

**POLICE AND FIREMEN'S RETIREMENT FUND
CITY OF RICHMOND HEIGHTS,
MISSOURI**

REGULAR MEETING, April 29, 2021

A regular meeting of the Board of Trustees of the Police and Firemen's Retirement Fund was held on Thursday, April 29, 2021, commencing at 11:45 A.M in the second floor Council Chambers at City Hall and also via Zoom video conferencing meeting. Present were Chairman Gerry Rohr, City Manager Amy Hamilton, Tim Day, Danny Hebenstreit, Mike Jones, and Steve Niemeier. Steve Holmes was necessarily absent. Jody Simpson, RN, Executive Director, Disability Services with the University of Massachusetts Medical School joined the meeting at 12:15 via Zoom. The meeting was recorded by Sara Fox.

Vice Chairman John Soltysiak Resignation

Mr. Rohr stated that Vice Chairman John Soltysiak resigned from his position on the Board. Mr. Soltysiak's resignation was due to his submittal of an application for Duty Disability Benefits. Mr. Soltysiak's application is a meeting agenda item.

**Firefighter/Paramedic Steve Niemeier
New Board Member**

Mr. Rohr introduced Firefighter/Paramedic Steve Niemeier as the new Fire Department representative on the Board.

CITIZEN COMMENTS

None.

NEW BUSINESS

None.

APPROVAL OF MINUTES

October 20, 2020

Mr. Day moved, Mr. Hebenstreit seconded, a motion of approval of the minutes of the October 20, 2020 meeting. Motion carried.

ACCOUNTS PAYABLE

MAPERS – Annual Dues	\$ 100.00
Daniel & Henry – Fiduciary Insurance Renewal	\$ 4,550.00
James Dahm – Total Performance Setup & Review 09/30/20	\$ 5,000.00
Gabriel Rhoder Smith – 07/01/18 GASB 68 Actuary Report	\$ 5,500.00

Ms. Hamilton moved, Mr. Jones seconded, for the approval of the Accounts Payable as submitted and be received and filed. Carried unanimously.

FINANCIAL STATEMENTS

Total Fund Assessment – Quarter ending September 30, 2020
Total Fund Assessment – Quarter ending December 31, 2020
Commerce Trust Quarterly Report at December 31, 2020
Commerce Trust Quarterly Report at March 31, 2021
AJO Funds October 2020 Statement
AJO Funds November 2020 Statement
AJO Funds December 2020 Statement
AJO Funds January 2021 Statement
AJO Funds February 2021 Statement
AJO Funds March 2021 Statement
Eastern Shore January 2021 Statement
Eastern Shore February 2021 Statement
Eastern Shore March 2021 Statement
Grandeur Peak January 2021 Statement
Grandeur Peak March 2021 Statement
Silchester International October 2020 Group Trust Report
Silchester International October 2020 Statement
Silchester International November 2020 Group Trust Report
Silchester International November 2020 Statement
Silchester International December 2020 Group Trust Report
Silchester International December 2020 Statement
Silchester International January 2021 Group Trust Report
Silchester International January 2021 Statement
Silchester International February 2021 Group Trust Report
Silchester International February 2021 Statement
Silchester International March 2021 Group Trust Report
Silchester International March 2021 Statement
Vanguard October 2020 Total Return Chart
Vanguard October 2020 Statement
Vanguard November 2020 Total Return Chart
Vanguard November 2020 Statement
Vanguard December 2020 Statement
Vanguard January 2021 Total Return Chart
Vanguard January 2021 Statement
Vanguard February 2021 Total Return Chart
Vanguard February 2021 Statement
Vanguard March 2021 Total Return Chart
Vanguard March 2021 Statement

Mr. Day moved, Ms. Hamilton seconded, for the approval of the Financial Statements as submitted and be received and filed. Carried unanimously.

OLD BUSINESS

None.

NEW BUSINESS

Mike Jones Reappointment

Mr. Rohr stated that Mike Jones has been reappointed to the Pension Board. Mr. Jones' term will end December 1, 2022. Mr. Rohr thanked Mr. Jones for his many years of service on the Board.

Fire Battalion Chief John Soltysiak Duty Disability Application

Mr. Rohr stated that Fire Battalion Chief John Soltysiak submitted his Application for Duty Disability Retirement. Mr. Soltysiak declared Post-traumatic stress disorder (PTSD) as his disability.

Mr. Rohr stated that he and Ms. Fox discussed the Independent Medical Evaluation (IME) process. The need to obtain three physicians in the field of the applicant takes time, even when the disability is obvious. It is necessary to contact multiple physicians as many are not interested in providing this service. Ms. Fox contacted LAGERS and asked how they obtain IMEs for PTSD duty applications. Ms. Danielle Wilbers with LAGERS informed Ms. Fox that they use the University of Massachusetts (UMASS) for all of their disability applications, regardless of the reason for the disability. Ms. Jody Simpson, RN, Executive Director, Disability Services with the UMASS Medical School joined the meeting to provide a presentation to the Board of their IME process.

University of Massachusetts Medical Evaluation Presentation

Ms. Jody Simpson the Executive Director, Disability Evaluation Services UMASS Medical School, joined the meeting at 12:15 p.m. to provide a presentation of their services and fees.

UMASS has been providing disability evaluations since 1998 for Federal and State Medicaid disabilities. They have provided this service to public retirement systems over the past five to six years.

The UMASS Recommendation Model makes them different than other agencies. Within the model there are approximately 150 staff members, half of which are clinical staff. There are approximately 30 psychiatrists and physicians of every specialty on staff. There are also registered nurses, and vocational rehab counselors. There are approximately 50 multi-lingual support staff. All staff are experienced working with people with disabilities. All staff receive a six month to one-year competency-based training program before being a reviewer. Reviews are regulatory driven, it is important to receive training

before becoming a reviewer as some of the review process cannot be learned in a classroom.

Applications are reviewed as a team. The administration staff review the file to ensure that medical records have been received so the psychiatrists or physicians can review the case. If all of the records have not been received UMASS staff can assist in obtaining the records by contacting the applicant or the applicants treating physicians directly, or the Board can forward the records to UMASS.

UMASS has a robust quality assurance program. The review goes through a quality control management team. The team checks to make sure that the file is complete and that the findings are consistent with the functionality report. Then the report is forwarded to the Pension Board.

UMASS provides a holistic picture as opposed to a one visit snapshot that three independent physicians would provide. You don't get a true sense of the applicant's functionality based on one day. UMASS relies on objective evidence from the applicant's own treating physician. This provides the best source of medical evidence and the nature and severity of the impairment. It provides a more complete picture compared to a one-time exam.

UMASS can also provide IME or IPE (Independent Psychological Exam) exams. Missouri physicians or physicists, which UMASS works with, would be used. IMEs/IPEs are typically used when; sufficient evidence is not available, the applicant does not have a treating physician or they are uncooperative, the evidence received is inconclusive, if specialized testing is required, or if the Board requests additional IME/IPE. Fewer than five percent (5%) of flexible retirement plans, which UMASS has worked with, request an IME/IPE. UMASS staff can provide the IME/IPE service or they can setup an appointment with a professional in the applicant's area.

Mr. Day requested that one Independent Psychological Exam (IPE) from a local professional be included in UMASS's evaluation.

UMASS relies heavily on the applicant's treating physician's records. UMASS staff reviews the medical records in their entirety and bases their recommendation off the treating physician's records. The reasons why the review is performed primarily from the treating physician's records: The applicant has been going to their physician over a period of time before applying for disability benefits. The treating source's treatment context is unbiased. The applicant would not have to talk with any additional physicians. The treating physician has been treating the applicant over a long period of time. They know medications the applicant is on, if there was a triggering event, cumulative events, childhood depression, etc.

Ms. Hamilton asks how long the review process will take.

Ms. Simpson stated that it will take 21 days after all of the medical records have been received.

Ms. Hamilton asked if there is a contract that the Board would sign?

Ms. Simpson confirmed that there will be contract. A draft contract is being prepared for the Pension Board. It should be available by the close of business today.

Ms. Hamilton stated that she was impressed with UMASS's service.

Mr. Rohr agreed and noted that their turnaround time was much quicker than the current internal process. He thought that using UMASS makes a lot of sense going forward.

Ms. Fox noted that, if the Board continued to use the current process, PTSD applications could require extensive regulatory research so the Board would know the appropriate questions to ask three IPEs. UMASS already has that knowledge so a more speedy and efficient process would be possible.

Ms. Hamilton asked what UMASS's fees are?

Ms. Fox replied that she received an email stating their base rate is \$760 per case. The base rate includes a functionality assessment and an own occupation recommendation on disability completed by an internal CWM physician for a case with 200 pages or less. There would be an additional fee for other services, such as a complete vocational analysis for an occupation recommendation on disability. There is also a onetime startup fee of \$5,000.

Ms. Hamilton recommended that the Board vote to authorize Mr. Rohr to sign the contract once it has been perfected. A copy of the contract can be emailed to the Board.

The Board discussed using three UMASS IPEs and one IPE from the St. Louis area. UMASS will review all of the medical records, one St. Louise area IPE, and three UMASS IPEs to provide a final recommendation to the Board. This will give the Board three IPEs as required by the Plan. One IPE from the applicant's physician's medical records, one IPE from the St. Louis area, and the IPEs provided by UMASS physicians.

Ms. Hamilton moved, Mr. Hebenstreit seconded, for Mr. Rohr to sign the perfected contract on behalf of the Board and also to obtain three UMASS Independent Psychological Exams (IPE) and one IPE from a Psychiatrist in the St. Louis area. Carried unanimously.

(Let the record show a copy of Ms. Simpson's Power Point Presentation is attached as record of the April 29, 2021 meeting).

**Firefighter/Paramedic Shane Marhanka
Contribution Refund**

Firefighter/Paramedic Shane Marhanka's last day with the City of Richmond Heights' Fire Department was November 20, 2020. Mr. Marhanka's contribution refund is \$2,473.38. Mr. Marhanka's refund is pending distribution.

**Firefighter/Paramedic Eric Stegmann
Contribution Refund**

Firefighter/Paramedic Eric Stegmann's last day with the City of Richmond Heights' Fire Department was November 21, 2020. Mr. Stegmann's contribution refund is \$4,293.23. Mr. Stegmann has received his refund.

**Firefighter/Paramedic Kevin McCarthy
Contribution Refund**

Firefighter/Paramedic Kevin McCarthy's last day with the City of Richmond Heights' Fire Department was February 20, 2020. Mr. McCarthy's contribution refund is \$4,926.38. Mr. McCarthy's refund is pending distribution.

**Police Officer Darren Shaw
Contribution Refund**

Police Officer Darren Shaw's last day with the City of Richmond Heights' Police Department was April 11, 2020. Mr. Shaw's contribution refund is \$2,837.51. Mr. Shaw has received his refund.

**Police Officer Joshua Bennett
Contribution Refund**

Police Officer Joshua Bennett's last day with the City of Richmond Heights' Police Department was May 3, 2020. Mr. Bennett's contribution refund is \$3,389.30. Mr. Bennett has received his refund.

New Hires:

**Firefighter/Paramedic FF/P Shawn Betar
Firefighter/Paramedic Alexis Shady (Cadet)
Firefighter/Paramedic Kenneth Kaibel (Cadet)
Firefighter/Paramedic Garrett Railey
Police Officer Timothy Moore
Police Officer Anthony James (Cadet)
Police Officer John 'Cooper' Tandy (Cadet)
Police Officer Michael Nauman (Cadet)**

The Fire Department welcomed four new employees. Firefighter/Paramedic Shawn Betar's start date with the department was January 12, 2021. Firefighter/Paramedic Garrett Railey's start date with the department was February 24, 2021. Firefighter/Paramedic Alexis Shady was hired on January 4, 2021 and Firefighter/Paramedic Kenneth Kaibel was hired on March 8, 2021. Ms. Shady and Mr. Kaibel began as Cadets in the Fire Academy. They graduated the academy and began working a regular shift with the department in early April.

The Police Department welcomed four new employees. Police Officer Timothy Moore's start date with the department was April 5, 2021. Three Cadets were also hired. Anthony

James hired April 5, 2021, John 'Cooper' Tandy hired April 5, 2021 and Michael Nauman hired April 19, 2021. All three Cadets are currently attending the academy. They will graduate in June 2021 and will begin working in the Police department thereafter.

Deceased Retiree Ray Stoverink

Retired Fire Captain Raymond Stoverink passed away On January 2, 2021. Mr. Stoverink was survived by his wife Sharon Stoverink. Mrs. Stoverink received a lump sum death benefit in the amount of one thousand dollars to assist with burial costs. She will also receive a monthly surviving spouse benefit of \$1,022.

Board of Trustees Election

Mr. Day moved, Ms. Hamilton seconded, that Mr. Rohr be elected as the Chairman, Mr. Niemeier be elected as the Vice Chairman, and Ms. Fox be elected as the Secretary. Carried unanimously.

Fiduciary Insurance Policy

A copy of the 2021 Fiduciary Insurance Policy was provided to the Board.

Gabriel, Rhoeder, Smith, & Co. Actuary GASB 68 Report

The GASB 68 Employer Reporting Accounting Schedules Actuary Report at July 1, 2020 was provided to the Board.

COVID-19 Duty Related Death Benefits

On April 8, 2020 Mr. Rohr sent an email to the Pension Board asking them to electronically vote on COVID-19 related cases. Mr. Rohr's question was:

"Will the pension will cover any active police officer or firefighter who contract COVID-19 and die from this illness as if it were a death related to injuries sustained while on duty. This coverage will last until November 1, 2020 but can be altered by a later vote of the board."

Mr. Rohr's question was precipitated by Governor Parsons's announcement the previous day that all Police and Fire Personnel that contract COVID-19 will be assumed to have contracted it as a result of their profession. Thus, these individuals are automatically covered by worker's compensation benefits.

Mr. Rohr expressed that although death from this illness is unlikely, he believed such a gesture would inspire confidence and offer a sense of relief for the employees and their families in light of this disease.

The Board sent their replies, and on April 13, 2020 Mr. Rohr emailed the following summary vote:

"It appears that the Board's conversation regarding this item may be concluded. I have reviewed my emails and have summarized the votes below. If my understanding is incorrect please send out a correction via Reply All. Thank you.

Yes - Gerry Rohr

Yes - John Soltysiak

Yes - Amy Hamilton

Yes - Joan Provaznik

Yes - Tim Day

Yes - Steve Holmes

Yes - Mike Jones"

Based on the Board's vote the following benefits will apply:

Benefits will be based on **Section 200.400 Death Payments – Amounts** of the Plan. This section provides the following benefits:

- Job related
 - Spouse – 50% of base pay
 - Children under 20 years of age – 5% of base pay
 - No maximum benefit
- Not job related
 - Spouse – 25% of base pay
 - Children under 20 years of age – 5% of base pay
 - Maximum benefit 50%
- If no spouse, or they become ineligible – spouse benefits are divided evenly among the eligible children

Item C of Section 200.400 states "The Board of Trustees shall determine whether a death results from injuries received while on duty and its decision shall be final and conclusive."

2021/22 FY Benefit Increases

Mr. Rohr explained that no increases were provided to the active Police and Fire employees at the beginning of the 2020/21 Fiscal Year. The retirees in the 1986, 2000, 2003, & 2006 Plans receive the same increase that is provide to active employees at the beginning of the prior Fiscal Year. The pre-1986 retirees only receive an increase if the City provides active employees a COLA. Since no increases were given at the beginning of the prior Fiscal Year all of the Retirees would not receive an increase this year.

Mr. Rohr stated that the Mayor and City Council approved a \$1,000 net stipend to all active full-time employees during the April 19, 2021 Council Meeting. This provides the Board with three options:

- 1) No increase,
 - 2) A similar \$1,000 stipend to those retirees that are still receiving benefit increases. The total annual cost would be \$19,000; however, a stipend would not increase the retiree's base salary.
-

- 3) Provide the average percentage that the \$1,000 stipend increased the active employee's salaries. The total increase provided to Police & Fire staff is 1.36%. This option would increase the retiree's base salary. If the Board chose this option the annual cost would be \$65,232.36.

Mr. Day asked if the pre-1986 retirees were included in the benefit increase. He stated that there are only three pre-1986 retirees left and they should receive the increase too. asked how much it would cost to give them the same increase as the other retirees.

Ms. Fox calculated the annual cost to include the pre-1986 retirees is \$930.83.

Ms. Hamilton moved, Mr. Day seconded, that All eligible and the Pre-1986 retirees receive a 1.36% increase. Carried unanimously.

2021/22 FY Proposed P&F Pension Budget

Ms. Fox explained the budget projections. Revenues: Real estate & personal property taxes are flat, although actual receipts this year were higher than anticipated, no growth was projected as the impact of the COVID-19 virus cannot be known. Investments show a growth at 6% based on the Board's current assumed APR.

Expenses: Pensions & Annuities do not include a benefit increase next year, it does include a full year with Mario Doss's benefits plus three additional retirees and their contribution refund. Contribution refunds are included for: three non-vested employees whose contributions continue to earn interest – approximately \$53,000, five non-vested employees whose contributions only received interest during their years of service – \$17,441, three possible new retiree contribution refunds – \$128,067, based on historical trends, there are also five employees that resign before vesting – \$36,690. There is \$5,500 for the bi-actuary valuation, \$8,000 for supplemental actuary reports, and \$5,500 for GASB 68 actuary valuation report. A \$300 budget to replace a 10+ year old printer, and \$2,350 for training and travel is included. The remaining items are neutral from the prior year.

Mr. Day moved, Mr. Niemeier seconded, the budget be accepted and adopted including the benefit increase of 1.36% for eligible and pre-1986 retirees. Carried unanimously.

Contribution Refund at 29 Years and 6 Months Service

Ms. Fox asked the Board to consider updating the Plan's Rules and Regulations to include refunding a new retiree's contribution refund upon their retirement, if they have serviced and retire after 29 years and six months. Currently they are being refunded when the retiree reaches their 30th anniversary of employment regardless if they retire six months early. The 29 years and six months early retirement allowance was included in the Plan's Rules and Regulations Chapter IV Credited Service section adopted in 2008. The contribution refund was not included in this section so it is refunded based on City's

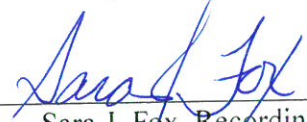
Municipal Code Article III Section 200.345 Policemen's and Firemen's Retirement Fund
– Refund of Employee Contributions.

Mr. Niemeier moved, Mr. Hebenstreit seconded, that the Plan's Rules and Regulations Chapter IV Credited Service section be updated to include a retiree's contribution refund if they retire after having served 29 years and six months. Carried unanimously.

ADJOURNMENT

With no further business to come before the meeting, at approximately 1:00 P.M., Mr. Day moved, Ms. Hamilton seconded, a motion that the meeting be adjourned. Carried unanimously.

Respectfully submitted,



Sara J. Fox, Recording &
Transcribing Secretary