



City of Grand Island

Tuesday, January 22, 2013

Council Session

Item G3

Approving Minutes of January 17, 2013 City Council Special Meeting

Staff Contact: RaNae Edwards

CITY OF GRAND ISLAND, NEBRASKA

MINUTES OF CITY COUNCIL SPECIAL MEETING
January 17, 2013

Pursuant to due call and notice thereof, a Special Meeting of the City Council of the City of Grand Island, Nebraska was conducted in the Council Chambers of City Hall, 100 East First Street, on January 17, 2013. Notice of the meeting was posted on the front doors of City Hall, the Grand Island Public Library and The Independent on January 16, 2013.

Mayor Jay Vavricek called the meeting to order at 7:00 p.m. The following City Council members were present: Vaughn Minton, Mike Paulick, Scott Dugan, Peg Gilbert, Mitch Nickerson, Chuck Haase, Linna Dee Donaldson, and Bob Niemann. Councilmember John Gericke recused himself due to a conflict of interest and Julie Hehnke were absent. The following City Officials were present: City Clerk RaNae Edwards, City Attorney Robert Sivick, and Finance Director Jaye Monter.

The PLEDGE OF ALLEGIANCE was said.

Community Youth Council member Ashley Bykerk was introduced.

CONSENT AGENDA:

Approving Appointment of Jimmy Olson and the Re-Appointments of Michael Nelson, Danny Dubbs, and Kelly Mossman to the Police Pension Committee along with Finance Director Jaye Monter and Councilmember Chuck Haase. City Attorney Robert Sivick reported that the Mayor was recommending the appointments to the Police Pension Committee. These appointments would take place immediately and expire on December 31, 2016. The Councilmember for the City representation would serve immediately and expire on December 31, 2013. The Finance Director would serve through the duration of his/her term. If the Finance Director could no longer serve a successor Finance Director would then serve in that persons place.

Discussion was held regarding the terms of the City representatives. Mr. Sivick explained the reasons for the Councilmembers term being one year and the Finance Directors term being continuous. Comments were made by Council that this position should be appointed for four years.

Motion by Dugan, second by Minton to approve the appointments to the Police Pension Committee.

Motion by Gilbert, second by Dugan to amend the motion to include the two lay people on this committee be a 4 year term. Upon roll call vote, all voted aye. Councilmember Haase abstained. Motion adopted.

Approving Appointment of Phil Thomas and the Re-Appointments of Tom Cox, Scott Kuehl, and Todd Morgan to the Fire Pension Committee along with Finance Director Jaye Monter and Councilmember Chuck Haase. City Attorney Robert Sivick reported this was similar to the Police Pension Committee appointments.

Motion by Gilbert, second by Niemann to approve the Fire Pension Committee appointments with the addition that the two lay people would be for 4 year terms.. Upon roll call vote, all voted aye. Councilmember Haase abstained. Motion adopted.

RESOLUTIONS:

#2013-16 (A) and #2013-16 (B) – Pre-84 Police Retirees – Remedy Overpayment of Past Police Retirees. City Attorney Robert Sivick explained the State Statutes with regards to Police pension calculations for First Class Cities, which was based on a straight life annuity. A search of the City records indicated the Grand Island City Council had taken no action changing the straight life to a joint life annuity.

Nebraska law generally limits suits to not more than four years after the event that gave rise to the cause of action. Therefore, the City is barred from pursuing reimbursement of excess pension benefits resulting from an incorrect calculation of those benefits more than four years ago. Presently, the City may pursue legal action against four Police retirees, Rick Ressel, Dennis Osterman, Roger Philbeck, and Kerry Cole.

Resolution #2013-16 (A) makes the finding that the four Police retirees had received an overpayment of their pension benefits, directs those benefits be recalculated, directs City staff demand reimbursement from the retirees for the overpayment, and directs the City Legal Department to use all available methods to insure the City received reimbursement. Resolution #2013-16 (B) makes the finding that the above four retirees received an overpayment of the pension benefits but forgives that overpayment.

Jarret Daugherty, 3012 Goldenrod Drive thanked the Council for the time taken on this issue.

Comments were made by Council regarding not requesting reimbursement from the retired four Police Officers. Mentioned was that this was a fair way of settling this matter. Mentioned was that policies and procedures would be changed in the future.

Motion by Gilbert, second by Nickerson to approve Resolution #2013-16 (B). Upon roll call vote, all voted aye. Motion adopted.

#2013-17 (A) and #2013-17 (B) – Pre-84 Police Retirees – Calculation of Police Retiree Benefits. City Attorney Robert Sivick stated Resolutions #2013-17 (A) and #2013-17 (B) addressed the calculation of police retirement benefits. Resolution #2013-17 (A) makes the finding the Council never authorized changing the calculation of police retirement benefits from a straight to joint life annuity basis. Any such benefits calculated on a joint life annuity basis were incorrect and illegal, and all pending and future police retirement benefits should be calculated on a straight life annuity basis.

Resolution #2013-17 (B) allowed the Council to direct all pending and future police retirement benefits be calculated on a joint life annuity basis.

Discussion was held regarding the State Statutes which stated the City “shall” pay for a straight life annuity.

Motion by Gilbert, second by Dugan to approve Resolution #2013-17 (A). Upon roll call vote, all voted aye. Motion adopted.

ADJOURNMENT: The meeting was adjourned at 7:38 p.m.

RaNae Edwards
City Clerk