

RECORD OF PROCEEDING June 6, 2019

MINUTES OF THE MEETING OF THE POLICE PENSION AND RELIEF BOARD

June 6, 2019

Members:

Commander Kathleen Bancroft
Ret. Detective Kenneth Harris
Detective Jeffrey Baran
Detective Tyson Worrell (Absent)
Laura Wachter, Deputy Manager of Safety

Investigating Committee:

Technician Jeremy Casias
Detective Mark Crider (Absent)
Sergeant Julie Wheaton (Absent)
Sergeant Tab (TJ) Davis (Absent)
Sergeant Joshua Vasconcellos (Absent)

Non-Members in Attendance:

Robert McDermott, Assistant City Attorney (Absent)
Laura Hall, Safety Human Resources
John Schnittgrund, DPRA President
Dave Metzler, DPRA Vice President

The meeting convened at 11:17 a.m.

Quorum of members are in attendance and noted for minutes.

Review of April Minutes. Motion to approve minutes of the April 4, 2019 meeting by Commander Bancroft. Detective Baran seconded. VOTE: Passed by unanimous vote.

OLD BUSINESS:

1. Pension Repayment Outstanding Amounts & Summary
 - a. Attached updated memo with current amounts and information. The amount the City is still pursuing stands at \$36,926.49.
 - b. Several updates:
 - i. One pensioner paid the settlement agreement of \$2,000 from the original \$3267.30

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- ii. Another pensioner balance of \$12,613.84 will not be pursued due to a documented hardship
- iii. The final pensioner that is being pursued is for \$36,926.49. The CAO is working on that, the individual has an attorney and discussions are happening
- iv. Of the 4 pensioners the City served complaints to, 3 did not respond in any way. These are the ones we need to discuss. The judgements were sent to these 3 in April or early May, CAO recommends we wait until July or so to begin repayments.
- v. Board asked that the CAO send certified letter to each individual confirming the overpayments will be deducted beginning on the August pension payment if they take no action.
- vi. One retiree from the original group passed away in November 2017, but it was not noted he has a surviving spouse. Laura Hall confirmed they were married in 2013.

MOTION: Motion to add the widow to the Outstanding Pension Amounts issue list and pursue action was made by Retired Detective Harris and seconded by Commander Bancroft. **VOTE:** Passed by unanimous vote.

- c. Follow-up for Laura Hall: Are there any other pensioners in payment plans from 2016 or 2017?
 - i. FPPA payroll confirmed all overpayments in 2016 & 2017 were made by checks in single payments. They do not show records of any pensioners in payment plans aside from the ones that were recently entered.

2. Vitality Check Proposal

- a. Question: what do we want to do with the retirees/widows who do not answer correspondence from Safety HR, FPPA, or DPRA?
 - i. FPPA's action for New Hires is to suspend their pension until an answer is provided
- b. Decided to come up with a policy for actions to take regarding Vitality check on retirees who do not respond
- c. Laura Hall provided a draft proposal at the June meeting
- d. Requested the Investigations Committee meet and work out their portion of the process
- e. Once Police Pension Board approves, Laura Hall will bring it to the Fire Pension Board
- f. Follow-up: Laura Wachter will research how to use Comp time/pay the Investigators for extra work for Police and Fire retirees.

DISABILITY RETIREMENTS

Scheduling a meeting in July to review outstanding Disability Retirement requests.

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WIDOW PETITIONS:

The following widow petitions were presented for consideration.

Nancy Frias' petition for widow benefits, related to Technician Mark Frias, P72015.

Niles Washer's petition for widow benefits, related to Detective Niles Washer, P70063.

Reta Stubblefield's petition for widow benefits, related to Sergeant Joe Stubblefield, P63052.

After discussion:

MOTION: Motion to **APPROVE** the widow petitions made by Commander Bancroft and seconded by Deputy Manager Wachter. **VOTE:** Passed by unanimous vote.

NEW BUSINESS:

1. Pension Plan Guidelines Proposal
 - a. Proposal notes:
 - i. Each summary will be similar to a "summary plan description" (SPD) for ERISA covered plans but will not include all of the legally required language as required under ERISA (e.g., claims and appeals procedures; statement of ERISA rights)
 - ii. Firm chosen will prepare the initial drafts- included in overall fee estimate of \$6,000 to \$7,000
 - iii. Fee estimate includes the initial draft and then a final draft to reflect any questions or comments the Boards may have
 - iv. Rank Escalation: annual fee/review of \$2,000, Scope of her services include a review of pertinent legislation, plan documentation and amendments, if any; general review of census data, review of rank escalation spreadsheets and all related consultation
 - b. Guidelines will be part of a larger manual that includes City Charters, Ordinances, HR policies and procedures, and Pension Board policies and procedures
2. Deputy Manager Wachter recommends the fee be paid from the mill levy for both (Police and Fire) Old Hire Pension Plan guidelines.

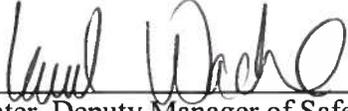
MOTION: Motion to **APPROVE** the Pension Plan Guidelines proposal made by Commander Bancroft and seconded by Deputy Manager Wachter. **VOTE:** Passed by unanimous vote.

The next regularly scheduled meeting will be held on Thursday, August 1, 2019 at 11:15 a.m.

MOTION: A motion to adjourn was made by Commander Bancroft and seconded by Detective Baran. The motion carried unanimously.

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The meeting was adjourned at 12:18 p.m.



Laura Wachter, Deputy Manager of Safety
Appointed Chair, Police Pension and Relief Board

By signing below, the Secretary hereby certifies the above minutes were reviewed and approved by a majority vote of the Pension Board members at a regular meeting held on August 22, 2019.

ATTESTED TO:



Laura Hall, Secretary

To: Old Hire Police Pension Board
From: Laura Hall, Pension Plan Administrator, Safety Human Resources
Date: August 22, 2019
Re: Pension Repayment Outstanding Amounts and Summary

As of October 2018, 228 pensioners were initially overpaid by approximately \$1,132,000. The City has now recovered a significant portion of that amount. The uncollected amount, \$344,460.21 is comprised of:

- \$99,753.45 in discounts given to early payors to encourage repayment
- \$149.40 overpayment amount that the City will not be pursuing in litigation due to the small amount
- \$267,519.58 in uncollected overpayments...
 - Two of the beneficiaries have passed away, totaling \$35,443.22, of which the City will not be pursuing the estates for these amounts.
 - An additional pensioner passed away on 3/5/2018 with no surviving spouse (■), who owed \$22,962.22.

By August 2018, the CAO obtained default judgements against two pensioners totaling \$20,843.25, another pensioner entered into a settlement and repayment agreement with the CAO for \$3,000. The remaining delinquent pensioner settled with the CAO for \$27,194.87.

- Discussion is needed on the two pensioners with judgements to determine pension withholdings to begin in September
- One widow of a delinquent pensioner that lives out of the country is also being pursued by the CAO.

With the majority of issues regarding outstanding payments resolved, the CAO submitted a notice to CliftonAllenLarsen LLP regarding the final totals of overpayments that were not collected from the pensioners. A discussion will take place with the CLA firm about resolving this matter and what amount the firm will be expected to cover. The CAO will take these steps in the next few weeks.