

MINUTES

METROPOLITAN EMPLOYEE BENEFIT BOARD

January 6, 2004

The Metropolitan Employee Benefit Board met for their regularly scheduled meeting on January 6, 2004 in the Civil Service Conference Room, Suite 163, 222 Building, Third Avenue North, Nashville, Tennessee, at approximately 9:30 a.m.

Benefit Board Members present: Chair Betsy Walkup, Vice-Chair Clyde D. Smith; Members: Albert Berry, B. R. Hall, Sr., Pat Harris-Wingfield, Randy Lovett, David Manning, Edward C. Mason, II, Thomas A. Storey and H. Russell White.

Other Members present: Mr. John P. Kennedy, Assistant Director of Human Resources, Mr. Michael Bligh, Attorney, Metro Legal Department and Christopher Fletcher, Civil Service Medical Examiner.

A. MINUTES: Chair Betsy Walkup called the meeting to order and said the first order of business was to determine if there were any amendments, corrections or questions of the minutes from the last regular meeting held on December 2, 2003. With one correction, nothing further was noted and Albert Berry moved for approval. Edward Mason seconded and the Board approved without objection.

B. DISABILITY PENSIONS

MOTIONS: Albert Berry moved approval of the disability pension new requests for the length of time as recommended by the staff with the exclusion of item B.-1.-a., Sherwin V. Canterbury, who was present and requested to address the Board. Clyde Smith moved deferral on item B.-1.-b., William R. Gaither. B.R. Hall seconded and the Board approved the deferral without objection. Albert Berry amended his motion to approve the remainder of the disability pension new requests. Clyde Smith seconded and the Board approved without objection.

B.R. Hall Moved approval of the disability pension reexaminations for the length of time as recommended by the staff. Edward Mason seconded.

On item B.-2.-i., Jacqueline D. Gale, there was discussion of whether or not changing her in line of duty disability pension to a medical disability pension was a reconsideration of a previous matter. Michael Bligh reviewed the section of the by-laws that deals with reconsideration with the Board. He stated that nothing has been decided against the participant or beneficiary and that would not trigger that particular portion of the by-laws and would lead back to Roberts Rules of Order.

David Manning moved the staff recommendation on item B.-2.-i., Jacqueline D. Gale. Albert Berry seconded.

After some discussion on the original injury that granted the disability pension and other issues that may constitute changing it to a medical disability, David Manning amended his motion to include a legal opinion with respect to whether the facts and circumstances associated with this, if it were treated under workers comp, would continue it and be guided by that opinion. Albert Berry seconded. Further discussion of the original injury revealed that all of the medical documentation was not before the Board and Albert Berry amended Mr. Manning's motion to defer for additional information. Clyde Smith seconded. A vote was taken and the Board approved without objection.

At this time, Sherwin V. Canterbury, item B.-1.-a. addressed the Board and discussed his reasoning for disagreement with the recommendation of the staff based on pre-existing conditions.

David Manning moved the staff recommendation to deny this pension. Albert Berry seconded. A vote was taken and approved with a vote of 7/2/1.

The terms of the approval or extension of the items listed in the above motion are specifically stated in these minutes.

1. NEW REQUESTS

MEDICAL

	NAME	DEPARTMENT	RECOMMENDATION
B.-1.-a.	Sherwin V. Canterbury	Finance	As moved, seconded and approved, this pension was denied.
B.-1.-b.	William R. Gaither	Convention Center	As moved, seconded and approved, this pension was deferred.
B.-1.-c.	Juli A. Lawson	Police	As moved, seconded and approved, this pension was granted for 5 months (April 2004), with reexamination at that time.
B.-1.-d.	Elvin G. Norton	Parks	As moved, seconded and approved, this pension was granted for two years (April 2006), with reexamination at that time.

IN LINE OF DUTY

B.-1.-e.	Robert W. Lightford	Fire	As moved, seconded and approved, this pension was granted until 02-01-2006 at which time he will convert to a Service Pension.
B.-1.-f.	Tammy M. Dennis	Bordeaux	As moved, seconded and approved, this pension was granted for four months (April 2004), with reexamination at that time.

2. REEXAMINATIONS

MEDICAL

B.-2.-a.	Marsha T. Bailey	MNPS	As moved, seconded and approved, this pension was continued for two months (March 2004), with reexamination at that time.
B.-2.-b.	Thomas E. Cox	Public Works	As moved, seconded and approved, this pension was continued for two years (January 2006) with reexamination at that time.
B.-2.-c.	Kim T. Greer	Sheriff	As moved, seconded and approved, this pension was continued for four months (May 2004) with reexamination at that time.
B.-2.-d.	Wilda M. Hollis	MNPS	As moved, seconded and approved, this pension was continued for one year (January 2005) with reexamination at that time.
B.-2.-e.	Kimberly A. Willeby	MNPS	As moved, seconded and approved, this pension was continued for one (1) year (January 2005) with reexamination at that time.
B.-2.-f.	Michael R. Woosley	General Services	As moved, seconded and approved, this pension was continued without stipulation of reexamination (January 2009).

IN LINE OF DUTY

B.-2.-g.	John L. Burnett	Police	As moved, seconded and approved, this pension was continued for two years (January 2006) with reexamination at that time.
B.-2.-h.	Brenda K. Crowder	Bordeaux	As moved, seconded and approved, this pension was continued for one year (January 2005) with reexamination at that time.
B.-2.-i.	Jacqueline D. Gale	Fire	As moved, seconded and approved, this pension was deferred for additional information.

IN LINE OF DUTY (continued)

NAME	DEPARTMENT	RECOMMENDATION
B.-2.-j. Mary S. Lanham	Public Works	As moved, seconded and approved, this pension was continued for one year (January 2005) with re-examination at that time.
B.-2.-k. Jennings B. Loring	Police	As moved, seconded and approved, this pension was continued for one year (January 2005) with re-examination at that time.
B.-2.-l. Terry E. McAlister	Police	As moved, seconded and approved, this pension was continued without stipulation of reexamination (January 2009).
B.-2.-m. Ryan N. Sledge	Police	As moved, seconded and approved, this pension was continued for one year (January 2005) with reexamination at that time.

C. PENSIONS

MOTION: Clyde Smith moved approval of the pensions. Albert Berry seconded and the Board approved without objection.

Service

Employee	Department	Classification	Plan A/B	Application Date	Estimated Effective Date
Tommy Cox	Police	Captain	B	11/25/03	1/1/04
Barbara Morris	Criminal Ct. Clk.	Deputy Court Clerk III	B	11/25/03	1/1/04
James Davis	Police	Police Officer III	B	11/25/03	1/1/04
David Pugh	Police	Police Officer III	B	12/2/03	1/15/04
Benny Storie	Police	Police Officer II	B	12/2/03	1/1/04
Steve Crowe	Fire	Engineer	A	12/2/03	1/16/04
Charles Griffin	Police	Sergeant	B	12/2/03	1/1/04
Billy Bowen	Library	Librarian I	B	12/5/03	2/11/04
Robert Smith	Police	Sergeant	B	12/5/03	1/1/04
Wallace Hitchcox	General Hospital	Asst. Dir. CL	B	12/9/03	2/1/04
Donald France	Fire	Captain	B	12/10/03	2/1/04
Donald Gray	Police	Sergeant	B	12/11/03	1/1/04
Katherine Towe	General Hospital	Respiratory Therapist	B	12/12/03	12/13/03
Ray Blair	Public Works	Maintenance & Repair Worker 2	B	12/12/03	1/1/04
James Burton, Jr.	Public Works	Maintenance & Repair Worker 2	B	12/12/03	1/1/04
Barbara West	Codes	Admin Spec	B	12/15/03	1/16/03
Felix Ware	MNPS	Custodian	B	12/15/03	2/1/03
Bobby Sears	MNPS	Maintenance	B	12/15/03	1/1/04
Aldena Tucker	Health	Public Health LPN	B	12/17/03	2/1/03
Carl Hall, Sr.	MNPS	Custodian	B	12/18/03	2/1/03
Carl Tucker	Water	Finance Officer 3	B	12/19/03	2/1/04
Betty Cripps	MNPS	School Bus Driver	B	12/22/03	2/5/03
Alice Chapman	Parks	Beautification & Environment Admin.	B	12/22/03	4/1/03

Disability to service

Employee	Department	Plan A/B	Effective Date of Conversion
Charlie L. Baggett	Public Works	A	12/01/03
John W. Owen, Jr.	Police	A	12/01/03
Vernon T. Allen	Fire	A	12/01/03

Disability to service (continued)

Employee	Department	Plan A/B	Effective Date of Conversion
William E. Coure	MNPS	A	12/01/03
Mary L. Oglesby	MNPS	A	09/01/03
Carl R. Cook	Public Works	A	12/01/03

Options Elected

Employee	Department	Pension Type	Plan A/B	Effective Date	Option	DROP Election
Frank P. Credie	Parks	Service	B	11/4/2003	B	
William M. Dwyer	Police	Service (P&F)	B	11/1/2003	F	3
Willie L. Fisher	MNPS	Service	A	11/1/2003	A	
Earl D. Hunter	Police	Service	B	11/5/2003	E	2
Patricia A. Lewis	MNPS	Early Service	B	9/25/2003	A	
Wayne V. McEwen	Public Works	Early Service	B	11/6/2003	A	
Rebecca A. Rhoton	General Hospital	Service	A	12/1/2003	Normal	
Bessie a. Sircy	MNPS	Service	B	11/8/2003	Normal	
John I. Smotherman	MNPS	Early Service	B	11/1/2003	E	
William R. Sullivan	Water & Sewer	Service	B	11/4/2003	A	1

Pension options key:

- Normal - life annuity (no option elected)
- Option A - Joint & Survivor - 100% to surviving beneficiary
- Option B - Joint & Survivor - 50% to surviving beneficiary
- Option C - Social Security
- Option D - 120 payments certain and life
- Option E - Joint & Survivor - 100% to surviving beneficiary with pop-up feature
- Option F - Joint & Survivor - 50% to surviving beneficiary with pop-up feature

Survivor

Employee Name	Department	Survivor Name	Plan Membership	Effective Date
Thurman E. Varnum	Social Services	Clara L. Varnum	B	10/26/2003
William F. Moynihan	Social Services	Linda C. Moynihan	A	11/13/2003
Orman K. Browning	MNPS	Billie T. Browning	A	10/08/2003
Peggy J. Dillon	Planning Commission	Irvin F. Dillon, Jr.	B	12/09/2003
Charles D. Wallace, Jr.	Fire Department	Cathey D. Wallace	B	12/02/2003
Alice Duffield	MNPS	Terry Duffield	B	09/04/2002
Julian E. Walton	MNPS	Emmilye L. Wilson	B	12/10/2003
Clayton v. Cramb	General Sessions Court	Sandra F. Jones	B	12/09/2003
Danny A. Smallwood	Fire Department	Yvonne Smallwood	A	12/09/2003
Rosemary T. McMeen	Planning Commission	John A. McMeen	Old County	12/04/2003
William H. Herron	Police Department	Iris M. Herron	Old City	12/13/2003
Charles W. Nunley	Public Works	Gladys M. Nunley	B	11/30/2003

BENEFIT BOARD ITEMS

Mr. John P. Kennedy, Assistant Director of Human Resources, submitted the following for the Board's consideration and appropriate action:

Item # 1. Disability pension reviews:

Charles G. Mallory
 Charles L. Stevens

Chair Betsy Walkup reported to the Board that the case of Charles G. Mallory has been resolved. Michael Bligh reported that on the issue of Charles L. Stevens, the legal department hired outside counsel, Paul D. Krivacka.

After some discussion of the materials distributed at the meeting and future pension payments, Edward Mason moved that any action on the issue of Charles L. Stevens be deferred. Clyde Smith seconded. Edward Mason amended his motion to include holding Mr. Steven's check. A vote was taken and the Board approved without objection.

Ed Yarbrough, legal counsel for Mr. Stevens and Paul Krivacka were allowed to give brief summaries of the case.

Item # 2. Adjustment of pension.

John Kennedy reported to the Board that this individual went out on an in line of duty disability pension in June 2000 and due to her condition she was not able to return to that position. Mr. Kennedy stated that through a formal agreement with the Board she participated in the vocational rehabilitation re-training program and she is now making income significant enough to offset her disability pension. He also stated at this time she can't return to work with Metro because she does not meet the requirements to perform the job within Metro. He stated staff recommends that her pension be reduced to zero based on her income and she will continue to have access to her medical insurance benefits on a direct-pay basis until she can return to work for Metro or the Board determines she is no longer disabled.

Edward Mason moved approval of the recommendation of staff. Clyde Smith seconded and the Board approved without objection.

Item # 3. IME on Arthur R. Taylor.

This item was deferred.

Item # 4. Use of unused sick leave at the time of retirement Division A.

John Kennedy reported to the Board that this individual is converting from a disability pension to a service pension and is requesting that a member of pension plan A be allowed to take unused sick leave and apply that toward their pension and that right does not currently exist under pension plan A. Mr. Kennedy stated that staff recommends this request be denied based on the legal authority to credit this sick leave only exists under the section of the Code dealing with pension plan B.

Albert Berry moved approval of the recommendation of staff. Randy Lovett seconded and the Board approved without objection.

Item # 5. Flexible Spending Arrangement reimbursement for health-care appeal.

John Kennedy reported to the Board there was an individual who passed away in March 2003 and the widow submitted a claim to Ceridian in August. Mr. Kennedy stated Ceridian denied the claim based on the plan document, which states you have to make the claim within 90-days. He also stated the plan document does give the Board the right to either modify the plan or make an exception based on extenuating circumstances, but Ceridian recommends against doing so because it could cause some the level of risk in the internal revenue service review of the plan. Mr. Kennedy stated that staff recommends to deny the request.

After some discussion of the effects with the IRS on interpreting the plan document the Board deferred any action for further information as to when the individual was notified and review of the plan document.

Item # 6. Update on request for payment of long-term care for IOD pensioner.

John Kennedy reported this item was an update on the status of the pensioner and no action was required.

Item # 7. IOD Treatment Network policy.

John Kennedy stated this policy was presented and discussed in detail at the last meeting. He stated that there is a preliminary implementation schedule outlining the remaining steps left and a cost summary. He stated staff recommends adopting the policy that will put into place the framework for the network in order to proceed with training.

David Manning moved approval of the IOD treatment network policy as the framework subject to further review by the Board and an anticipated implementation target date of March 1, 2004. Edward Mason seconded and the Board approved without objection.

Item # 8. Policy regarding disability pensions with no reexamination.

John Kennedy stated there was a request from a Board member to review the term no reexamination. He stated that staff has reviewed this with Dr. Fletcher and come up with some guidelines to help define the meaning of no reexamination. He stated staff recommends that whenever one or more of the conditions exist within the guidelines that the case be reviewed by the Civil Service Medical Examiner for consideration of recommendation to the Board for approval/continuation without requirement of re-examination.

Albert Berry moved approval of the recommendation of the staff. Randy Lovett seconded and the Board approved without objection.

Item # 9. Committee Reports:

1. Pension Committee

a. Review of request for medical disability pension.

John Kennedy stated that it has been requested by the attorney involved in this case that this item be deferred. After discussion on the reasoning for the deferral, Albert Berry moved that this item be referred back to the pension committee based on information not seen by the Committee. B.R. Hall seconded and the Board approved without objection.

Chair Betsy Walkup stated that the Board will maintain the composition of all the Committees until appointments are made to those Committees.

2. Investment Committee

Celia Kirby reported that the Board that the Investment Committee met in regular session on December 2, 2003 and in a special called session on December 16, 2003 and had the following items to report to the full Board:

a. Statement of investment policy.

Ms. Kirby stated that the most significant changes to the policy are in regards to ending (freeze or sunset) a fund.

Albert Berry moved approval of the statement of investment policy. Russell White seconded and the Board approved with B.R. Hall and Edward Mason opposed.

b. Janus Worldwide investment option.

Ms. Kirby reported that Segal Advisors did a search to replace the Janus Worldwide and Segal recommends the Templeton Growth Fund.

Albert Berry moved approval of the recommendation. Randy Lovett seconded and the Board approved without objection.

c. Freeze the Janus Worldwide fund.

Ms. Kirby reported that it is recommended to freeze the Janus Worldwide fund to new contributions effective March 1, 2004 with a sunset date of December 1, 2004 as the sunset date.

Albert Berry moved approval of the recommendation. Randy Lovett seconded and the Board approved with B.R. Hall opposed.

Item # 10. Correspondence:

- a. Blue Cross Blue Shield recovery.
- b. CIGNA plan enhancement.
- c. Monthly report from Blue Cross.
- d. Monthly report from CIGNA.

Item 10.-a through 10.-b. were for information only and no action was required.

Item # 11. Reports For Your Information:

- a. Return to work.
- b. Social Security approvals.
- c. Refund of pension contributions.
- d. Repayment of pension contributions.
- e. Emergency withdrawal requests.
- f. Employee benefit trust fund annual comparison management consultant expenses.
- g. Employee benefit trust fund annual comparison investment management expenses.
- h. Employee benefit trust fund total expenses annual comparison.

Item 11.-a. through 11.-b. were for information only and no action was required.

Item # 12. Late item:

- a. Return to work – Mary Corley.

Albert Berry moved approval of Ms. Corley being returned to work. Russell White seconded and the Board approved without objection.

With nothing further presented, the meeting adjourned at 11:42 a.m.

ATTEST:

APPROVED:

**Mr. John P. Kennedy, Assistant Director
Human Resources**

**Mrs. Betsy Walkup, Chair
Employee Benefit Board**