

A meeting of the Berkley Public Safety Pension Board was called to order by Chairperson Herriman at 04:01 PM on Monday March 25, 2024.

Present: Chairperson Herriman
 Treasurer Bemis
 Secretary Smith
 Member Maisonneuve

Absent: Member Boring

Others Present: Louise Gates – GRS
 Laurie Fielder – City of Berkley
 Matt Baumgarten – City of Berkley

APPROVAL OF THE AGENDA

A motion was made by Smith, to approve the agenda. Motion was supported by Maisonneuve.

Ayes: Herriman, Bemis, Smith, Maisonneuve
Nays: None
Abstain: None
Absent: Boring

Motion Carried

APPROVAL OF MINUTES

A motion was made by Bemis, supported by Smith, to approve the February 26, 2024 minutes.

Ayes: Herriman, Bemis, Smith, Maisonneuve
Nays: None
Abstain: None
Absent: Boring

Motion Carried

CITIZEN COMMENTS – None

OLD BUSINESS – None

NEW BUSINESS –

1. Approval of Invoice Payment

An invoice was presented from AsherKelly for legal services relating to 3 members' divorce decrees.

A motion to approve payment was made by Maisonneuve and supported by Smith.

Ayes: Herriman, Bemis, Smith, Maisonneuve

Nays: None

Abstain: None

Absent: Boring

Motion Carried

After additional discussion by the board a motion was made by Bemis that all future legal fees associated with a member's Domestic Relations Order will be the responsibility of the member just as actuarial fees currently are. The motion was supported by Smith.

Ayes: Herriman, Bemis, Smith, Maisonneuve

Nays: None

Abstain: None

Absent: Boring

Motion Carried

Gates also offered to provide the board with a Domestic Relations Order template that can be offered to any future members who may need it.

2. Discussion with City Manager and Deputy Finance Director

Fielder began by updating the board on the issues surrounding the retirees' 1099 forms. The issue was related to retirees who had previously made contributions into the system and therefore had a portion of their pension which was non-taxable. There was also issues regarding the period of time that there would be a non-taxable portion of their pensions. She reviewed the steps taken by the city to correct the issues and the causes.

The root cause of the issue seemed to be that the city had previously done the calculations in house, however, when those who knew how to do them abruptly left, the information was not passed on. For many of the retirees the documents needed for the calculations are no longer available.

The city reported that the board's attorney told them doing the calculations in house was not advisable and should be done by an outside actuary. Gates informed the board that this is called an Exclusion Rate Calculation and it could be done by GRS if the city was able to provide the necessary information.

Due to the unavailability of some of the information for some retirees Baumgarten advised that the city would like to use a forensic accounting service to attempt to figure out the missing numbers. It was determined that the next step will be for the city to figure out which retirees they

have all the necessary information for and which have some items missing. Once that is determined the next options for recovering the missing information will be reviewed.

ADJOURNMENT

A motion to adjourn was made by Smith, supported by Maisonneuve at 04:47 PM.

Ayes: Herriman, Bemis, Smith, Maisonneuve

Nays: None

Abstain: None

Absent: Boring

Motion Carried

Next regularly scheduled meeting date, May 20, 2024 at 04:00 PM.