

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

PURSUANT TO A.R.S. §38.431.02

Notice is hereby given to the general public the Superstition Fire & Medical District (SFMD) Public Safety Personnel Retirement System Local Pension Board will hold a meeting on Tuesday, January 22, 2019. The meeting will be held at the Superstition Fire & Medical District's Administrative Office, located at 565 N. Idaho Road, Apache Junction, Arizona. The meeting will be open to the general public and will begin at 4:00 pm local time.

AGENDA:

- A. Call to Order.
- B. Pledge of Allegiance.
- C. Roll Call.

The following items are to be discussed at the board meeting; action or decisions may or may not be taken on any or all items. Agenda items may or may not be considered in the order listed:

1. Review and possible approval of the November 27, 2018 Local Pension Board meeting minutes.
2. Call to Public.
A public body may make an open call to the public during a public meeting, subject to reasonable time, place, and manner restrictions, to allow individuals to address the public body on any issue within the jurisdiction of the public body. At the conclusion of an open call to the public, individual members of the public body may respond to criticism made by those who have addressed the public body, may ask staff to review a matter, or may ask that a matter be put on a future agenda. However, members of the public body shall not discuss or take legal action on matters raised during an open call to the public unless the matters are properly noticed for discussion and legal action.
Scheduled: none at time of printing
3. Discussion and possible approval to rescind Daniel McKinney's original entrance in to the DROP on 12/16/2018.
4. Discussion and possible approval of Daniel McKinney's application to participate in the DROP program entering on 2/3/2019.
5. Discussion and possible approval of John Christensen's application to participate in the DROP program entering on 2/3/2019.
6. Discussion and possible approval of new hire retirement membership into the Public Safety Personnel Retirement System.
7. Discussion and possible approval of the consolidated results of the June 30, 2018 Arizona Public Safety Personnel Retirement System actuarial validation.
8. Discussion and possible approval of the annual actuarial valuation as of reporting date June 30, 2018 for the Superstition Fire & Medical (Apache Junction Fire District – 148) District's participation in the Arizona Public Safety Personnel Retirement System.

January 22, 2019

9. Discussion and possible action to review the date / time of the next SFMD Public Safety Personnel Retirement System Local Board meeting.
10. Announcements and Information.
11. Adjourn.

Notice: The Local Pension Board may go into Executive Session for the purpose of obtaining legal advice from the Fire District's attorney(s) on any of the above agenda items pursuant to A.R.S. 38-431.03(A)(3). One or more members of the Local Pension Board may attend the meeting telephonically.

Local Pension Board meeting agenda dated and posted:

On: January 17, 2019
At: 1730 hours
By: Sherry Mueller

Local Pension Board Meeting – January 22, 2019

Agenda Item 1:

Agenda Item Title: Review and possible approval of the November 27, 2018 Local Pension Board meeting minutes.

Background / Discussion:

The Local Pension Board meeting minutes are provided for Local Board review, comment, and approval. After approval, minutes are signed and kept as official public record and a copy is sent to Public Safety Personnel Retirement System.

Recommended Motion: *(please read motion as written)*

“Motion to approve the November 27, 2018 Local Pension Board meeting minutes.”

Enclosure: Local Pension Board Meeting Minutes from November 27, 2018.



Superstition Fire & Medical District
565 North Idaho Road, Apache Junction, AZ 85119
Phone (480) 982-4440, Fax (480) 982-0183
www.sfmd.az.gov



Public Safety Personnel Retirement System
Local Pension Board Meeting Minutes

November 27, 2018

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, NOVEMBER 27, 2018. 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 4:00 P.M.

- A. Chairperson Gene Gehrt called the meeting to order at 4:00 p.m.
- B. The Pledge of Allegiance was led by Board Director Jim Geil.
- C. Roll Call showed Local Board Chairperson Gene Gehrt, Local Board Member Ron Olm and Local Board Member Jim Geil were present. Local Board Member Ruben Briones attended via conference call. Also present were Board Secretary Sherry Mueller, Administrative Services Director Anna Butel, Fire Chief Mike Farber, Assistant Chief Rick Ochs and Finance Director Roger Wood. Not present was Local Board Member Carlos Rivera.

1. Review and possible approval of the September 25, 2018 Local Pension Board meeting minutes.

Motion by Local Board Member Olm to approve the September 25, 2018 Local Pension Board minutes. Seconded by Local Board Member Briones. Vote 4 ayes, 0 nays. Motion passed.

2. Call to Public.

None.

3. Discussion and possible approval of Daniel McKinney's application to participate in the DROP program.

Firefighter Daniel McKinney has applied to enter the DROP program on 12/16/2018. He has completed all the necessary paperwork.

Dan must terminate employment with SFMD no later than 12/31/2023. Dan started with SFMD on 7/9/2001 and enters the DROP with 20.2 years of service.

Motion by Local Board Member Geil to approve Dan McKinney's application to enter the DROP on 12/16/2018 and acknowledge that Dan must terminate employment with Superstition Fire & Medical District no later than 12/31/2023. Seconded by Local Board Member Olm. Vote 4 ayes, 0 nays. Motion passed.

4. *Discussion and possible approval of Michael Paul's application to participate in the DROP program.*

Captain Michael Paul has applied to enter the DROP program on 12/31/2018. He has completed all the necessary paperwork.

Mike must terminate employment with SFMD no later than 12/31/2023. Mike started with SFMD on 9/14/1992 and enters the DROP with 28.439 years of service.

Motion by Local Board Member Olm to approve Mike Paul's application to enter the DROP on 12/31/2018 and acknowledge that Mike must terminate employment with Superstition Fire & Medical District no later than 12/31/2023. Seconded by Local Board Member Geil. Vote 4 ayes, 0 nays. Motion passed.

5. Discussion and possible action to review the date / time of the next SFMD Public Safety Personnel Retirement System Local Board Meeting.

- **Tuesday, January 22, 2019**

Motion by Local Board Member Olm to confirm Tuesday, January 22, 2019 as the date of the next scheduled Local Pension Board Meeting. Seconded by Board Member Geil. Vote 4 ayes, 0 Nays. Motion passed.

6. *Announcements and Information.*

Local Pension Board Chairman Gene Gehrt informed the Board that Director Carlos Rivera's term expires on 12/31/2018. Pursuant to **ARS 38-849**, it is the responsibility of the sworn members to elect someone for the vacancy:

"3. For fire districts, the chairperson of the fire district governing board or the chairperson's designee, **two members elected by secret ballot by members employed by the fire district** and two citizens appointed by the chairperson of the fire district governing board, one of whom is a resident of the fire district and one of whom has experience in personnel administration but who is not required to be a resident of the fire district".

Chairman Gehrt also said this is his last meeting and he wanted to tell everyone it has been his pleasure serving SFMD and he thanked everyone.

7. *Adjourn.*

Motion by Board Member Geil to adjourn the meeting at 4:07 p.m. Seconded by Board Member Olm and Board Member Briones. Vote 4 ayes, 0 nays. Motion passed.

November 27, 2018

Board Approval:

Preliminary minutes mailed to PSPRS on November 29, 2018.

Board Chairperson

Sherry Mueller

November 27, 2018

Local Pension Board Meeting – January 22, 2019

Agenda Item: 2

Agenda Item Title: Call to Public.

A public body may make an open call to the public during a public meeting, subject to reasonable time, place, and manner restrictions, to allow individuals to address the public body on any issue within the jurisdiction of the public body. At the conclusion of an open call to the public, individual members of the public body may respond to criticism made by those who have addressed the public body, may ask staff to review a matter, or may ask that a matter be put on a future agenda. However, members of the public body shall not discuss or take legal action on matters raised during an open call to the public unless the matters are properly noticed for discussion and legal action.

Background / Discussion:

Call to Public is provided so citizens may address the public body (Local Pension Board) with matters concerning the retirement system. Arizona public meeting law provides that the public body may discuss, consider, or decide only matters listed on the agenda and other matters related thereto. Since the public body will generally not know what specific matters may be raised at call to public, they will be unable to act until the matter is placed on a subsequent meeting agenda (at the Local Board's discretion). The Local Board may also direct staff to follow up on an issue.

Recommended Motion: Not applicable

Enclosure: None

Local Pension Board Meeting – January 22, 2019

Agenda Item: 3

Agenda Item Title: Discussion and possible approval to rescind Daniel McKinney's original application to participate in the DROP program on 12/16/2018.

Background / Discussion:

Firefighter Daniel McKinney had applied to enter the DROP program on 12/16/2018. It was determined by PSPRS that he had seven missing pay periods in the past which requires him to enter the DROP at a later date.

Recommended Motion: *(please read motion as written)*

"Motion to approve rescinding Daniel McKinney's application to participate in the DROP program on 12/16/2018."

Enclosure:

N/A

Local Pension Board Meeting – January 22, 2019

Agenda Item: 4

Agenda Item Title: Discussion and possible approval of Daniel McKinney’s application to participate in the DROP program on 2/3/2019.

Background / Discussion:

Firefighter Daniel McKinney has applied to enter the DROP program on 2/3/2019. He has completed all the necessary paperwork.

Dan must terminate employment with SFMD no later than 2/29/2024. Dan started with SFMD on 7/9/2001 and enters the DROP with 20.062 years of service.

Recommended Motion: *(please read motion as written)*

“Motion to approve Daniel McKinney’s application to participate in the DROP program and acknowledge that Dan must terminate employment with Superstition Fire & Medical District on or before February 29, 2024.”

Enclosure: Completed forms will be provided at the Local Pension Board meeting.

Local Pension Board Meeting – January 22, 2019

Agenda Item: 5

Agenda Item Title: Discussion and possible approval of John Christensen's application to participate in the DROP program.

Background / Discussion:

Engineer John Christensen has applied to enter the DROP program on 2/3/2019. He has completed all the necessary paperwork.

John must terminate employment with SFMD no later than 2/29/2024. John started with SFMD on 1/16/1989 and enters the DROP with 30.051 years of service.

Recommended Motion: *(please read motion as written)*

"Motion to approve John Christensen's application to participate in the DROP program and acknowledge that John must terminate employment with Superstition Fire & Medical District on or before February 29, 2024."

Enclosure: Completed forms will be provided at the Local Pension Board meeting.

Local Pension Board Meeting – January 22, 2019

Agenda Item: 6

Agenda Item Title:

Discussion and possible approval of new hire retirement membership in to the Public Safety Personnel Retirement System.

Background / Discussion:

Participation in the PSPRS requires that the Local Board approve new membership and note if there are any pre-existing medical conditions as employees are hired. Currently, HR staff reviews the medical reports and advises the Local Board of any pre-existing conditions. Human Resources confirmed that none of the three new hires has a pre-existing condition.

Recommended Motion: (please read motion as written)

“Motion to approve Firefighters Brian Dover, Clint Musgrave and Kevin Montgomery with a start date of October 15, 2018, all three with no pre-existing conditions”.

Enclosures:

None

Local Pension Board Meeting – January 22, 2019

Agenda Item: 7

Agenda Item Title:

Discussion and possible approval of the Comprehensive Annual Financial Report (CAFR) that documents the consolidated actuarial valuation results for the Arizona Public Safety Personnel Retirement System as of June 30, 2018.

Background / Discussion:

Per A.R.S. §38-847(D)(7), the Local Board is “To receive and review the actuarial valuation of the system for its group of members.” This report is the consolidated result of the total fund for all of the Arizona PSPRS as of June 30, 2018.

The entire Comprehensive Annual Financial Report (CAFR) can be accessed via the following link:

<http://www.psprs.com/investments--financials/annual-reports>

At the highest summary level, the report indicates the following key metrics for the consolidated PSPRS pension system:

- A. Funded percentage as of June 30, 2018: 47.7%
- B. PSPRS received a clean audit opinion from Heinfeld, Meech & Co., P.C., their external audit firm.

Recommended Motion: (please read motion as written)

“Motion to approve the Comprehensive Annual Financial Report that documents the consolidated actuarial valuation results of the Arizona Public Safety Personnel Retirement System as of June 30, 2018”.

Enclosures:

None

Local Pension Board Meeting – January 22, 2019

Agenda Item: 8

Agenda Item Title:

Discussion and possible approval of the annual actuarial valuation report as of June 30, 2017 (for reporting date June 30, 2018) for the Superstition Fire & Medical (Apache Junction Fire District – 148) District’s participation in the Arizona Public Safety Personnel Retirement System.

Background / Discussion:

This report is also to be received and reviewed per A.R.S. This report provides the annual actuarial valuation of the Superstition Fire & Medical District’s participation in the Arizona Public Safety Personnel Retirement System as of June 30, 2017, and applies directly to SFMD, with our current benefits and liabilities.

	July 1, 2018	July 1, 2019
SFMD Tier 1 & Tier 2 Contribution Rate	28.37%	29.48%
SFMD Tier 2 Defined Contribution Rate	4.00%	4.00%
SFMD Tier 3	24.06%	25.07%
SFMD Tier 3 Defined Contribution Rate	3.00%	3.00%
Employee Contribution Rate	7.65% / 11.65%	7.65%/11.65%

The entire report can be accessed via the following link:

<https://members2.psprs.com/Estimators/actuarials.aspx>

Use the Drop Down windows to choose Superstition Fire And Medial Dis (PSPRS) (148) and Fiscal year 2018 to retrieve the full report.

Recommended Motion: (please read motion as written)

“Motion to approve the annual actuarial valuation report as of June 30, 2017 (for reporting date June 30, 2018) for the Superstition Fire & Medical District’s participation in the Arizona Public Safety Personnel Retirement System.”

Enclosures:

None

Local Pension Board Meeting – January 22, 2019

Agenda Item: 9

Agenda Item Title: Discussion and possible action to review the date / time of the next SFMD Public Safety Personnel Retirement System Local Board Meeting.

Background / Discussion:

In accordance with ARS §38-847 (3), a local pension board meeting will be held at least twice annually, otherwise scheduled as needed. In the absence of a quorum (consisting of three member, at least one of whom shall be one of the members elected by secret ballot) for a scheduled meeting, the Chairperson or any two members of the Board may reschedule the meeting as a special meeting. Any meeting may be continued to a later date.

The following date is recommended for the next Local Board Meeting:

- **Tuesday, April 9, 2019**
- **Tuesday, April 30, 2019**

Additional meetings may need to be held to address the following, with the actual dates to be determined at a future date.

All meetings would be held at 4:00 p.m. in the SFMD Administration Board Room.

If it is determined that there is no need for one of these regularly scheduled meetings, the Local Board Chairperson will have the authority to reschedule or cancel any meeting.

Recommended Motion: *Motion to confirm _____ as the date of the next scheduled Local Pension Board meeting.*

Enclosures: None.

Local Pension Board Meeting – January 22, 2019

Agenda Item: 10

Agenda Item Title: Announcements and Information.

Local Board may direct staff to act on any of these items or request that they be added to the next meeting agenda.

None.

Agenda Item: 11

Agenda Item Title: Adjourn.

Recommended Motion: *“Motion to adjourn the Local Pension Board meeting.”*