt the same 7.25% as the City of Bismarck and was seconded by Randy Ziegler. The Police Trustees voted 5 in favor of the motion with zero opposing. The motion to adopt 7.25% was carried.

6. Cost Of Living Recommendations (Action Item)

Discussion was had if the COLA should be based on certain data in the actuarial reports. Because we expect the market rates to decline, we don't project that the city will have a net pension asset in the future, and therefore it was not recommended to issue a COLA for retirees.

City Plan:

A motion was made by Keith Hunke and seconded by Janelle Combs to "Not issue a COLA for this year." Following some discussion, the City Trustees voted 15 in Favor of the motion with zero opposing. The motion to **deny** a COLA this year was carried.

Police Plan:

A motion was made by Roger Marks and seconded by Randy Ziegler to "Not issue a COLA for this year." Following some discussion, the Police Trustees voted 5 in Favor of the motion with zero opposing. The motion to deny a COLA this year was carried.

7. Discuss Need For Formal Review Of City And Police Pension Allocations

This will be reviewed later with the state review board

8. Other Business

9. Adjournment

There being no further business to discuss the pension board adjourned at 3:57 PM.

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