

**BURLINGTON RETIREMENT BOARD
REMOTE MEETING WITH CALL-IN
BURLINGTON, VERMONT
MINUTES OF MEETING
FINAL
September 30, 2020**

MEMBERS PRESENT:

Robert Hooper, Chairperson
Munir Kast, Vice-Chairperson
Patrick Robins
David Mount
Matthew Dow
Daniel Gilligan
Ben O'Brien
Katherine Schad

OTHERS PRESENT:

Rich Goodwin
Justin St. James
Bob Rusten
Jim Strouse
Eileen Blackwood
Steve Lemanski

1.0 CALL TO ORDER AND AGENDA

Mr. Hooper called the Retirement Board meeting to order at 8:30 AM.

1.01 Motion to amend/adopt agenda

MOTION by Matthew Dow, SECOND by Daniel Gilligan, to adopt the agenda as written.

VOTING: unanimous; motion carries.

2.0 PUBLIC FORUM (VERBAL)

2.01 Verbal Comments

None at this time.

3.0 SEPARATION AGREEMENT FOR JASON BELLAVANCE

3.01 Separation Agreement For Jason Bellavance

City Attorney Blackwood spoke about this item, noting that the City is engaged in a separation agreement with a City employee, and as part of that agreement the employee in question will receive three years of separation pay and three years of credit towards retirement as if they had remained

employed for those three years. She said she determined that this is in line with the retirement ordinance. She noted that the employee's paycheck will have the employee contribution to the retirement fund withheld as if they were still employed.

Mr. Robins asked if the salary would be paid out of the salary account, and City Attorney Blackwood replied in the affirmative. He expressed concern that this agreement would set a precedent for future agreements. City Attorney Blackwood replied that every time this occurs it will come to the Retirement Board for their approval and that she does not consider this a precedent for future cases.

Director Goodwin said the benefit calculation will start as of today, and his last day would be October 5th, and what his benefit would be upon normal retirement. An additional calculation shows the three year additional credit of service, which will show a difference in future benefit at age 55.

Mr. Lemanski provided an overview of the calculation of retirement, noting that Mr. Bellavance currently has 9.5 years of service and an average final compensation of \$71,736, which equal a final calculation of monthly pension benefit of \$1,419. Mr. Lemanski then compared this to the same calculation but with the 3 years of additional service per the settlement agreement, noting a final monthly benefit of \$1,868.

Mr. Robins asked why the final average compensation did not include the \$300,000 in the separation agreement. Director Goodwin clarified that the \$300,000 is severance pay, which is separate from the average final compensation. He added that the agreement includes a credit of 3 years towards retirement, which the above calculations reflect.

Mr. Hooper emphasized that the Board's concern is ensuring that the impact to the Retirement Fund is net zero.

Mr. Gilligan asked if the City's contribution to the Retirement Fund will occur simultaneously to the employee's contributions. Mr. Lemanski walked through the net present value of both scenarios.

Mr. Kasti asked if the memo would include both the employee contribution and the employer contribution. He also asked for clarification about the average final compensation, and whether the extra \$300,000 payment are considered pensionable wages. Other Retirement Board members also asked for this clarification.

City Attorney Blackwood advised that if the Board's primary concern is making the Retirement Fund whole, she confirmed that the City will make whatever contribution is advised by Mr. Lemanski. She advised working with Mr. Lemanski to come up with the average final compensation so that the remainder of the calculation can fall into place.

Mr. Robins expressed concern about including the \$300,000 payment contribution in the calculation of the pension benefit, saying that it would be a windfall.

Mr. Hooper and Mr. Kasti said they would be more comfortable making a motion to approve the three years of service credit per the separation agreement if they had actual numbers and calculations in front of them, rather than approving and asking the City to work on calculations after that.

MOTION by Ben O'Brien, SECOND by Matthew Dow, to recess the Retirement Board meeting until October 2 at 8:30 AM.

VOTING: unanimous (Patrick Robins not present for vote); motion carries.

The meeting recessed at 9:34 AM.

4.0 OTHER

4.01 Other Agenda Items
None at this time.

5.0 ADJOURNMENT

5.01 Motion to Adjourn
The meeting was recessed.

RScty: AACoonradt