

**CITY OF PHILADELPHIA
BOARD OF PENSIONS AND RETIREMENT
Meeting of July 25, 2013**

MINUTES

On July 25, 2013, Paula Weiss called the Regular Meeting of the Board of Pensions and Retirement to order at 9:05 a.m. in the Board's Conference Room.

Present: Paula Weiss
Harvey Rice
Brian Albert
Celia O'Leary
Carol Stukes-Baylor
Ronald Stagliano
Andrew Thomas
Veronica Pankey
Hilary Cornell

Also Attending: Francis Bielli – Board of Pensions
Mark Murphy – Board of Pensions
Sumit Handa – Investment Unit
Christopher DiFusco, Brad Woolworth – Investment Unit
Ellen Berkowitz, Katherine Mastrobuoni – Law Department
Steve Leming, Regional Director
Chester Skaziak, Retiree
Jake Walthour - Cliffwater

Paula Weiss stated that the first order of business was the consideration of the Minutes of June 27, 2013.

Ronald Stagliano made a motion to approve the Minutes of June 27, 2013. Brian Albert seconded the motion.

The motion to approve the Minutes of June 27, 2013 carried unanimously 8-0.

CONSIDERATION OF (160) PENSION APPLICATIONS AND (97) WITHDRAWAL APPLICATIONS

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

The motion to approve carried unanimously 8-0.

APPLICATION FOR SERVICE-CONNECTED DISABILITY BENEFITS

Case of Wesley Cuffie Jr., Application for Service-Connected Disability Benefits – Plan “B”

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

Mr. Cuffie sustained the injury while working when he fell on a sheet of ice after chasing a suspect. He slid into the pavement and injured his thumb and finger, right elbow and wrist. His date of injury is January 13, 2010.

Ronald Stagliano made a motion to approve. Andrew Thomas seconded the motion.

The motion to approve carried unanimously 8-0.

Case of Yolanda Hines, Application for Service-Connected Disability Benefits – Plan “B”

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

Ms. Hines sustained the injury during work while struggling with a suspect; a fellow officer sprayed some mace in her face. She also injured her shoulder and arm. Her date of injury is March 20, 2010.

Ronald Stagliano made a motion to approve. Andrew Thomas seconded the motion.

The motion to approve carried unanimously 7-1.

Case of Jack Feinman, Application for Service-Connected Disability Benefits – Plan “D”

This is an application by Jack Feinman, former Lieutenant, Police Department, for Service-Connected Disability Benefits in Plan “D”.

Mr. Feinman sustained the injury while working when he stepped onto an uneven curb, and slipped on his right foot. He also injured his lower back. His date of injury is January 27, 2010.

Ronald Stagliano made a motion to approve. Andrew Thomas seconded the motion.

The motion to approve carried unanimously 7-1.

Case of George Orth, Application for Service-Connected Disability Benefits – Plan “D”

This is an application by George Orth, former Police Officer, Police Department, for Service-Connected Disability Benefits in Plan “D”.

Mr. Orth sustained injuries to his back, shoulder, leg and ankle while attempting to make an arrest. The suspect tried to escape in a vehicle and the opened door of the vehicle struck him. His date of injury is February 3, 2010.

Brian Albert made a motion to deny. Hilary Cornell seconded the motion.

The motion to deny carried 4-0-4.

Case of Loretta Hawkins, Application for Service-Connected Disability Benefits – Plan “J”

This is an application by Loretta Hawkins, former Clean Block Officer, Streets Department, for Service-Connected Disability Benefits in Plan “J”.

Ms. Hawkins sustained a shoulder injury while working when she slipped on steps and fell. Her date of injury is September 22, 2011.

Veronica Pankey made a motion to deny. Hilary Cornell seconded the motion.

The motion to deny carried unanimously 8-0.

Case of Rochelle Whittington, Application for Service-Connected Disability Benefits – Plan “J”

This is an application by Rochelle Whittington, former Correctional Officer, Prisons Department, for Service-Connected Disability Benefits in Plan “J”.

Ms. Whittington sustained the injury while working when she hit her wrist on a metal locker. She also injured her back while cleaning cells and in another incident, she injured her right hand and arm. Her dates of injury include; August 21, 2002, May 19, 2005 and March 2, 2012.

Hilary Cornell made a motion to deny. Brian Albert seconded the motion.

The motion to deny carried 4-0-4.

Case of Batisha Andrews, Application for Service-Connected Disability Benefits – Plan “Y”

This is an application by Batisha Andrews, former Engineering Aide, Water Department, for Service-Connected Disability Benefits in Plan “Y”.

Ms. Andrews sustained spinal cord injury while working when the car she was driving was T-boned on the driver’s side. Her date of injury is April 8, 2010.

Carol Stukes-Baylor made a motion to approve. Hilary Cornell seconded the motion.

The motion to approve carried unanimously 8-0.

Case of Erin Hulme Kane, Application for Service-Connected Disability Benefits – Plan “Y”

This is an application by Erin Hulme Kane, former Correction Officer, Prisons Department, for Service-Connected Disability Benefits in Plan “Y”.

Ms. Kane sustained the injury when she fell while walking up metal stairs injuring her knee and wrist. Also, in a separate incident, Ms. Kane fell down a flight of stairs injuring her left foot and ankle. Her dates of injury are September 15, 2009, April 18, 2011 and June 21, 2011.

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

The motion to approve carried 5-3.

Case of Tanisha Ward, Application for Service-Connected Disability Benefits – Plan “Y”

This is an application by Tanisha Ward, former Correctional Sergeant, Prisons Department, for Service-Connected Disability Benefits in Plan “Y”.

Ms. Ward sustained the injury while working when a bookshelf fell onto her hand and resulted in a tendon injury to her left finger. Her date of injury is April 9, 2009.

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

The motion to approve carried unanimously 8-0.

APPLICATION FOR SURVIVORSHIP BENEFITS

Case of Elizabeth Majersky, Deceased, Application for Survivorship Benefits – Plan “J”

This is an application submitted by Lisa Majersky, a disabled adult child of Elizabeth Majersky.

Elizabeth Majersky retired September 15, 1988; she died December 12, 2012. At the time of retirement, Ms. Majersky elected survivorship option 4. Elizabeth Majersky's husband Ernest Majersky died December 3, 2006.

Lisa Majersky is applying on her own behalf. She has submitted the following:

1. A notarized statement which states she is the only dependent child and there is no surviving spouse.
2. A copy of her birth certificate, social security card and drivers' license.
3. A letter from her Primary Care physician, Amanda Downs, M.D.
4. Death certificate for Ernest Majersky.

If approved, Lisa Majersky would be eligible to receive a monthly survivorship benefit of \$715.00.

Hilary Cornell made a motion to deny. Brian Albert seconded the motion.
The motion to deny carried 6-1-1.

Ms. Stukes-Baylor questioned if Ms. Majersky was receiving SSI in her own name or her parent's name and if she had proof that her parent claimed her as an adult child. Ms. Majersky also lives out of State and Ms. Stukes-Baylor requested the Board table the case instead.

Carol Stukes-Baylor made a motion for reconsideration. Harvey Rice seconded the motion.
The motion for reconsideration was approved unanimously 8-0.

Carol Stukes-Baylor made a motion to table the case for further information. Veronica Pankey seconded the motion.

The motion to table for more information carried unanimously 8-0.

Case of William Ringgold, Deceased, Application for Survivorship Benefits – Plan J

This is an application by Dorteia McBride for survivorship benefits in Plan J.

William Ringgold, a Laborer with the Streets Department retired on April 18, 1994. Mr. Ringgold died on March 11, 2013.

At the time of his retirement, Mr. Ringgold chose survivorship option 4 and named Dortha McBride as the beneficiary of his pension and life insurance, relationship – common law.

Dortha McBride is applying to have the Board of Pensions recognize her 31 year relationship with Mr. Ringgold as a common law marriage.

Mr. Ringgold had been previously married to Christine V. Ringgold. Their divorce was final on May 15, 1986.

Documentation was submitted to the Board for review.

If approved, Ms. McBride would be eligible to receive a \$485.17 monthly survivorship benefit.

Carol Stukes-Baylor made a motion to approve. Andrew Thomas seconded the motion.

The motion to approve carried unanimously 8-0.

Case of Robert Spann, Deceased, Application for Survivorship Benefits – Plan J

This is an application by Lillie M. Spann for survivorship benefits in Plan J.

Robert Spann, a former Equipment Operator 1 with the Streets Department, retired on December 30, 1991. Mr. Spann died on March 6, 2013. At the time of his retirement, Mr. Spann selected survivorship option 4 naming his wife Lorraine Spann.

Lillie M. Spann is applying for the option 4 survivorship benefits. At the time of his retirement, Mr. Spann was married to Lorraine Spann. Lillie M. Spann did not submit any documentation regarding the termination of that marriage. Mr. Spann and Lillie M. Spann were married on September 26, 2000.

Documentation was submitted to the Board for review.

If approved, Mrs. Spann would be eligible to receive a \$764.95 monthly survivorship benefit.

Carol Stukes-Baylor made a motion to deny. Hilary Cornell seconded the motion.

The motion to deny carried unanimously 8-0.

APPLICATION FOR RETROACTIVE DROP ACCEPTANCE

Case of Jennifer Leake, Application for Retroactive DROP Acceptance, effective November 15, 2010

Jennifer Leake submitted a DROP application August 9, 2010. On September 20, 2010, a letter, Memo of Intent, and DROP preview were mailed to Ms. Leake advising her of the earliest participation date of November 15, 2010. The letter also explained what action was required to be scheduled for the DROP seminar and finalize the process for DROP entry.

Ms. Leake phoned the Board of Pensions in March, 2013 expressing that her pension contributions were still being deducted from her paycheck. A review of Ms. Leake's file revealed she had not completed the application/enrollment process by returning a Memo of Intent and therefore was not participating in DROP. Further review of the file revealed no other documentation was ever received to support her intent i.e.; birth certificate, marriage certificate, or any other required paperwork to enroll in the DROP.

On April 17, 2013, a letter was mailed to Ms. Leake advising her that she was not in DROP program since she did not complete the process. Ms. Leake sent a letter dated June 14, 2013 appealing the determination.

Carol Stukes-Baylor made a motion to deny. Ronald Stagliano seconded the motion.

The motion to deny carried unanimously 8-0.

APPEAL OF REPAYMENT OF UNDERPAID PENSION CONTRIBUTIONS

Case of Howard, Edgar—Appeal of Repayment of Underpaid Pension Contributions

This is an appeal by Deonne New-Howard, spouse of Edgar Howard, former Director of Veterans Affairs/City Commissioner of the payment toward underpayment of pension contributions.

Mr. Howard was elected as a City Commissioner on January 5, 2004 and remained until January 4, 2008. As of February 5, 2008, he was rehired as Manager of Veterans Advisory Commission and remained until August 18, 2010 at which time he went out on a Medical Leave of Absence (MLOA).

As of January 2004, he was placed in Plan Y5 and commenced paying the Y5 contributions. It was discovered in July 2007 that Mr. Howard should have been placed in Plan L8 as of his election. On September 23, 2007, he started paying under the correct L8 rate. He was advised in a letter dated October 25, 2007 that he owed \$19,209.17 for the under payment from 2004 to 2007.

On November 1, 2007, the Board received an appeal letter from Mr. Howard. The appeal was presented at the December 19, 2007 Board meeting at which the issue was deferred to a Hearing Panel. Hearing Panel was held on June 11, 2008 and was then presented at the August 14, 2008 Board Meeting at which time the issue was tabled for 30 days. The issue was re-presented at the September 18, 2008 Board Meeting at which time the appeal was denied. As of December 28, 2008, payroll deductions commenced to apply to the \$19,209.17.

Upon going on MLOA, payroll deductions ceased. On March 21, 2011, Mr. Howard had an appointment to obtain a benefit estimate. Upon review of his record, it was determined that when he was rehired as of February 2008, he was placed in Plan Y instead of Plan Y5. A letter, dated April 14, 2011, was sent to Mr. Howard advising him of this issue and that additional retroactive pension contributions are due. In addition, he was advised that upon his return to active employment, his installment account for the retroactive L8 contributions would resume.

In March, 2012, Mr. Howard contacted the Board requesting a status of his eligibility. A letter, dated April 2, 2012 was sent to Mr. Howard advising him of what was required of him to be vested and eligible to receive a pension.

Mr. Howard is currently not vested. He currently has 6 years 6 months and 14 days of employment eligible for credited service if he pays the contributions due.

Ronald Stagliano made a motion to deny. Celia O'Leary seconded the motion.

The motion to deny carried unanimously 8-0.

OLD BUSINESS

Case of Manijeh Bahremand, Application for Service-Connected Disability Benefits – Plan “Y”

This case was **denied** at the May 22, 2013 Board Meeting. A Hearing Panel was held on June 19, 2013.

The Hearing Panel votes are as follows:

Mr. Brian Albert: Recommend denial.
 Not service connected.

Ms. Celia O'Leary: Recommend denial.
 Dr. Howarth indicated that the disability is not due solely to Dr. Bahremand's employment.

Mr. Andrew Thomas: Recommend denial - Denied due to doctor evaluation.

The history of the case is as follows:

This is an “*administrative application*” for Manijeh Bahremand, former Physician, Health Department, for Service-Connected Disability Benefits in Plan “Y”.

Ms. Bahremand sustained a right wrist injury while she was examining a patient. She pushed down on the patient’s knee after an injection when the patient kicked her right wrist. Her date of injury is May 6, 2002.

Hilary Cornell made a motion to deny. Celia O’Leary seconded the motion.

The motion to deny carried unanimously 8-0.

Case of Gregory Scott, Application for Service-Connected Disability Benefits – Plan “Y”

This case was **denied** at the January 24, 2013 Board Meeting. A Hearing Panel was held on March 20, 2013.

The Hearing Panel votes are as follows:

Mr. Brian Albert: Recommend denial.
Not due solely. Pre-existing degenerative changes.

Ms. Celia O’Leary: Recommend denial.
Mr. Scott had pre-existing degenerative changes, therefore his disability is not due solely to the injury at work.

Ms. Stukes-Baylor: Recommend approval.
Employee proved that injury was job related, as well as the 1992 injury.

The history of the case is as follows:

This is an application by Gregory Scott, former Laborer, Streets Department, for Service-Connected Disability Benefits in Plan “Y”.

Mr. Scott sustained the injury removing trash while on duty when he suffered a torn tendon in his shoulder. His date of injury is May 28, 2010.

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

The motion to approve carried 5-3.

Case of Keith Shanks, Application for Service-Connected Disability Benefits – Plan “Y”

This case was **denied** at the September 25, 2012 Board Meeting. A Hearing Panel was held on January 23, 2013.

The Hearing Panel votes are as follows:

Mr. James Leonard:	Recommend approval.
Mr. Harvey Rice:	Recommend approval.
Mr. Ronald Stagliano:	Recommend approval.

The history of the case is as follows:

This is an application by Keith Shanks, former Heavy Equipment Operator, Department of Streets, for Service-Connected Disability Benefits in Plan “Y”.

Mr. Shanks’ sustained an injury to his spine while on duty and he was pulling buckles from the back of his assigned truck. His date of injury is October 10, 2010.

Ronald Stagliano made a motion to approve. Andrew Thomas seconded the motion.

The motion to approve carried unanimously 8-0.

NEW BUSINESS

Executive Director’s Report – Mr. Bielli updated the Board on the following issues.

Follow-up to City Council Legislation – Mr. Bielli stated that City Council enacted legislation on an option for the Pension Board and PHDC to enter into a contract regarding contributions. The current contract regarding PHDC’s contributions is being amended. The Draft contract for PHDC is in the final stages and will be presented to the Board.

Update on Modernization Process – The City has decided to expand the Oracle Suite Software they have and bring in consultants to train departments on how to best utilize the software. As part of the Oracle Business package an RFP is going out in the Fall to determine if there is a pension system that is compatible with the Oracle Business Suite. It would make things easier and more efficient to have compatibility between Pensions, Human Resources and Payroll. Staff has been working diligently with the consultants the City has hired and sees some promise. They don’t know the costs yet but will keep the Board posted as information is received.

Updating Regulations - Mr. Bielli stated they are in the process of updating regulations to be consistent with the Code. Some are outdated such as the Hero Exemption and others pertaining to DROP. In the near future the Legislative subcommittee will be reconvened to review the existing regulations and provide recommendation before moving too far forward. Mr. Bielli welcomed comments on existing regulations and asked the Board to let him know if there is any need for new regulations.

Ms. Weiss requested that the Regulations be forwarded to her.

Pension Fund - Mr. Bielli stated that the State recently passed legislation to extend the 1 percent sales tax for Philadelphia, keeping the sales tax of 8%. Through the years to 2018 the first \$120 million resulting from the increased sales tax will be dedicated to the Philadelphia School System. The next \$15 million will go towards City debt relief for anything that they lend the school system and anything that is remaining will go to the Pension Fund.

Mr. Thomas asked what has happened to the money already gained from that tax increase and Mr. Bielli said that it was used to pay back the deferral.

Ms. Stukes-Baylor inquired if pension staff has received any calls regarding the City of Detroit filing for bankruptcy, because the media is pointing out similarities between Detroit and Philadelphia. She believed the Mayor and Governor did not do everything they could before they filed bankruptcy in Detroit. She stated that the Pension Board has done everything it can to relieve the burden to help the City of Philadelphia.

Mr. Bielli stated that everyone is looking at this from a different angle; Philadelphia is three times the size of Detroit and has a growing population and businesses moving in. This is an invalid comparison.

Mr. Bielli stated the Board and trustees should be applauded for the steps the Board has taken as fiduciaries of the Pension Fund. They are doing everything in a well intentioned manner.

Travel Report – The Travel Report for the third quarter was included in the Board's folders.

Medical Panel for 2014

Ms. Riley stated that all of the doctors listed on the current Medical Panel list have responded to the RFP for renewal for the Medical Panel for Fiscal Year 2014. The Medical Panel subcommittee convened and recommended approval for the list. The subcommittee will interview one additional orthopedic doctor and will submit any additional qualified candidates to the Board going forward.

Mr. Stagliano asked why Dr. McCoy was not on the list. Mr. Bielli explained that the matter was looked into and there was no result to the investigation. He is waiting for clearance from the District Attorney's office and has asked both the Law Department and Risk Management several times to contact them. Dr. McCoy is still within the timeframe and just needs to be added. If the timeframe expires an RFP can be issued. After some discussion, the Board decided to take official action on their own in order to get the clearance information.

Harvey Rice made a motion to approve the Medical Panel list. Brian Albert seconded the motion.

The motion to approve the Medical Panel for Fiscal Year 2014 carried 7-0-1.

Litigation Summary – Ms. Mastrobuoni stated that the Commonwealth Court rejected the Raymond Johnson brief because it was incoherent and he has to re-file. Oral argument was heard on the Rosemary DiLacqua case and they are awaiting a decision from the Court. She also went over the brief list of Common Pleas cases.

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

The motion to adjourn carried unanimously 8-0.