CALL TO ORDER

Chairman Rick ‘Bud’ Light called the meeting to order at 12:02 p.m. via Webex telephone conference. Chairman Light indicated that a quorum was present for the meeting.

ADOPTION OF THE AGENDA

A motion was made by Mr. Allen to approve the Agenda as presented and the motion was seconded by Mr. Balla. The motion carried unanimously and the Agenda was approved.

MINUTES

The Committee Members reviewed the Minutes of the January 20, 2022 Police Officers’ Defined Benefit Administrative Committee Meeting, which were distributed in advance and reviewed by Counsel.

With there being no changes or modifications, a motion was made by Mr. Allen to adopt the Minutes of the January 20, 2022 meeting as presented and the motion was seconded by Mr. Balla. The motion carried unanimously and the January Meeting Minutes were adopted.
IV. ADMINISTRATIVE MANAGERS’ REPORT

Service Pension Applications

Ms. Shah presented two (2) Service Pension Applications to the Committee for approval.

A motion was made by Mr. Allen and seconded by Mr. Balla to approve the two (2) Service Pension Applications on the attached spreadsheet for the meeting date of February 17, 2022. The motion carried unanimously and the Service Pension Applications were approved.

Beneficiary Applications

Ms. Shah presented three (3) Beneficiary Pension Applications to the Committee for approval. She noted that Dexter Dumas was previously a 1978 plan participant, but elected in 2011 to be covered under that amendment; therefore, his benefit is presented in two parts – one pre-2011 under the 1978 formula and one post-2011 using the 1% formula. The issue with his calculation is that while he was at the City, he was married but he never contributed at the spouse/beneficiary level. Past administrative practice has been that in cases where this kind of issue is discovered after the retiree’s termination, the under-contribution for beneficiary coverage is calculated and withheld from the payee’s benefit. SBA discussed the situation with the attorneys and it was decided to calculate a pre-2011 benefit for the beneficiary, but to deduct the 1% cost of beneficiary coverage from that benefit. For the second part of the benefit (post-2011), additional contributions for beneficiary coverage were not required, but the retiree should have been given the option to elect beneficiary coverage at the time of retirement, which would have resulted in an actuarial reduction to their benefit. Based on discussions with the attorneys, SBA will assume that the retiree would have elected beneficiary coverage if it had been offered at retirement so that the beneficiary is put in as good of a position as they would have been in had the beneficiary coverage been offered and elected. The under-contributions for the pre-2011 beneficiary coverage and the actuarial adjustment for the post-2011 benefit have been calculated and will be subtracted from the beneficiary’s payments.

Ms. Shah also presented information for Michael McCain who was originally a disability retiree with a 3/30/1999 effective date. On 12/12/2005, he transitioned to normal retirement at age 55 and his benefit was recalculated. However, an updated date of retirement was not entered and COLA increases were erroneously calculated based on his original disability date instead of his recalculation date. SBA recalculated the beneficiary’s benefit as 75% of the corrected amount minus $12.79 for the recoupment of overpayments made during the past 72 months.

A motion was made by Mr. Allen and seconded by Mr. Balla to approve the three (3) Beneficiary Pension Applications on the attached spreadsheet for the meeting date of February 17, 2022. The motion carried unanimously and the Beneficiary Pension Applications were approved.
Lump Sum Applications

Ms. Shah presented six (6) lump sum applications for informational purposes only.

Financial Statement

Ms. Shah presented the December 2021 unaudited financial statements prepared by SBA as informational.

Invoices for Approval

Ms. Shah presented the invoices for approval. Chairman Light asked that SBA provide a breakdown to the Committee of the additional project work it is doing, and Ms. Shah agreed to send a summary of the clean-up efforts.

Following a complete review of the disbursements, a motion was made by Mr. Allen and seconded by Mr. Balla to accept the financial statements and approve the invoices in the packet for the meeting date of February 17, 2022. The motion carried unanimously and the statements were accepted and the invoices were approved.

V. ATTORNEY’S REPORT

Neither Ms. Deppert nor Mr. Dec had anything to report.

VI. NEW BUSINESS

There was no New Business to discuss.

VII. OLD BUSINESS

Special Election for Active Representative Position

Ms. Shah updated the Committee that the special election is taking place this week and results will be presented to the Investment Board at the meeting on February 23, 2022, after which the winners will be notified.

Overpayment Update

Ms. Shah noted that one new overpayment to Roderick Turner had been discovered as part of the SBA data clean-up project. Mr. Turner retired 5/29/2008, but had his date of birth (5/16/1953) mistakenly entered as his retirement date in Zenith’s system. This resulted in the COLA being overstated for all prior years of payment. The total overpayment is $72,094.44, but limiting the
overpayment to the last 72 months brings the total to $53,184.04. When the overpayment is repaid over the retiree’s lifetime, the resulting benefit amount is 81% of the amount that the retiree had been receiving prior to correction, so the overpayment will be recouped. After this meeting, SBA will send an overpayment notice to Mr. Turner with the change effective 3/31/2022. This will give Mr. Turner time to appeal to the Investment Board in March prior to the change taking effect if he chooses.

VIII. QUESTIONS AND COMMENTS FROM AUDIENCE

There were no questions or comments from the audience.

IX. DATE OF NEXT MEETING

The Committee agreed to hold the next meeting via teleconference on March 17, 2022 at 12:00 p.m.

X. ADJOURNMENT

With there being no further business to be brought before the Committee at this time, a motion was made by Mr. Allen and seconded by Mr. Balla to call for adjournment at 12:40 p.m. This motion passed unanimously and the meeting was adjourned.

Respectfully Submitted,

_____________________________
Richard ‘Bud’ Light, Chairman

These Minutes were adopted on ________________________, 2022.