

**Spokane Firefighters' Pension Board
Meeting Minutes
July 2, 2015**

Council President Ben Stuckart called the regular meeting of the Spokane Firefighters' Pension Board to order at 9:04 a.m. in the 4th Floor Conference Room 4A of City Hall.

Board Members Present: Ben Stuckart, Michael Allen, Clive Jones, Dan Brown, and Gregory Haff

Absent: Terri Pfister, City Clerk and Moloney & O'Neill representative

Staff Present: Kristine Redmond, Benefits Specialist and Phillip Tencick, Retirement Director

Visitors Present: Dr. Leonard Vanderbosch

Session A – Executive Session

The Board moved into Executive Session at 9:04 a.m. for approximately 15 minutes, with appropriate representatives and staff present.

Disability Reports

Disability Reports—April 25, 2015 – June 22, 2015

Claims

1. Foreign Claim (Guatemala) – Request for Approval for Lab and Prescription, including Ratification of March 23, 2015, Email Vote: \$404.08
2. Skilled Nursing Home \$9694.86

Other Executive Session Business

None

Executive Session Adjourned

The Executive Session adjourned at 9:10 a.m., and the Board immediately reconvened into Open Session.

Session B – Open Session

Disability Reports

Clive Jones moved and Dan Brown seconded the motion to approve the April 25, 2015 – June 22, 2015 disability reports. The motion passed unanimously.

Claims

Foreign Claim (Guatemala) – Request for Approval for Lab and Prescription, including Ratification of March 23, 2015, Email Vote: \$404.08

Dan Brown moved and Clive Jones seconded the motion for unpaid lab and prescription for pensioner in Guatemala (including ratification of March 23, 2015, email vote) - \$404.08. The motion passed unanimously.

Skilled Nursing Home: \$9,694.86

Clive Jones moved and Dan Brown seconded the motion to pay (the pensioner's claim for skilled nursing home at semi-private rate for June and July - \$9,694.86). The motion passed unanimously.

Minutes – March 5, 2015

Clive Jones moved and Dan Brown seconded the motion to approve the May 14, 2015, Board meeting minutes. The motion passed unanimously.

Confirmation of Pension Roll, Administration Expense & Medical Bills Reports and Schedule of Cash and Investments Reports

Following Board and staff commentary, Clive Jones moved and Dan Brown seconded the motion to approve the April 1, 2015 –May 31, 2015 pension roll, administration expense, and medical bills reports. The motion passed unanimously. Also included in the Board's packet for review was the Schedule of Cash and Investments Report.

Medical and Dental Claims and Experience Reports

The medical and dental claims reports (actual to budget) from April 1, 2015 – May 31, 2015 and (Premera) experience report were in the packets for review. No action was taken by the Board to approve the reports.

During review of the reports, Board and staff discussion was held regarding the payment process for claims. Subsequently, Clive Jones moved and Dan Brown seconded the motion (as presented by Ben Stuckart) that if staff of Fire LEOFF 1 Board turns in a claim and staff has knowledge that Premera will reject it (the claim), the (benefits) administrator has the Board's approval for payment, with invoice/receipt of payment being sufficient (as going to Retirement for processing the payment). Motion carried 3 – 0 (with Mike Allen abstaining). Mike Allen stated he abstained from voting as he doesn't feel he has enough information without first having a City legal opinion on this.

Board Rule – Adoption Rule 2, Section 5 Hearing Aids.

Kris Redmond presented a proposed rule change to the Board's Rule on Hearing Aids as suggested by Bob Strike and Bob Belles of Moloney and O'Neill, which would mirror the language that currently appears under "Vision." The proposal would change Section 5.A.1 regarding "Hearing Aids" to read: "Digital aids shall be provided according to the current third party administrator as outlined in the Summary Plan Description. Phillip Tencick recommended adding in hearing aid cleaning to the rule. Ben Stuckart suggested moving "D" and "E" down (with "D" being changed to "E" and "E" becoming an "F") and making a (new) "D" that is for cleaning. After further discussion, Ben Stuckart stated the motion would be to adopt the new language (as presented by Kris Redmond) plus add a section "D" on cleaning at L&I rates. Clive Jones moved and Dan Brown seconded the motion as stated by Ben Stuckart to adopt the new language plus add a section "D" on cleaning at L&I rates. The motion passed unanimously.

Board Rules Committee

A Board Rules Committee is being created to review and update the Board Rules. Clive Jones and Dan Brown volunteered to serve on the Rules Committee.(See below for additional comments under "Legal Opinion" regarding the Rules Committee.)

Deaths of Fire Pensioners / Fire Pensioner's Widow

Death of Fire Pensioner
David Fish, Firefighter
Age 83, Died May 28, 2015
After 22 years and 10 months service time
Pension Continues to Spouse
\$500 funeral benefit

Other Board Business

July COLA – 2 percent (Ratification of June16 Email Vote)

Prior to June 30 of each year, the Board must approve the July COLA amount for those pensioners not receiving wage increases based on current salary. The CPI index for Seattle-Tacoma-Bremerton is used. For 2015, that index provides for 1.9% increase. This is less than the 2% increase that is guaranteed by RCW 41.26.250. Staff is requesting the Board approve a 2% increase for July 2015 COLA (and thereby ratify its previous vote by email). Kris Redmond commented that other Boards in other jurisdictions do not vote because it's a mandatory increase, and she left it up to the Board if it would like to treat this as information rather than vote on it. Clive Jones indicated he would like to vote. The Board immediately moved on to the next topic and no further discussion was held or action taken on this matter. The email vote reflected five Board Members voting in favor of the increase.

Legal Opinion

Mike Allen inquired if the Board has to make a formal request of its fiduciary to obtain a legal opinion as to how the fiduciary (Retirement Director) participates in the Board process. He stated he just wants to make sure this gets done. Phillip Tencick mentioned there are past legal opinions. Also, the legal opinion of the Board's attorney (J.E. Fischnaller) was referenced, which discussed payment of medical claims; and this opinion was distributed at the meeting for the Board's review. Clive Jones indicated that if the fiduciary doesn't get a legal opinion, it will go the Board's way; and so it's up to the fiduciary if he doesn't like the process (to seek a legal opinion).

Ben Stuckart indicated it would be good if the Rules Committee over the next few months met a couple of times and started working on these exceptions (to payment of medical claims) that have come up so that we can start building the book (Board Rules) so that we don't have this conflict in the future [between the fiduciary (retirement director) and the benefits administrator]. Phillip Tencick indicated his goal is to align the procedures with the policies (Board Rules) and he feels there are some gaps. He further stated he would like to see things aligned and in order.

Next Meeting

The next meeting of the Board will be held September 3, 2015.

Adjournment

There being no other business, the meeting adjourned at 9:55 a.m.

Approved by the Spokane Firefighters' Pension Board on September 3, 2015.

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Kristine Redmond, Benefits Specialist

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Terri Pfister, Secretary and City Clerk