



Tucson Police and Fire PSPRS Boards
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MEETING MINUTES Tucson Fire PSPRS Board Tuesday, October 6, 2015

The regular meeting of the Tucson Fire Public Safety Personnel Retirement System Board was held on Tuesday, October 6, 2015 on the 1st floor, Tucson Fire Department, Room 121, Fire Central, 300 S. Fire Central Place, Tucson, Arizona.

Vice Chairman Parks called the Tucson Police and Fire PSPRS Board meeting to order at 9:08 a.m.

1. ROLL CALL

Fire Board Members

Present:

Max Parks
Nate Weber
Craig Westphal

Member
Member (by phone)
Member

Also Present:

Michael Dietsch
Terrence O'Hara
David McEvoy
Michael Jesse
Susanna Horn
Rebecca Hill
Silvia Amparano

Police Board Member
Police Board Member
Board Attorney
Board Secretary
PSPRS Office
Human Resources Director
Finance Director

A Fire Board quorum was established with Mayor Rothschild absent/excused and the Mayor Appointee seat vacant.

2. POLICE CONSENT AGENDA: ITEMS A – F**A. MINUTES FOR APPROVAL – September 1, 2015****B. PENSION PAYROLL – Additions and deletions to benefits**

Name	Transaction Type	LDW	Eff Date	Ben Amt
Mann, Joel	NSR	09/11/2015	10/01/2015	\$3,766.77
Roeder, Scott	NSR	09/24/2015	10/01/2015	\$3,228.54
Cravatz, Robert	NSR Out of DROP	09/10/2015	10/01/2015	\$3,124.15
Carroll, Michael	NSR Out of DROP	09/09/2015	10/01/2015	\$4,213.46
Ridgeway, Maxi	NSR Out of DROP	09/24/2015	10/01/2015	\$4,366.45
Garcia, Robert	NSR Out of DROP	09/24/2015	10/01/2015	\$2,968.10

C. ELECTION TO PARTICIPATE IN DROP

Name	Yrs of Srv	Date	Eff. Date
Griffin, Bryan	22.553	09/30/2015	10/01/2015

D. REDEMPTION, TRANSFER OR PURCHASE OF SERVICE

Name	Yrs of Srv	Cost	Type / From
Griffin, Bryan	5.000	\$139,193.00	Redemption/Military Service
Gonzales, John	2.425	\$45,039.00	Redemption/D.O.C.
Mechtel, Ramon	4.000	\$99,545.00	Redemption/D.O.C. and PCC

E. REFUND OR TRANSFER OUT OF MEMBER CONTRIBUTIONS

Name	Yrs of Srv	EE Contr Bal	Type
Jost, Michael	6.8900	\$26,337.82	Transfer/Marana PD
Southerland, Russel	4.6490	\$22,898.50	Transfer/Marana PD
Kadous, Scott	7.45	\$50,166.99	Refund
Luttrell, Nathaniel	6.21	\$38,303.79	Refund
Green, Jared	2.17	\$12,580.23	Refund
Jackson, Dean	1.45	\$8,286.40	Refund
Maldonado, Jesus	2.70	\$12,058.44	Refund
Rich, Jesse Aaron	0.30	\$1,716.43	Refund
Peterson, Robert	8.16	\$60,711.25	Refund
Winters, Cecil	15.86	\$70,494.66	Refund/ER Match

F. APPROVAL OF EXPENDITURES

Company Name	Description	Date	Amount	Method
McEvoy, Daniels, Darcy	October Retainer	10/06/2015	\$ 400.00	DA-23
Sunnyside Medicenter	Annual Disability Eval	08/31/2015	\$ 400.00	DA-23

No action taken by the Fire Board on this Police Item.

AUDIO RECORD ON FILE IN THE TUCSON POLICE AND FIRE PUBLIC SAFETY PERSONNEL RETIREMENT SYSTEM BOARDS' OFFICE LOCATED AT AT THE TUCSON FIRE DEPARTMENT, FIRE CENTRAL, ROOM 131, 300 S. FIRE CENTRAL PLACE, TUCSON, ARIZONA – AVAILABLE UPON REQUEST.

FIRE MINUTES
10/06/2015

APPROVED
11/03/2015

3. FIRE CONSENT AGENDA: ITEMS A – E**A. MINUTES FOR APPROVAL – September 1, 2015****B. PENSION PAYROLL – Additions and deletions to benefits**

Name	Transaction Type	LDW	Eff Date	Ben Amt
Mazon, Eleanor	Death of Survivor	08/25/2015	10/01/2015	(\$3,030.22)
Herrerias, Andy	Death of Retiree	09/17/2015	10/01/2015	(\$3,379.03)
Leoni, Libero	Death of Retiree	09/18/2015	10/01/2015	(\$3,293.43)
Leoni, Nellie	Survivor	N/A	10/01/2015	\$2,634.74

C. REDEMPTION, TRANSFER OR PURCHASE OF SERVICE

Name	Yrs of Srv	Cost	Type / From
Godoy, Chris	5.5180	\$21,250.19	Redemption/Sierra Vista Fire

D. REFUND OR TRANSFER OUT OF MEMBER CONTRIBUTIONS

Name	Yrs of Srv	EE Contr Bal	Type
Caulkins, David	0.06	\$315.42	Refund

E. APPROVAL OF EXPENDITURES

Company Name	Description	Date	Amount	Method
McEvoy, Daniels, Darcy	October Retainer	10/06/2015	\$ 400.00	DA-23

Motion by Mr. Westphal, seconded by Mr. Weber, that Fire Items A- E are adopted and appropriate action taken. Motion **CARRIED** by a roll call vote of 3-0 with Chairman Rothschild absent/excused.

4. ANNUAL DISABILITY PHYSICAL – REQUIREMENT**Police**

Name	DOM:	DOR:	Last Exam	Type
Daniel, Bryan	04/22/2001	05/09/2011	09/20/2013	Ordinary
Butierez, Cynthia	03/17/1996	11/29/2011	10/17/2013	Ordinary
Beller, Charles	07/09/1995	10/27/2009	10/04/2013	Accidental
Merrill, Tanya	03/15/1998	08/29/2008	10/23/2014	Accidental
Morken, Veronica	03/15/1998	10/30/2008	10/24/2014	Accidental

No action taken by the Fire Board on this Police Item.

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5. APPLICATION FOR DISABILITY PENSION – Review of application

Police - Attachments

Name	DOM:	EST YOS:	Application Type
Penta, Tammie	11/14/1988	22.047	Accidental

No action taken by the Fire Board on this Police Item.

6. FUND/OFFICE INFORMATION

A) Approval of invoice for legal fees associated with 401(a) plan implementation

Fire and Police

Motion made by Mr. Dietsch, seconded by Mr. O’Hara, to pay the invoice for legal fees associated with 401(a) plan implementation. Motion **CARRIED** unanimously in a joint vote of the Fire and Police Boards.

B) Mike McKendrick, Greater Tucson Fire Foundation – Request for PSPRS assistance

Fire

Motion made by Mr. Westphal, seconded by Mr. Weber, to hold off until next year on the request for assistance from the Greater Tucson Fire Foundation. Motion **CARRIED** unanimously.

C) PSPRS Administrator – Jared Smout appointed August 26, 2015

Mr. Jesse informed the board that Mr. Smout was officially the new PSPRS administrator. Mr. Smout has been serving as the acting administrator for PSPRS.

D) PSPRS Fund – 4.2% gross return, 3.68% return net of fees

Mr. Jesse provided the PSPRS investment returns for Fiscal Year 2015

E) Permanent Benefit Increase – None payable for Fiscal Year 2016

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Due to the Fiscal Year 2015 performance of PSPRS trust assets, there will be no Permanent Benefit Increase for Fiscal Year 2016. The minimum investment return needed to trigger the Permanent Benefit Increase was not met.

F) The League of Arizona Cities and Towns - Pension Task Force Report

The discussion was tabled and will be placed on a future agenda.

G) PSPRS Performance Audit – Auditor General Report Highlights

Key observations were:

1. Plan assets have not kept pace with pension obligations
2. Changes in calculating and awarding annual benefit increases would help plan sustainability
3. Additional actions necessary to improve plan's financial condition and long-term sustainability

Key recommendations were:

1. PSPRS should collaborate with stakeholders to develop sustainable benefit increase structures, including pursuing legislative changes to implement solutions and considering whether proposing a ballot initiative to amend Arizona's Constitution would be warranted
2. PSPRS should develop and implement a funding improvement strategy for the plans and their employers; and explore the feasibility of offering multiple benefit options and, if determined feasible, take several actions including determining the specific options that should be available to employers

H) Updated procedures for disability applications – on hold pending further analysis

7. ADJOURNMENT

The next regular meeting of the Tucson Police and Fire Public Safety Personnel Retirement System Boards is scheduled for **9:00 a.m.** on **Tuesday, November 3, 2015**, in Fire Central **Room 121**, Tucson Fire Department, 300 S. Fire Central Place, Tucson, AZ.

Vice Chairman Parks adjourned the Police and Fire Boards at 9:47 a.m.

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<u>Michael J. Jesse, Board Secretary</u>	<u> </u>	<u>Jonathan Rothschild, Chairman</u>	<u> </u>
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