

**CITY OF PHILADELPHIA  
BOARD OF PENSIONS AND RETIREMENT  
Meeting of June 2, 2011**

**MINUTES**

On June 2, 2011 Paula Weiss called the Regular Meeting of the Board of Pensions and Retirement to order at 9:10 a.m. in the Board's Conference Room.

Present: Paula Weiss  
Harvey Rice  
Brian Albert  
Celia O'Leary  
Carol Stukes  
Ronald Stagliano  
John Reilly  
Veronica Pankey  
James Leonard

Also Attending: Francis Bielli – Board of Pensions  
Mark Murphy - Board of Pensions  
Shamika Taliaferro – Board of Pensions  
Brad Woolworth, Board of Pension/Investments  
Joshua Stein – Law Department  
Benjamin Hinerfeld – Law Department  
Wayne Pollock  
Will Greene, SVP – Loop Capital Mkts.  
Chester Skaziak, Retiree

Paula Weiss stated that the first order of business was the consideration of the Minutes of April 28, 2011.

John Reilly made a motion to approve the minutes of April 28, 2011. Brian Albert seconded the motion.

**The motion to approve the Minutes of April 28, 2011 carried unanimously 7-0.**

**CONSIDERATION OF (103) PENSION APPLICATIONS AND (171) WITHDRAWAL APPLICATIONS**

Ronald Stagliano made a motion to approve. Brian Albert seconded the motion.

**The motion to approve carried unanimously 7-0.**

## **APPLICATION FOR SERVICE-CONNECTED DISABILITY BENEFITS**

### **Case of Kathryn M. Durkin, Application for Service-Connected Disability Benefits – Plan “B”**

At the Board Meeting on April 29, 2011, the case was approved for **reconsideration**. This case was denied at the March 18, 2010 Board Meeting. A Hearing Panel was held on March 30, 2011. At the hearing, it was determined that Dr. Korevaar’s report of April 22, 2009 was based on erroneous information of the applicant. All members of the hearing panel recommended reconsideration. The report was sent to Dr. Weinerman, the co-medical director on this case and he has submitted an amended report dated May 18, 2011.

This is an application by Kathryn M. Durkin, former Police Officer, Police Department, for Service-Connected Disability Benefits in Plan “B”.

The nature of Ms. Durkin’s disability is limited mobility due to swelling in hand with pain in wrist, chest area, shoulder and back. Her date of injury is October 21, 2006.

Celia O’Leary made a motion to deny. Brian Albert seconded the motion.

**The motion to deny carried 4-0-3.**

### **Case of Michael Steen, Application for Service-Connected Disability Benefits – Plan “B”**

This is an application by Michael Steen, former Police Officer, Police Department, for Service-Connected Disability Benefits in Plan “B”.

Mr. Steen sustained an extensive injury to his wrist when he tripped up the steps and landed on his wrist. His date of injury is October 9, 2007.

Ronald Stagliano made a motion to approve. John Reilly seconded the motion.

**The motion to approve carried 7-0.**

### **Case of Carlos Lopez, Application for Service-Connected Disability Benefits – Plan “B”**

This is an application by Carlos Lopez, former Police Sergeant, Police Department, for Service-Connected Disability Benefits in Plan “B”.

Mr. Lopez sustained the injury when he was shoved into a door by several males attempting to flee from an offender trying to assault them. His date of injury is November 26, 2008.

Ronald Stagliano made a motion to approve. John Reilly seconded the motion.

**The motion to approve carried 7-0.**

**Case of Orlando DeStefano, Jr., Application for Service-Connected Disability Benefits – Plan “D”**

This is an “*administrative application*” on behalf of Orlando DeStefano, former Police Lieutenant, Police Department, for Service-Connected Disability Benefits in Plan “D”.

Mr. DeStefano sustained the injury when he tripped on some “crime scene” tape and fell to the ground hitting both of his knees. His date of injury is May 3, 2008.

Brian Albert made a motion to deny. Celia O’Leary seconded the motion.

**The motion to deny carried 7-0.**

**Case of Laretta Edwards-Mitchell, Application for Service-Connected Disability Benefits – Plan “J”**

This is an “*administrative application*” on behalf of Laretta Edwards-Mitchell, former Youth Detention Counselor I, Department of Human Services (Riverview), for Service-Connected Disability Benefits in Plan “J”.

Ms. Mitchell sustained an injury while exiting her building during a fire alarm; the door swung back and hit her shoulder. Her date of injury is February 8, 2001.

Brian Albert made a motion to deny. Ronald Stagliano seconded the motion.

**The motion to deny carried 7-0.**

**Case of Marcus Willis, Application for Service-Connected Disability Benefits – Plan “Y”**

This is an application by Marcus Willis, former Interceptor Service Worker, Water Department, for Service-Connected Disability Benefits in Plan “Y”.

Mr. Willis sustained an ankle injury while working when he slipped and fell onto the ice. His date of injury is February 27, 2010.

Carol Stukes made a motion to approve. John Reilly seconded the motion.

**The motion to approve carried 7-0.**

**REQUEST TO APPLY FOR SERVICE-CONNECTED DISABILITY BENEFITS  
BEYOND THE ONE YEAR DEADLINE**

**Case of Joseph A. Marroletti, Request to Apply for Service-Connected Disability Benefits  
Beyond the One Year Deadline – Plan “Y”**

This is a request by Joseph A. Marroletti, former Hearing Officer 2, to apply for Service-Connected Disability benefits in Plan “Y” beyond the one year deadline.

Joseph A. Marroletti retired on a Service Retirement pension effective August 31, 2009 in the amount of \$884.83.

Mr. DiGiorgio submitted letters and information for the Board’s review. In his letter, Mr. DiGiorgio states that Mr. Marroletti was injured in the course of his employment on March 6, 2009. Mr. Marroletti submitted a Worker’s Compensation claim but was contested by his employer. Mr. DiGiorgio further states that Mr. Marroletti missed time from work because of the injury and was pressured by his employer to retire. He claims Mr. Marroletti’s employer did not explain Service-Connected Disability to him at that time. Mr. Marroletti’s Worker’s Compensation claim went to mediation. Mr. DiGiorgio claims that Mr. Marroletti’s Service-Connected Disability application would help his Worker’s Compensation case. Mr. DiGiorgio also attached letters from Mr. Marroletti’s doctor regarding his injury.

Brian Albert made a motion to deny. Celia O’Leary seconded the motion.

**The motion to deny carried 4-2-1.**

**OLD BUSINESS**

**Case of Vanessa G. Thomas, Application for Service-Connected Disability Benefits – Plan “Y”**

This case was **denied** at the November 22, 2010 Board Meeting. A Hearing Panel was held on March 9, 2011.

The Hearing Panel votes are as follows:

Mr. Brian Albert:	Recommend denial. Degenerative disease - disability not due solely to work related injury of December 2008.
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Mr. Ronald Stagliano:	Recommend denial.
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Ms. Paula Weiss:	Recommend denial.
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The history of the case is as follows:

This is an application by Vanessa G. Thomas, former Laborer, Free Library of Philadelphia, for Service-Connected Disability benefits in Plan “Y”.

Ms. Thomas sustained the injury while she was descending the staircase; she slipped and fell down the flight of stairs and landed on her buttocks injuring her knees, ankles and back. Her date of injury is December 4, 2008.

Brian Albert made a motion to deny. Celia O’Leary seconded the motion.

**The motion to deny carried 7-0.**

**Case of Nathaniel Hodges, Deceased, Application for Survivorship Benefits – Plan “J”**

This case was **denied** at the January 28, 2011 Board Meeting. A Hearing Panel was held on May 4, 2011.

The Hearing Panel votes are as follows:

Mr. Brian Albert:	Recommend denial. Marriage was performed 7/28/94; was not two years prior to 2/20/95 retirement.
Mr. Ronald Stagliano:	Recommend approval.
Ms. Paula Weiss:	Recommend denial. Applicant and retiree married legally less than 2 years prior to retirement. Earlier tax returns selected “single” as marital status.

The history of the case is as follows:

This is an application by Rebecca Boyd-Hodges for survivorship benefits in Plan J.

Nathaniel Hodges, a Roofer with the Department of Recreation, retired on February 20, 1995. Mr. Hodges died on September 28, 2010. Submitted is a copy of the death certificate.

At the time of his retirement, Mr. Hodges took survivorship option 4 and named Rebecca Boyd-Hodges as the beneficiary of his pension and life insurance, relationship – wife.

Rebecca Boyd-Hodges is applying to have the Board of Pensions recognize her 8 year relationship with Mr. Hodges as a common law marriage. The couple was married on July 28, 1994. In her notarized statement, Mrs. Boyd-Hodges states that she and Mr. Hodges met on July 4, 1986. In the fall of 1988, after two years of dating, he moved into her home. After his retirement in 1995, they relocated to North Carolina, where they lived until his death.

Ms. Boyd-Hodges submitted documents to the Board proving they shared the same residence from 1988-1992. Also submitted were statements from friends and relatives.

Ronald Stagliano made a motion to approve. Carol Stukes seconded the motion.

**The vote was 4-3. The Chair voted to tie the vote 4-4. Motion fails and is denied.**

Carol Stukes made a motion to reconsider the vote. John Reilly seconded the motion.

**The vote was 4-3. The Chair voted to tie the vote 4-4. The motion fails and is denied.**

Veronica Pankey joined the meeting at 9:17 a.m.

## **NEW BUSINESS**

Ms. Stukes stated that there were gas fumes in the boardroom while she was at a meeting the previous day. Mr. Bielli stated there was a subcommittee meeting and a strange odor was present. Building maintenance staff came and flushed out the system and the smell was gone after that.

- Executive Director's Report – Mr. Bielli announced that City Council has scheduled a DROP hearing on June 8, 2011 at 10:00 a.m.

Mr. Bielli stated there were only two responses to the Request for Proposal (RFP) for the Actuarial Consultant. Because there are only two presenters the Board agreed that the subcommittee would not be needed, and Cheiron and Milliman could make their presentations before the full Board at the June 23, 2011 Board Meeting.

Mr. Bielli stated that the current actuary is working on the actuarial tables for joint survivor benefits (Option 2 and 3) that will reflect the demographic and assumption changes that are scheduled to go into effect July 1, 2011.

The Board is on target to start mandatory direct deposit beginning with new retirees as of July 1, 2011. The direct deposit will likely begin with the new retirees' first paycheck in August.

### a. Business & Education Travel Authorization

The following Business & Education Travel Authorizations were submitted to the Board for approval:

Carol Stukes and Veronica Pankey to attend the Mid Atlantic Plan Sponsors (MAPS) Conference in Baltimore, MD from June 8–10, 2011

Christopher DiFusco and Benjamin Hinerfeld to attend the Future of Fiduciary Responsibility Educational Conference in New York, NY from June 9-10, 2011

John Reilly made a motion to approve the travel requests. Brian Albert seconded the motion.

**The motion to approve the Business & Education Travel Authorizations for Carol Stukes, Veronica Pankey, Christopher DiFusco and Benjamin Hinerfeld carried unanimously 8-0.**

Mr. Bielli stated that Ms. Stukes has been invited to be a speaker at the NASP conference which will be in the middle of June.

Litigation Summary – Joshua Stein stated that the Mariano case (right to retain contributions following disqualification of benefits) was argued in Commonwealth Court on May 10, 2011.

Mr. Stein stated there has been an update regarding the tax determination letter for the IRS. An application was made a number of years ago and to date, a response has not been received from the IRS. The IRS has advised that they are waiting for guidance from the National Office how to treat all of the Plans that involve DROP. There is no timeline for that official guidance to be handed out to the regional offices. In regards to whether or not the Board should get an amendment to include Plan 10 information will be discussed with the IRS once they get that guidance and begin to review the Board's application.

Mr. Bielli added that these are the municipalities and townships around the country that have DROP plans and have requested information.

Mr. Stein said there are regional offices that review submissions by tax qualified plans. Each office has been dealing with these issues on their own but they have all asked for official guidance from Washington, DC. None of the regional offices is moving forward until they get this information.

Mr. Reilly said that DROP has been around since 1986 in certain places and questioned if there was any law issued by the IRS across the country.

Mr. Stein replied that the Board of Pensions has previously received their tax determination status favorably in the past with the DROP plan in place. It's really just an issue of making sure that it is treated the same across the board.

Mr. Leonard clarified that in 2003 when the City first received an IRS determination letter the IRS did not pass or issue a ruling one way or the other. Now it is back before them and they are looking at all municipalities across the country that have DROP.

Brian Albert made a motion to adjourn. Ronald Stagliano seconded the motion.

The meeting adjourned at 9:27 a.m.