



Superstition Fire & Medical District
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Public Safety Personnel Retirement System
Local Pension Board Meeting Minutes

June 15, 2017

PURSUANT TO A.R.S. 38.431.02, NOTICE IS HEREBY GIVEN TO THE GENERAL PUBLIC THAT THE SUPERSTITION FIRE & MEDICAL DISTRICT ("SFMD") PUBLIC SAFETY PERSONNEL RETIREMENT SYSTEM ("PSPRS"), THE LOCAL PENSION BOARD HELD A MEETING ON TUESDAY, JUNE 15, 2017. THE MEETING WAS HELD AT THE SUPERSTITION FIRE & MEDICAL DISTRICT'S ADMINISTRATION OFFICE, AT 565 N. IDAHO ROAD, APACHE JUNCTION, ARIZONA. THE MEETING WAS OPEN TO THE GENERAL PUBLIC AND BEGAN AT 4:08 P.M.

- A. Chairperson Gene Gehrt called the meeting to order at 4:08 p.m.
- B. The Pledge of Allegiance was led by Board Director Rivera.
- C. Roll Call showed Local Board Chairperson Gene Gehrt and Local Board Members Carlos Rivera and Ruben Briones. Board Members Jim Geil and Ron Olm were absent. Also present were Finance Director Roger Wood and HR Generalist Sherry Mueller.
 1. *Review and possible approval of the May 16, 2017 Local Pension Board meeting minutes.*

Motion by Local Board Member Briones to approve the May 16, 2017 Local Pension Board minutes. Second by Local Board Member Rivera. Vote 3 ayes, 0 nays. Motion passed. Chairperson Gehrt signed the May 16, 2017 Local Pension Board meeting minutes.

2. *Call to Public.*

None.

3. *Discussion and possible action regarding issues pertaining to the Hall-Parker payments.*

Roger Wood summarized the Hall-Parker payments by saying there are 68 employees affected including a mix of current and retired in varying dollar amounts. The total refund is approximately \$895,000. The Pension Board will need to make a recommendation to the Big Board for a payout date. Employees can use the funds to max-out their 457(b) plan for 2017 and they may also want to adjust taxes for one payroll. FICA has already been paid on the contributions and no Medicare will be deducted again. Roger is working on this to prevent any issues on the W-2.

Consider recommending a pay out on August 4th, 2017. Roger said we will use our line of credit to pay this out. According to an agreement with Wells Fargo, the line of credit must be paid back by the end of the fiscal year. Members affected should be able to get their dollar amounts on the PSPRS website on Friday, June 16, 2017.

Interest will be paid out separately. The cost of the interest will be determined by the courts and could possibly be 10%, however the interest rate is still not determined. Interest payment is taxable but will not be considered wages. Affected employees will have to file a W-9 before they can receive the interest payment. Roger would like to have the interest paid by the end of 2017. Affected employees will receive a 1099-INT in January, 2018.

Board Chairperson Gehrt said their objective is to get the members paid as soon as possible.

Motion by Local Board Member Rivera to approve a recommendation to the Governing Board to pay out the money on August 4th, 2017, using the District's line of credit to do so. Seconded by Local Board Member Briones. Vote 3 ayes, 0 nays. Motion passed.

4. Announcements and Information.

Roger Wood stated that we may need to reschedule the August 15th, 2017 Local Pension Board Meeting due to Captain Doug Taylor's termination of DROP participation. Captain Taylor's last day will be September 17, 2017.

5. Adjourn.

Motion by Board Member Briones to adjourn the meeting at 5:10 p.m. Seconded by Board Member Rivera. Vote 3 ayes, 0 nays. Motion passed.

Board Approval:

Preliminary minutes mailed to PSPRS on July 11, 2017.



Gene Gehrt, Board Chairperson

Sherry Mueller