

**City of Bellevue
Firemen's Pension Board**

Summary Minutes
Approved 6/6/22

May 27, 2022
9:00 a.m.

Virtual Meeting

MEMBERS PRESENT: Councilmember Jeremy Barksdale, Board Chair
Charmaine Arredondo, Assistant Director, City Clerk's Office
Toni Call, Director, Finance and Asset Management Department
Mike Crosby, Firemen's Pension Member
Eric Pedefferri, Firemen's Pension Member

ABSENT: None.

STAFF PRESENT: Joy St. Germain, Director, Human Resources Department
Matthew Smith, Assistant Director, Human Resources Department
Steven Treperinas, Retirement Specialist/Analyst, Human Resources Department
Kathleen Kline, Assistant City Attorney, City Attorney's Office

1. Call to Order

The meeting was called to order at 9:02 a.m., with Chair Barksdale presiding.

2. Roll Call

All Board Members were present.

3. Staff Introductions

Ms. St. Germain introduced Steven Treperinas, the new contact in the Human Resources Department for the Firemen's Pension Board.

4. Approval of Minutes for January 31, 2022 Meeting

Ms. Call moved to approve the minutes of the January 31, 2022 meeting. Ms. Arredondo seconded the motion, which carried by a vote of 5-0.

5. Firemen's Pension Overpayments

Ms. St. Germain recalled that the Board was notified during the January 31, 2022 meeting that overpayments have been made to 16 retirees/beneficiaries since January 2020. The total amount of the overpayments is \$44,562, with individual overpayments ranging from \$2,097 to \$4,054 for each beneficiary.

Under the Firemen's Pension Fund bylaws, retirees/beneficiaries are to be notified in writing that they are required to repay the overpayment in a lump sum within 90 days. If they are continuing to receive benefits, the repayment period may extend to a maximum of five years under the bylaws. Ms. St. Germain said staff recommends requiring the reimbursement of overpayments over the same length of time that the overpayments occurred. The Board's decision must be in writing and must be mailed to the retiree/beneficiary within 10 days of the decision. The notice must include information about the individual's right to appeal within 30 days.

Mr. Crosby moved to waive requesting reimbursement of the overpayments, and Mr. Pedefferri seconded the motion.

Mr. Crosby said he read the confidential communication to the Board. He said he reviewed a number of cases and in most of those, it was determined that the overpayment was not a gift of public funds and did not need to be repaid. He said one case determined that overpayments made from a reserve fund were not considered a benefit or a gift. He believes a good argument could be made that the overpayments were not a gift of public funds.

Ms. Kline said a number of cases were addressed in the memo to distinguish them from the facts of this case. She noted that the memo outlines the potential risks.

Ms. Call said she read the confidential memo and understands its conclusions. Responding to Ms. Call, Ms. Kline confirmed that the Firemen's Pension Board must take formal action if it wants to stop the overpayments.

Mr. Crosby recalled that the Board did not seek reimbursement for overpayments in the McAllister case or in another case involving paramedics.

Responding to Ms. Arredondo, Ms. St. Germain confirmed that the individuals could be allowed up to five years to repay the funds according to the bylaws. Mr. Smith said that extending the repayment period would reduce the monthly impact on the retirees/beneficiaries.

The motion failed by vote of 2-3, with Mr. Crosby and Mr. Pedefferri in favor.

Chair Barksdale commented that given the risks, there are other ways to address the potential undue hardship to the pension recipients.

Ms. Call moved to request repayment from the retirees/beneficiaries and to extend the repayment period to five years as allowed in the Firemen's Pension Fund bylaws. Ms. Arredondo seconded the motion.

Ms. Arredondo spoke in favor of the motion. She expressed concern about the burden of repayment for individuals on a fixed income.

The motion carried by a vote of 5-0.

Ms. Call moved to stop the overpayments as soon as feasible to reduce the amount the retirees/beneficiaries will be required to repay. Ms. Arredondo seconded the motion.

Responding to Chair Barksdale, Ms. Kline said the pension recipients will be informed of the Board's decision within 10 days.

Responding to Ms. Call, Ms. Kline confirmed that the retirees/beneficiaries will be informed of their right to appeal the Board's decision.

Mr. Barksdale wondered what would be a reasonable timeframe to allow the transition for those receiving benefit payments.

Mr. Crosby suggested stopping the overpayments after the next payment, if possible, and providing the longest possible repayment period.

Mr. Barksdale concurred.

The motion to stop the overpayments as soon as possible carried by a vote of 5-0.

Responding to Ms. St. Germain, Ms. Kline confirmed that a special meeting should be held to review the draft decision before it goes out to the affected retirees/beneficiaries.

6. Adjournment

The meeting was adjourned at 9:28 a.m.