

CITY OF MARIETTA/BLW PENSION BOARD MEETING

Wednesday, November 14, 2018
9:00 AM – Fourth Floor City Hall Conference Room

MEETING MINUTES (UNOFFICIAL UNTIL APPROVED)

Members Present: Rich Buss Cheryl Richardson
Yvonne Williams Rick Steffes
Bill Bruton Joseph Goldstein
Steve Kish Patina Brown
Bobby Moss

Absent: N/A

Ex Officio Members: Davy Godfrey – Pension Board Secretary and Director, Human Resources & Risk Management
Sam Lady – Pension Board Treasurer and Finance Director
Tim Milligan – Fire Chief

Visitors / Guests Scott Arnwine – Gavion
Jacob Peacock – AndCo Consulting
Read Gignilliat and Patrick Lail – Elarbee Thompson
Elizabeth Jacobs – Benefits Manager
Beth Keller – Deputy Director of Finance
David and Gwenn Jenkins – Disability Retirement Applicant
Ed Koebel – Cavanaugh Macdonald Consulting
Andrew Beal and Michael Glosup – Buckley Beal LLP

CALL TO ORDER:

Chairman Bobby Moss declared a quorum and called the meeting to order at 9:02am. He immediately moved item 10 related to the disability retirement appeal hearing for David Jenkins up to number 2, and item 9, Legal Matters, up to number 3, without objection from the board.

BUSINESS:

LEGAL MATTERS:

Chairman Moss recognized attorney Read Gignilliat, who then advised the board that David Jenkins, through his attorney, Andrew Beal, has requested to withdraw his current application that was based on orthopedic issues and be allowed to resubmit it as a neurologically-based application. After some discussion with Beal and Gignilliat, Gignilliat stated that he had some other issues to address in an executive session.

A motion was made by Member Brown to go into executive session and seconded by Member Kish.

The motion carried by the following vote: 9-0-0.

A motion was made by Member Richardson to come out of executive session at 10:30am and seconded by Member Williams.

The motion carried by the following vote: 9-0-0.

A motion was made by Member Goldstein:

I move that Mr. Jenkins be permitted to file a second application for disability pension benefits based solely on neurological grounds, to completely replace and supersede the current application that is based on solely orthopedic grounds. My motion includes that Mr. Jenkins' second application would relate back to the date of the first application and would therefore be considered timely but that if benefits are awarded, there would be no retroactive award beyond the date on which the second application is actually filed. In other words, Mr. Jenkins' entitlement to back-benefits would extend only back to the date of his second application and no further. Mr. Jenkins has represented to the Board that he has agreed to stipulate to this limitation on the potential award of back-benefits, and I am making this motion contingent upon that stipulation. Current medical records remain in the record. Finally, my motion includes that Mr. Jenkins be given until 5:00pm on November 30, 2018, to file the second application, and that once filed, his second application would be processed in the normal course.

The motion was seconded by Member Richardson.

*The motion carried by the following vote: **8-1-0 (Member Brown voting against).***

After the vote, there was continued discussion regarding Mr. Beal requesting that the application be revisited on neurological grounds, but he didn't want to be foreclosed from discussing the orthopedic conditions as they relate to the neurological condition. Gignilliat relayed that Mr. Beal wants to establish a neurological disability and then enter in any other evidence that supports that. He further stated that the Board could choose not to accept any evidence that conflicts with the motion.

Gignilliat then gave an overview of the case regarding the pension forfeiture hearings for two former employees, Shantel Bowens and Debbie Bailey, because of their convictions of a public employment-related crime. The AG's office, which serves as the counsel of record for the Pension Board, has taken the position that the Georgia statute doesn't apply to federal convictions and that the petitions should be withdrawn. Gignilliat explained to the Board that he sees that as incorrect and that everything is in front of the judge for a decision. Gignilliat thought that we'd get a quick decision from the judge, but nothing has happened thus far.

Gignilliat then briefed the Board on the case of a deceased retiree, Bobby Busby. Mr. Busby did not attempt to change his beneficiary, and it has been common practice to not allow changes after retirement. It was determined that Mr. Busby's beneficiary was his ex-spouse, but his daughter didn't agree with that, and even kept the October 2018 payment although Mr. Busby died on September 28. She has stated she would not return the payment. Much discussion was held regarding the fiduciary responsibility of attempting to collect the overpayment, whether a payment plan could be implemented, and enforcement actions. The Board's consensus was to allow Secretary Godfrey to attempt to collect the overpayment via a payment plan.

Gignilliat then provided the Board an overview on the Michael Rigo case, as well as the settlement offer he received through Rigo's attorney. Rigo has offered to drop his lawsuit if we begin paying him his normal pension amount. Extensive discussion held, but the consensus was to reject the offer and make a counteroffer that required full repayment of what Rigo owes the pension plan. Chairman Moss directed Mr. Gignilliat and Secretary Godfrey to formulate a counteroffer requiring full repayment.

Chairman Moss excused Mr. Gignilliat.

MINUTES:

August 8, 2018, Regular Meeting

A motion was made by Member Bruton to approve the August 8, 2018, Regular Meeting minutes and seconded by Member Goldstein.

The motion carried by the following vote: 8-0-1 (Chairman Moss abstained).

GENERAL PENSION REPORT – Gavion, LLC:

Chairman Moss recognized Scott Arnwine from Gavion, who presented the General Pension Report for the 3rd quarter of calendar year 2018.

SUPPLEMENTAL PENSION REPORT – AndCo Consulting:

Chairman Moss recognized Jacob Peacock from AndCo Consulting, who presented the Supplemental Pension Report for the 3rd quarter of calendar year 2018. Peacock reiterated that the participant survey would go out after participants have been with ICMA-RC for one year (March 2019). Peacock also presented a chart detailing the up and down trading days in the past 10 years, indicating that making hasty moves of funds can hurt one's overall account if one misses out on the best days.

SECURITIES MONITORING:

Secretary Godfrey relayed the response from SunTrust that they don't have a good mechanism to match the reports received by KTMC to the claims filed and money received. He stated that he would continue to look into the matter.

RETIREMENT APPLICATIONS – Secretary Godfrey:

1. Effective 8/1/2018
Thomas Pellegrino
Consolidated Plan – Term Vested Normal
Joint Survivor 100% w/Pop Up
Total Credited Service – 11 Years
Employed: 9/8/1987 – 10/19/1995
Monthly Benefit: \$1,023.10
Assistant City Manager
2. Brinson Williams - Effective 8/1/2018
Consolidated Plan – Unreduced Early
Single Life Option
Employed: 8/24/1989 – 7/31/2018
Total Credited Service: 28 Years 11 Months
Monthly Benefit: \$5,064.14
Fire Station Commander
3. James Pritchett – Effective 9/1/2018
Consolidated Plan - Early
Joint Survivor 50% w/Pop Up
Employed: 6/16/1977 – 2/21/1980 & 8/22/2005 – 8/31/2018
Total Credited Service: 15 Years 7 Months
Monthly Benefit: \$962.32
Inspector Bldg Trades

4. Douglas Gruber – Effective 9/1/2018
Consolidated Plan – Term Vested Early
Single Life Benefit
Employed: 10/26/1989 – 11/14/2000
Total Credited Service: 11 Years
Monthly Benefit: \$410.18
Police Officer
5. Clifford Kelker – Effective 9/1/2018
Consolidated Plan – Unreduced Early
Joint and Survivor 50% w/Pop Up
Employed: 10/10/1991 – 08/31/2018
Total Credited Service: 26 Years 10 Months
Monthly Benefit: \$3,848.83
Police Major
6. Ricky Morris – Effective 9/1/2018
Consolidated Plan – Unreduced Early
Single Life Benefit
Employed: 1/19/1989 – 8/31/2018
Total Credited Service: 29 Years 7 Months
Monthly Benefit: \$4,035.81
Supervisor of System Design – Electrical
7. Angela Henry – Effective 10/1/2018
Consolidated Plan – Term Vested Early
Single Life Benefit
Employed: 01/04/1999 – 05/15/2004
Total Credited Service: 5 Years 3 months
Monthly Benefit: \$196.61
Police Records Clerk
8. Glen Ellis – Effective 10/1/2018
Consolidated Plan – Term Vested Early
Single Life Benefit
Employed: 07/21/1983 – 05/17/1996
Total Credited Service: 12 Years 9 months
Monthly Benefit: \$478.97
Electrical Line Worker

A motion was made by Member Brown to approve the retirement applications and seconded by Member Williams.

The motion carried by the following vote: 9-0-0.

Secretary Godfrey advised the Board of the 2018 COLA for 4022 Public Safety retirees, and also presented a report detailing all annual COLA amounts since 1991. Chairman Moss questioned how many participants are left on the 4022 plan, and Godfrey answered that there are three remaining who are public safety, and one general employee who is terminated vested.

NEW BUSINESS:

Legislative Update – Secretary Godfrey:

Secretary Godfrey presented Ordinance 8049 that was passed by council October 10, 2018. This ordinance updated the eligibility for participation to clean up the section on elected officials.

FUTURE ESTABLISHED MEETINGS:

February 13, 2019, 9:00am: Regular Meeting

Chairman Moss recognized Rick Steffes’s service on the Board

ADJOURNMENT:

A motion was made by Member Brown to adjourn the meeting and seconded by Member Richardson.

The motion carried by the following vote: 9-0-0. Meeting was adjourned at 12:18pm.

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APPROVED THIS _____ DAY OF _____, 2019

Bobby Moss, Pension Board Chairman

ATTEST:

Davy Godfrey, Pension Board Secretary