



AGENDA

Lucas Volunteer Firefighter Pension Board

December 8, 2015 7:00 PM

City Hall - 665 Country Club Road – Lucas, Texas 75002-7651

Notice is hereby given that a City of Lucas Volunteer Pension Board Meeting will be held on Tuesday December 8, 2015 at 7:00 pm at the Lucas City Hall, 665 Country Club Road, Lucas, Texas at which time the following agenda will be discussed.

Call to Order

Roll Call.

Determination of Quorum.

Reminder to turn off or silence cell phones.

Citizens' Input

The Citizens' Input portion of the agenda is an opportunity for the public to address the Lucas Volunteer Firefighter Pension Board on any subject. However, in accordance with the Texas Open Meetings Act, the Local Board cannot discuss issues raised or make any decisions at this time but may refer items to City Staff for research and possible inclusion on a future agenda.

1. Citizens' Input.

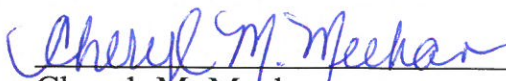
Regular Agenda

2. Consider approval of the minutes of the Lucas Volunteer Pension Board Meeting March 23, 2015.
3. Discuss and consider the following items with respect to the Texas Emergency Services Retirement System:
 - a. Consider the position of the Texas Emergency Services Retirement System regarding the inability of the City of Lucas to terminate its participation in the volunteer pension plan.

- b. Consider the contract with the Texas Emergency Services Retirement System initially executed in October 1998 and increased contributions to \$60 on October 1, 2012. Consider a recommendation to City Council to take action to reduce the contribution rate to \$36 per month per emergency responder volunteer, which is the minimum required by the Texas Emergency Services Retirement System.
 - c. Consider the Texas Emergency Services Retirement System annual report due on January 31 reporting service credit and training for calendar year 2015.
 - d. Consider the reappointment of Cheryl Meehan as the City of Lucas administrator for the Texas Emergency Services Retirement System online system.
 - e. Consider the reconciliation and approval of the Texas Emergency Services Retirement System invoices for November 30, 2014, February 28, 2015, May 31, 2015, August 31, 2015 and November 30, 2015 and recommend to City Council to appropriate the funding necessary to fund the Texas Emergency Services Retirement System.
4. Consider the existing Volunteer Firefighter Insurance System (VFIS) Length of Service Award Program (LOSAP) and the effects on the City of Lucas with the inability of the City of Lucas to terminate its participation in the TESRS volunteer pension plan.
5. Adjournment.

Certification

I hereby certify that the above notice was posted in accordance with the Texas Open Meetings Act on the bulletin board at Lucas City Hall and on the City's website at www.lucastexas.us by 5:00 p.m. on Friday, December 4, 2015.


Cheryl M. Meehan
HR Manager, Staff Liaison

In compliance with the American with Disabilities Act, the City of Lucas will provide for reasonable accommodations for persons attending public meetings at City Hall.

Requests for accommodations or interpretive services should be directed to Stacy Henderson at 972-912-1211 or by email at shenderson@Lucastexas.us at least 48 hours prior to the meeting.



**City of Lucas
Lucas Volunteer Firefighter
Pension Board
December 8, 2015**

Name & Title of Requestor: Cheryl M. Meehan, HR Manager

Agenda Item:

Citizen's Input

Background Information:

N/A

Attachments/Supporting Documentation:

N/A

Budget/Financial Impact:

None.

Action:

None.



**City of Lucas
Lucas Volunteer Firefighter
Pension Board
December 8, 2015**

Name & Title of Requestor: Cheryl M. Meehan, HR Manager

Agenda Item:

Consider approval of the minutes from the March 23, 2015 Lucas Volunteer Firefighter Pension Board Meeting.

Background Information:

N/A

Attachments/Supporting Documentation:

Minutes from the March 23, 2015 Lucas Volunteer Firefighter Pension Board Meeting.

Budget/Financial Impact:

None.

Action:

Motion to approve the March 23, 2015 Lucas Volunteer Firefighter Pension Board Meeting minutes as presented.



Lucas Volunteer Firefighter Pension Board
March 23, 2015 6:00 PM
City Hall - 665 Country Club Road
Minutes

Call to Order

Chairman Larry Bowman called the meeting to order at 6:05 p.m.

All Trustees were present.

Chairman Larry Bowman	Trustee David Leonard
Trustee Gerald Reining	Trustee Gary Johnson
Trustee Jamie Kilpatrick	Trustee Wayne Millsap

Staff:

City Manager Joni Clarke	HR Manager Cheryl Meehan
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It was determined that a quorum was present.

Citizens' Input

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1. Citizens' Input.

No Citizens requested to comment.

Regular Agenda

2. Review and approve minutes of the Lucas Volunteer Firefighter Pension Board meeting February 9, 2015.

Motion to accept the minutes with one correction by Trustee Millsap, seconded by Trustee Kilpatrick. The minutes were approved by a majority vote of the Lucas Volunteer Pension Board on March 23, 2015.

3. Discuss and consider three proposals from Volunteer Firefighter Insurance Service VFIS of Texas/Regnier & Associates, defining and cost of Length of Service Award Program, LOSAP prepared by Glatfelter Specialty Benefits designed for the Lucas Fire Department.

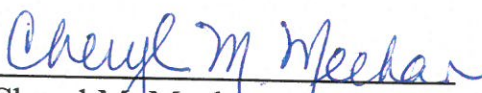
The board discussed the qualification to participate in the program and set the guidelines for participation in the pension plan. Review of the costs of the plan and which options to bring to City Council on April 2, 2015.

Motion was made by Trustee Millsap to bring forward to City Council the three options for their review. Create a chart to show the cost comparisons. Recommend that the City of Lucas fund the option that benefits the firefighters at \$15 per year with maximum of \$300. The motion was seconded by Trustee Kilpatrick, motion carried unanimously.

4. Adjournment. Motion to adjourn the meeting at 7:15 by Trustee Millsap, Trustee Kilpatrick seconded the motion. Motion carried unanimously.

Chairman Larry Bowman

ATTEST:



Cheryl M. Meehan
HR Manager, Staff Liaison



**City of Lucas
Lucas Volunteer Firefighter
Pension Board
December 8, 2015**

Name & Title of Requestor: Cheryl M. Meehan, HR Manager

Agenda Item:

Discuss and consider the following items with respect to the Texas Emergency Services Retirement System:

- a. Consider the position of the Texas Emergency Services Retirement System regarding the inability of the City of Lucas to terminate its participation in the volunteer pension plan.
- b. Consider the contract with the Texas Emergency Services Retirement System initially executed in October 1998 and increased contributions to \$60 on October 1, 2012. Consider a recommendation to City Council to take action to reduce the contribution rate to \$36 per month per emergency responder volunteer, which is the minimum required by the Texas Emergency Services Retirement System.
- c. Consider the Texas Emergency Services Retirement System annual report due on January 31 reporting service credit and training for calendar year 2015.
- d. Consider the reappointment of Cheryl Meehan as the City of Lucas administrator for the Texas Emergency Services Retirement System online system.
- e. Consider the reconciliation and approval of the Texas Emergency Services Retirement System invoices for November 30, 2014, February 28, 2015, May 31, 2015, August 31, 2015 and November 30, 2015 and recommend to City Council to appropriate the funding necessary to fund the Texas Emergency Services Retirement System.

Background Information:

At a meeting of the Lucas Fire Department Volunteer Pension Board held on November 24, 2014, the Trustees concluded that the Texas Emergency Services Retirement System TESRS, was not a viable option and an alternative pension plan needed to be considered. The Board discussed the need to make this benefit a recruiting tool to attract and retain qualified volunteers to maintain adequate staffing levels for the Lucas Fire Department. The Board proposed to the Lucas City Council a 457(e) Length of Service Award Program (LOSAP) and it was approved by City Council on April 2, 2015.



City of Lucas

Lucas Volunteer Firefighter Pension Board

December 8, 2015

Name & Title of Requestor: Cheryl M. Meehan, HR Manager

Michelle Jordan, Executive Director of the Texas Emergency Services Retirement System, indicated verbally to representatives of the City that we had no obligation to continue to make payments into this pension fund. The City included in its FY 15/16 budget funding for the LOSAP and did not appropriate any funds for TESRA. However, now Ms. Jordan has indicated that the City cannot withdraw from TESRA.

In consultation with our City Attorney Joe Gorfida, we requested that TML legal counsel evaluate whether or not the City of Lucas has a legal obligation to continue to pay into TESRA. Laura Mueller, Assistant general Counsel responded with the following:

“Thank you for your question. I do not think the city can withdraw based on current state law. This is what I found:

Sec. 862.001. PARTICIPATION BY DEPARTMENT. (a) The governing body of a department that performs emergency services may, in the manner provided for taking official action by the body, elect to participate in the pension system. A governing body shall notify the executive director as soon as practicable of an election made under this subsection. Except as provided by Subsection (b), an election to participate under this subsection is irrevocable.

(b) The governing body of a department that makes an election under Subsection (a) may terminate participation in the pension system not later than the fifth anniversary of the date of the election to participate, except that a department that begins participation after September 1, 2005, may not terminate that participation.

This is the chapter of the Government Code that deals with the Emergency Services Retirement System. What do you think?”

Attachments/Supporting Documentation:

Available upon request:

1. Email from TML Legal
2. Pension System Contract
3. Texas Emergency Services Retirement System outstanding invoices
4. Email from Michele Jordon
5. December 4, 2014 Council Agenda Item
6. Lucas Volunteer Firefighter pension Board Meeting Agendas (last fiscal year)
7. April 2, 2015 Council Agenda Item
8. May 7, 2015 Council Agenda Item
9. September 3, 2015 Council Agenda Item



City of Lucas
Lucas Volunteer Firefighter
Pension Board
December 8, 2015

Name & Title of Requestor: Cheryl M. Meehan, HR Manager

Budget/Financial Impact:

According to the Texas Emergency Services Retirement System, the following is owed and outstanding:

Invoice Date	Invoice No.	TESRS Amount	City Recalc.
11/30/14	7890	\$ 4,620	\$ 4,440
2/28/15	8080	\$ 4,500	\$ 4,320
5/31/15	8268	\$ 4,500	\$ 4,320
8/31/15	8642	\$ 4,500	\$ 4,320
11/30/15		<u>\$ 4,020</u>	<u>\$ 4,020</u>
TOTAL		\$ 22,140	\$ 21,420
Credit Due from J. Kitchens		<u>3,830</u>	<u>3,830</u>
TOTAL DUE		<u>\$ 18,310</u>	<u>\$ 17,590</u>

Recommendation:

N/A

Motion:

N/A



**City of Lucas
Lucas Volunteer Firefighter
Pension Board
December 8, 2015**

Name & Title of Requestor: Cheryl M. Meehan, HR Manager

Agenda Item:

Consider the existing Volunteer Firefighter Insurance System (VFIS), Length of Service Award Program (LOSAP) and the effects on the City of Lucas with the inability of the City of Lucas to terminate its participation in the TESRS volunteer pension plan.

Background Information:

N/A

Budget/Financial Impact:

The budgeted amount for this program in the fiscal year 15/16 budget is \$36,000. This amount fluctuates on the number of active volunteers that we have within the City. At the present time we have less than 25 volunteers that are active. Since the estimate was factored on 39 participants, we can expect the actual cost to be less.

The current payment rate is \$15 per year per volunteer up to a maximum annuity payment of 20 years of service for a total maximum of \$300 per month.

Recommendation:

N/A

Motion:

N/A



**City of Lucas
Lucas Volunteer Firefighter Pension
Board
December 8, 2015**

Name & Title of Requestor: Cheryl M. Meehan, HR Manager

Agenda Item:

Adjournment.

Background Information:

N/A

Attachments/Supporting Documentation:

N/A

Budget/Financial Impact:

N/A

Action:

Make a motion to adjourn this meeting of the Lucas Volunteer Firefighter Pension Board, as of

_____.