

Officers & Employee Fund

Members: Dolores Martinez [Mayor's Proxy], Steve Karnat, Lester Kissinger Jr, Jamar Kelly, Maria Rodriguez, Karen Gassert

Staff: Joe Rudolf (solicitor), Lilliana Castillo

April 19, 2023 1:30 PM

Location: Penn Room & Virtual

Board Meeting Minutes

Call to Order 1:45pm

○ **PRESENTER/GUEST**

- Guest- Judy Leshko
- Phone call with Frank Cheeks confirming he would like a refund of his pension contributions.

○ **MINUTES**

- Approve March 2023 Minutes

	Yes	No	Abstain
Dolores Martinez	☒	☐	☐
Jamar Kelly	☒	☐	☐
Lester Kissinger	☒	☐	☐
Steve Karnat	☒	☐	☐
Maria Rodriguez	☐	☐	☒
Karen Gassert	☒	☐	☐

- Motion to approve made by Lester Kissinger, 2nd by Karen Gassert.
(5y/0n/1Abstain)

○ **FINANCIAL REPORTS**

- Wells Fargo Commercial as of 3/31/2023
- Financial Report as of 2/28/2023
- UBS investment as of March 2023
- UBS 401K as of March 2023
- Conrad Siegel annual valuation as of 12/31/2022 (attached)

	Yes	No	Abstain
Dolores Martinez	☒	☐	☐
Jamar Kelly	☒	☐	☐
Lester Kissinger	☒	☐	☐
Steve Karnat	☒	☐	☐
Maria Rodriguez	☒	☐	☐
Karen Gassert	☒	☐	☐

- Motion to approve made by Dolores Martinez, 2nd by Steve Karnat. (6y/0n)
- Finance Director Jamar Kelly explained its mandatory for the new employees under the 401k DC plan to contribute 5%. After 36 months of the existence of the plan, the city will match 5% per employee.

○ **BILLS**

- ADP processing charges period ending 3/31/2023 - \$1,701.12
- Clark Hill professional services for March 2023 - \$2,050.00

Sub-total: \$3,751.12

	Yes	No	Abstain
Dolores Martinez	☒	☐	☐
Jamar Kelly	☒	☐	☐
Lester Kissinger	☒	☐	☐
Steve Karnat	☒	☐	☐
Maria Rodriguez	☒	☐	☐
Karen Gassert	☒	☐	☐

- Please have ADP credit the account the correct amount for 1095C
- Motion to approve made by Maria Rodriguez, 2nd by Lester Kissinger. (6y/0n)

○ **CORRESPONDENCE** – Email from UBS - Credit Suisse

○ **REFUNDS/ROLLOVERS**

Application for Rollover:

- Lori Kramer hired on 11/8/2021, separated on 2/28/2023.

<u>Rollover Amount =</u>	<u>\$2,294.55</u>

	Yes	No	Abstain
Dolores Martinez	☒	☐	☐
Jamar Kelly	☒	☐	☐
Lester Kissinger	☒	☐	☐
Steve Karnat	☒	☐	☐
Maria Rodriguez	☒	☐	☐
Karen Gassert	☒	☐	☐

- Motion to approve made by Steve Karnat, 2nd by Lester Kissinger. (6y/0n)
- Nelton Manon hired 12/26/2017, separated on 3/2/2023

<u>Rollover Amount =</u>	<u>\$7,163.21</u>
<u>Less 20% taxes</u>	<u>\$1,432.64</u>
<u>Distribution Amount</u>	<u>\$5,730.57</u>

	Yes	No	Abstain
Dolores Martinez	☒	☐	☐
Jamar Kelly	☒	☐	☐
Lester Kissinger	☒	☐	☐
Steve Karnat	☒	☐	☐
Maria Rodriguez	☐	☐	☒
Karen Gassert	☒	☐	☐

- Motion to approve made by Lester Kissinger, 2nd by Steve Karnat (5y/0n/1Abstain)
- Frank T. Cheek Jr. hired on 11/2/1998, separated on 3/16/2022

<u>Rollover Amount =</u>	<u>\$48,407.13</u>
<u>Less 20% taxes</u>	<u>\$9,681.43</u>
<u>Distribution Amount</u>	<u>\$38,725.71</u>

	Yes	No	Abstain
Dolores Martinez	☒	☐	☐
Jamar Kelly	☒	☐	☐
Lester Kissinger	☒	☐	☐
Steve Karnat	☒	☐	☐
Maria Rodriguez	☒	☐	☐
Karen Gassert	☒	☐	☐

- Motion to approve made by Lester Kissinger, 2nd by Maria Rodriguez. (6y/0n)

○ **APPLICATIONS**

- Heriberto Pagan RAWA employee hired on 6/2/2003, retiring as of 3/27/2023. 19 Years of Service. Mr. Pagan is 61 years old. Will receive a 14.40% penalty.

Monthly- \$1,743.22

Annually-\$20,918.58

	Yes	No	Abstain
Dolores Martinez	☒	☐	☐
Jamar Kelly	☒	☐	☐
Lester Kissinger	☒	☐	☐
Steve Karnat	☒	☐	☐
Maria Rodriguez	☒	☐	☐
Karen Gassert	☒	☐	☐

- Motion to approve made by Maria Rodriguez, 2nd by Steve Karnat. (6y/0n)

○ **DISABILITY APPLICATION -**

○ **OLD BUSINESS –**

- Revised surviving spouse pension application
Comments- include revised dates at the bottom.

	Yes	No	Abstain
Dolores Martinez	☒	☐	☐
Jamar Kelly	☒	☐	☐
Lester Kissinger	☒	☐	☐
Steve Karnat	☒	☐	☐
Maria Rodriguez	☒	☐	☐
Karen Gassert	☒	☐	☐

- Motion to approve made by Dolores Martinez, 2nd by Steve Karnat. (6y/0n)

○ **NEW BUSINESS-**

- A question came before the pension office, Is medical coverage a taxable item? I have attached a sample of a retirees 1099. **Box A** state's gross amount, **Box 2A** states the taxable amount (position factor). Retiree paid \$754.80 in medical for the year 2022. Month to month pension statements show the retiree does not pay taxes on medical, however their 1099 shows they do.

- Retirees do pay taxes on their medical coverage, 1099 is correct, however ADP paystubs should reflect. Lilly will work with ADP and benefits coordinator.
- Sample letter to retirees who received the full 40% dual coverage deduction.

	Yes	No	Abstain
Dolores Martinez	☐	☐	☐
Jamar Kelly	☒	☐	☐
Lester Kissinger	☒	☐	☐
Steve Karnat	☒	☐	☐
Maria Rodriguez	☒	☐	☐
Karen Gassert	☒	☐	☐

- Motion to approve made by Lester Kissinger, 2nd by Maria Rodriguez. (5y/0n)
 - Dolores left to another meeting.

○ **INFORMATION**

- MMO deposit for April 2023 - \$271,839.00
- PA Statutory Provisions of Third Class City Code Creating O&E Pension Fund
- Position factor is completed for 2021-2022. 9 retirees were impacted. They will be receiving a revised 1099.

○ **PUBLIC COMMENT**

○ **ADJOURNMENT**

- Motion to adjourn at 2:43pm made by Maria Rodriguez, 2nd by Lester Kissinger. (5y/0n)