



Public Pension Financial Forum  
c/o Ohio Public Employees Retirement System  
277 E. Town Street  
Columbus, OH 43215  
614-222-5601

P2F2 Board Meeting  
Telephone Conference  
August 5, 2010 (2-3 p.m. EST)

*Directors present: Huelskamp, Nix, Greve, Carraher, Hewig, DeJonge and Musselman*

*Directors absent: Auten (formerly Canevari), Covarrubias*

President Huelskamp called the meeting to order at 2:05 p.m. EST. Karen Carraher made a motion to approve the minutes from the May 13, 2010, Board meeting. Michele Nix seconded the motion and the motion passed.

Dave DeJonge gave an update on the 2010 Conference. There are ten, possibly eleven, sponsors. The speakers' schedule is done with the exception of two slots; the schedule will be posted on the website. We currently have 45 registered for the conference (we are hoping for 130), with 56 registered for the hotel. Dave is checking with the hotel weekly. Debbie Wroe is back and is updating the final brochure, the bios, and the learning objectives. Gwen Ross will now be doing the email blasts. The early-bird deadline for registration is next week and the 15<sup>th</sup> for the hotel. 327 room nights must be guaranteed and we have greater than half that now. The Monday and Tuesday evening events are set and the committees are currently working on name tags, signage, and similar tasks.

Karen Carraher reported that we still have two speakers that are needed, one of which is a legislative person, maybe Keith Brainard. Luke Huelskamp asked if we had tried to get Teresa Ghilarducci. She is highly placed in the Obama administration, the author of "When I'm 64", and she had an interest in speaking a couple years ago. Ron Snell from UCSL may give an overview of what pensions have done legislatively. The second speaker needed is for the first general session and Karen asked for suggestions. She will forward the current schedule, the bios, the learning objectives, and the PowerPoints being worked on. The brochure will hopefully be done by Friday and the pre-survey should be back by next week. Karen will need to work on the lunch survey clicker session with Luke. The CPE form needs to be modified and moderators will be assigned later. Karen stated that it feels like we are behind but the quality is good. Michele Nix said that we need to tell the State Street speaker the focus of their session and they will then assign someone. Karen said Walt will call Michele.

The Board will meet 9:00 a.m. Sunday at the conference to discuss strategic planning for P2F2 for the next few years. Dave DeJonge will find a room for the meeting.

Karl Greve provided an update on the GASB Preliminary Views on Pension Accounting and Reporting for Employers. He said he would send summaries from actuaries, as well as a notice and webinar link from NCTSR. He will also send an email regarding forming a committee to respond to the Preliminary Views document on behalf of P2F2. Responses are due by September 17, 2010, so he hopes to start discussions soon. The proposed changes will make all pension funds look worse and will put a liability on the employers' books. The proposed changes will

also eliminate the ARC, making it difficult to see if employers are making their required contributions. The question was asked if anyone had contacted their employers. Karen Carraher said they had called larger employers and David DeJonge said their system had also made calls to employers. It was suggested that systems may want to contact their employers and David said that Minnesota is working on a newsletter to send to employers. The proposed changes relate strictly to an accounting approach; GASB is not discussing funding in the proposals. Karen asked about the discount rate and Karl stated that pension plans would project out their plan and if the plan would run out of funding in their projection, this unfunded portion of the plan would use a municipal bond rate as their discount rate. Different people seem to be interpreting the discount rate proposal differently and there seems to be a lot of confusion.

Karen Carraher will send the financial statements to the Board.

In a discussion regarding IRS Section 3402(t), Michele Nix, Karen Carraher, David DeJonge, and Karl Greve stated that their systems have not yet addressed this issue. Investment management fees are the biggest concern. This topic will be included in the conference survey, asking attendees if they are aware of the regulation and if they are planning to implement it. Mary Beth Braitman will address this issue at the conference.

An email received from Sean Leininger, an Information Security Specialist from CalSTRS, was discussed. He stated that CalSTRS had some individuals that were interested in using the P2F2 Member Forum but, according to WebSense and Google, the forum provider was listed for suspicious activity four times over the last ninety days. Karl said that the P2F2 Member Forum is now working.

Luke Huelskamp summarized the issue of changing the bylaws to allow for two years for Board duties (President, President-Elect, Secretary, and Treasurer), rather than the one year currently allowed. Karen Carraher stated that she is a big proponent of the change for purposes of continuity. Karl Greve, Michele Nix, and Luke agreed. Karen said that at least six months are lost with the turnover. The bylaws must be voted on by the membership and proposed changes must be posted thirty days prior to voting. The Board was unanimous in agreeing that the proposed change was a good idea. Other suggestions made included possibly staggering positions such as Treasurer and Secretary (President and President-Elect will have to be synchronized) and considering changing Board terms from three years to four years, especially since there are plenty of other opportunities for members to participate in P2F2. Luke will work on rewriting the bylaws and get them out by Monday. A two-thirds vote is required to pass a change in the bylaws. Although a thirty-day notice is required prior to the vote, the bylaws do not stipulate how the notice must be made. The proposed changes will be posted on the P2F2 website and an email blast will be sent to the membership regarding the posting and highlighting the changes proposed.

The 2011 Conference will be held on the East coast and the 2012 Conference will be held on the West Coast. Arizona, Utah, and Missouri were discussed as possible locations for the 2012 Conference. Phoenix and Tucson were mentioned along with the suggestion of possibly having the conference later due to the heat. It was suggested that the conference could be changed back and forth between October and September from year-to-year since September is a better month for some members and October is better for others. Suggestions could also be emailed. Florida and North and South Carolina were discussed as possible locations for the 2011 Conference. Savannah and Denver have been popular conference locations. Washington D.C. and Boston may be too expensive for some systems. Albany, New York, would be fine but possibly difficult

to get to. Art Hewig mentioned how nice it is to have a location like Saint Paul where you can get a direct flight.

Karl Greve will work on getting a newsletter out for review. Luke Huelskamp mentioned the likely need for articles.

With no further new business, Karen Carraher made a motion to adjourn. The motion was seconded by Art Hewig. The meeting adjourned at 2:45 EST.