

RECORD OF PROCEEDING October 10, 2019

MINUTES OF THE MEETING OF THE POLICE PENSION AND RELIEF BOARD

October 10, 2019

Members:

Commander Kathleen Bancroft
Ret. Detective Kenneth Harris (arrived at 11:23 am)
Detective Jeffrey Baran
Detective Tyson Worrell
Laura Wachter, Deputy Manager of Safety (absent)

Investigating Committee:

Technician Jeremy Casias
Detective Mark Crider (Not present)
Sergeant Julie Wheaton (Not present)
Sergeant Tab (TJ) Davis (Not present)
Sergeant Joshua Vasconcellos

Non-Members In Attendance:

Robert McDermott, Assistant City Attorney
Laura Hall, Safety Human Resources
Edward Gorman, Assistant City Attorney
Ray Sibley, Director-Risk Management

The meeting convened at 11:15 a.m.

Quorum of members are in attendance and noted for minutes.

Review of August Minutes. Motion to approve minutes of the August 22, 2019 meeting by Commander Bancroft. Detective Worrell seconded. VOTE: Passed by unanimous vote.

OLD BUSINESS:

1. Pension Repayment Outstanding Summary
 - a. City Attorney finalized settlement with Clifton Larsen Allen – settlement was discussed with the Board in public session
 - b. The final settlement concludes the Old Hire Police Pension Repayment issues. Every pensioner account was repaid or entered and started repayment agreements.

RECORD OF PROCEEDING October 10, 2019

2. Risk Management Discussion

- a. The Board had several questions on the Risk Management process at the August meeting, they requested more information for how the cases come to the Board
- b. Laura Hall handed out the return of sick claim forms and the DPD Ops Manual section that pertains to return of sick
- c. Ray Sibley (Director, Risk Management) confirmed there are two main situations where an officer may apply for return of sick time through Police Pension Board:
 1. If Risk Management denies a claim for any reason, the time can be applied to be returned with the Pension Board. The Board may approve the claim after an investigation occurs, presentation, and vote by the Board; or,
 2. Once an employee reaches Maximum Medical Improvement (MMI) and further claims occur as maintenance, etc., Risk Management will still pay any medical costs, but they do not handle wage replacement. This is a state law that Risk Management abides by, they are required to pay the medical claim, but not to compensate for wage replacement. In these cases, the employee may apply through the Pension Board for wage replacement.
- ii. Mr. Sibley voiced his main concern: if sick leave is reinstated by the Pension Board for a Line of Duty injury where Risk Management never received a claim
 1. This is no longer an issue- all Pension Board Return of Time cases are first vetted by Sergeant Parsons, who ensures all other sick leave return options are exhausted before it comes to the Pension Board.
- iii. In going through this process, it was determined that per DPD OMS 505.12, the Board should consider and evaluate the officer's request for return of time, then make a recommendation to the Chief of Police or his/her designee for a final determination. Moving forward, HR will complete this process per DPD OMS. For 2019 cases, a letter will be certified by Deputy Chief Archer and included in the October 10, 2019 minutes.

3. Vitality Check Process (VCP) & Annual FPPA census

- a. FPPA completes a similar Vitality Check process for anyone over age 87. If a retiree or widow does not respond, FPPA sends the information to the HR representative for the Pension Board to follow-up.
 - i. Our VCP will begin with annual census each year- the letter with the census notes to avoid any pension payment disruption, a response is required
 1. Board reviewed 2019 census letter, provided a couple wording updates. This will be mailed in early November.
 - ii. Few of Investigators met and discussed their side of this process- Tech. Casias provided an update to the process for the Investigators section
 - iii. With these updates, we will begin the process on an outstanding Police Old Hire

RECORD OF PROCEEDING October 10, 2019

4. Pension Plan Guidelines Proposal
 - a. Rob McDermott reviewing the agreement- more to come

MOTION: Enter executive session at 11:52 a.m. for discussion of confidential information/evidence regarding disability retirements by Detective Baran, seconded by Detective Worrell. Meeting reconvened at 11:55 a.m.

After discussion of confidential information / evidence for each of the following cases during Executive Session, the following motions were made:

DISABILITY RETIREMENT APPEAL

Retired Detective, Robert Tabares' (P71090) appeal case was **DENIED**. The motion to DENY was made by Retired Detective Harris, seconded by Commander Bancroft. Passed by unanimous vote.

WIDOW PETITIONS:

The following widow petitions were presented for consideration.

Cynthia Kientz's petition for widow benefits, related to Sergeant Arthur Kientz, P65010.

Judy Golden's petition for widow benefits, related to Detective Martin Golden, Jr., P68081.

Diana Ulrich's petition for widow benefits, related to Detective Robert Ulrich, P65024.

After discussion:

MOTION: Motion to **APPROVE** the widow petitions made by Commander Bancroft and seconded by Retired Detective Harris. **VOTE:** Passed by unanimous vote.

NEW BUSINESS:

1. Laura Hall confirmed changes to the Old Hire investments began on July 1.
 - a. Due to the changes, FPPA is offering meetings to each Old Hire group to go over the new investments. Do we want one of these meetings for Police Old Hires?
 - i. Yes, Laura Hall will reach out to DPRA President, John Schnittgrund to schedule a meeting with FPPA.

RECORD OF PROCEEDING October 10, 2019

Basic summary and reasons for investment changes:

FPPA notes if we have another market drop, the pension fund will never make the money back. A market crash happened in 2008 and 10 years later, it is an even bigger problem. The Old Hire (OH) pension fund has less assets than we did in 2008 and we have a shorter timeframe. We do not want to be in this position again, because we will not make that back. FPPA does not think it is prudent to take that much risk anymore. Thus, the FPPA Board decided in March to put the OH pensions in a different investment pool than FPPA historically had them in. FPPA needs the funds to be liquid now; we cannot have funds tied up for 10 to 15 years. The longevity is great enough FPPA thinks they can continue to hold the private equity we have already bought, but we do not want to buy any more.

This change began on July 1, 2019, to create two investment pools:

1. Bond type, liquid cash investments, small amount of equity
2. Short-term pool- this will glide towards a short-term investment pool. The Denver OH plans do not need to be in there yet, but they will.

FPPA has other OH plans with 1 or 2 members left and they are going straight to short term, but OH Denver Police does not need to- yet. The expectation is FPPA will have paid out 2/3 of our assets in the next 10 years so FPPA does not have or want the OH plans in long-term or higher risk funds.

2. Old Hire Files

- a. Reminder that Safety HR moved to 200 W 14th Ave- Old Hire files are not on the 4th floor of PAB anymore, they are either uploaded to Alfresco or in the basement room next to the elevators in B2 at PAB
- b. Laura Hall will resume processing and scanning- but probably not until February
- c. Board Members noted that room floods- they will take action to get any boxes off the floor.

MOTION: Enter executive session at 12:10 p.m. for discussion of confidential information/evidence regarding disability retirements by Commander Bancroft, seconded by Detective Baran. Meeting reconvened at 12:15 p.m.

After discussion of confidential information / evidence for each of the following cases during Executive Session, the following motions were made:

DISABILITY RETIREMENT

Retired Lieutenant, John Mulligan's (P68025) case was presented. Based upon the evidence presented to the Board, a motion to take **NO ACTION**. The motion to take NO ACTION was made by Commander Bancroft, seconded by Detective Worrell. Passed by unanimous vote.

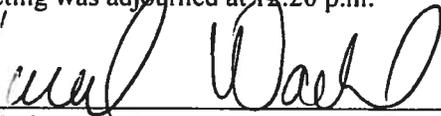
RECORD OF PROCEEDING October 10, 2019

*Note: Commander Bancroft asked HR to copy the Board when cases are assigned. This was done previously and helpful for them to know what cases were coming up. HR will update their process moving forward.

The next regularly scheduled meeting will be held on December 5, 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.

The meeting was adjourned at 12:20 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 December 5, 2019.

ATTESTED TO:



Laura Hall, Secretary



October 23, 2019

Barb Archer, Deputy Chief of Police
Laura Wachter, Deputy Manager of Safety, Appointed Chair
Kathleen Bancroft, Commander

To all:

At the meeting of the Police Pension and Relief Board held October 10, 2019, petitions for return of sick leave in the Police Department, City and County of Denver, were confirmed with the Board pursuant to Chapter C, Article 5, Section 41-1, of the Charter of the City and County of Denver.

Upon consideration of the foregoing petitions and reports of physicians who examined the petitioners, it was regularly moved and seconded that said petitions be approved and petitioners be returned sick leave as follows:

ORIGINAL/RECURRING INJURIES:

Name	Original Injury Date	Hours Returned	First day Off
Rispoli, Michael	5/2017, 6/20/18	88	8/29/18
Montgomery, Dalton	4/29/10	8	4/26/19
Freund, Robert	2/6/19	40	2/8/19

Sincerely,

Laura Hall
Laura Hall

Pension Plan Administrator
Secretary, Old Hire Police Pension Board

By signing below, the Chief of Police’s Designee hereby certifies the petitions for return of sick leave above were approved by a majority vote of the Pension Board members at a regular meeting held on October 10, 2019.

ATTESTED TO:


Barb Archer, Deputy Chief of Police
Chief of Police Designee

Human Resources | Department of Public Safety
200 W 14th Ave, 3rd Floor | Denver, CO 80204
www.denvergov.org
p. 720.913.6741 | f. 720.913.7050



To: Old Hire Police Pension Board

From: Laura Hall, Pension Plan Administrator, Safety Human Resources

Date: October 10, 2019

Re: Pension Repayment Outstanding Amounts and Summary

With the majority of issues regarding outstanding payments resolved, the City Attorney's Office (CAO) submitted a notice to CliftonLarsonAllen LLP (CLA) regarding the final totals of overpayments that were not collected from the pensioners. A discussion took place with the CLA firm about resolving this matter and what amount the firm will be expected to cover. The original overpayments totaled about \$1.2 million and all but approximately \$198,000 was collected back from the pensioners.

A settlement agreement was entered into as of September 30, 2019, between the City and County of Denver and CliftonLarsonAllen LLP and signed as of October 1, 2019, where CLA agreed to repay a claim of \$145,000. The total overpayment not collected from the pensioners totaled approximately \$198,000, so with this settlement, CLA will repay the Fund over 2/3rds of that amount.

Based on assessment by the CAO, this is the preferred pathway to making the Fund almost whole.