



CITY OF SURPRISE
Public Safety Personnel Retirement System Commission Meeting -
Police

16000 N. Civic Center Plaza

Surprise, AZ 85374

Wednesday, February 6, 2019 @ 9:00 AM

COUNCIL OVERFLOW ROOM

- A. Call To Order
- B. Roll Call
- C. Pledge of Allegiance
- D. Current Events and Reports
- E. Staff Reports
- F. Public Safety Retirement Commission- Police Agenda

CALL TO THE PUBLIC:

INSTRUCTIONS: In order to address the Board\Commission, you will need to fill out a Call to the Public Form available at the front counter, and then turn it in to the Secretary before the meeting begins.

Note: A.R.S. 38-431.01(H) - During this time members of the public may address the Board\Commission only on issues within the jurisdiction of the Board\Commission which are not an item on the agenda. At the conclusion of the open call, the Board\Commission may respond to criticism, may ask staff to review the matter or may ask that the matter be put on a future agenda. No discussion or action shall take place on any item raised.

CONSENT AGENDA:

- 1. Internal Discussion and action pertaining to approval of PSPRS Local Board- Police December 12, 2018 meeting minutes. Human Resources

REGULAR AGENDA ITEM - NON-PUBLIC HEARING:

- 2. Internal Consideration and action pertaining to the Accidental Disability Retirement application and IME summary for Brandon Johnson. Human Resources
- 3. Internal Discussion and action pertaining to the revised local board procedures drafted for and presented to the City of Surprise Police PSPRS Local Board. Human Resources
- 4. Internal Review and Discussion of June 30, 2018 PSPRS Police Actuarial Report Human Resources
- G. Other Business and Future Agenda Items
- H. Executive Session



CITY OF SURPRISE
Public Safety Personnel Retirement System
Commission Meeting - Police

Council Meeting Date: February 6, 2019
Submitting Department: Human Resources
Staff Recommendations:

Contact Person:
District: Internal

Consent: Yes	Regular: No	Public Hearing: No	Report/Discussion: No
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Agenda Wording:

Discussion and action pertaining to approval of PSPRS Local Board- Police December 12, 2018 meeting minutes.

Motion:

I move to approve PSPRS Local Board- Police December 12, 2018 meeting minutes.

Background:

N/A

Objective Analysis:

N/A

Policy Compliant:

N/A

Financial Impact:

N/A

Budget Impact:

N/A

FTE Impact:

ATTACHMENTS:

1. Draft PSPRS Police Minutes -2018.12.12
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**PUBLIC SAFETY RETIREMENT SYSTEM
CITY OF SURPRISE LOCAL BOARD – POLICE**
Draft Minutes, Wednesday, December 12, 2018
16000 North Civic Center Plaza, Surprise, Arizona 85374

The following are the minutes from the PSPRS City of Surprise Local Board – Police Meeting held at 10:00 a.m. Wednesday, December 12, 2018. The meeting was held in City Hall, Council Overflow Conference Room.

Call To Order:

Chairperson Scott Gwaltney called the meeting to order at 10:04 a.m.

A. Roll Call: Scott Gwaltney, Chairperson & Citizen Board Member - Present
Don Jeffery, Citizen Board Member – Present
Ken Broadfoot, Citizen Board Member – Absent Excused
Ian Murton, Employee Board Member – Police Dept. – Present
Courtney Hicks, Employee Board Member- Police Dept. – Present

In attendance: Chanda Washington, Board Administrator
Lindsey Steinhoff, Human Resources
Cynthia Kelley, Board Attorney

B. Pledge of Allegiance: None

C. Current Events Reports: None

D. Staff Reports: Ms. Washington wanted to mention at the PSPRS seminar last week it was announced that PSPRS will be doing a rollback of pension reforms that were done in 2011 and 2012 to include Tier 1B members in the DROP who did not have 20 years of service after January 1, 2012 still need to contribute employee contribution to PSPRS; however, this will stop as of January 1, 2019.

The City of Surprise has reached out to the 8 affected employees and to all police and fire PSPRS employees. Ms. Washington explained on the January 18th paychecks any PSPRS contributions for DROP will stop.

PSPRS will work with city to refund the DROP contributions and interest. There is a target date of April 1st to start the refund process.

Mr. Murton asked how far back will that go for refunds for those who have retired. Ms. Washington said we need to wait for direction from PSPRS.

Mr. Murton asked how will it affect the DROP going forward. Ms. Washington said it will not change the program. The only difference now is DROP 1B employees will still be able to enter into DROP, but will not make DROP contributions to PSPRS.

Ms. Washington stated she was not sure if there will be a January 9th meeting, but we will discuss more once we go through future agenda items.

Call to the Public: None

Consent Agenda:

- #1.** Approval of PSPRS Local Board - Police November 14, 2018 Meeting Minutes.
-Approved

Motion: Murton
Second: Hicks
Opposed: None

Scott Gwaltney- voted yes
Courtney Hicks- voted yes
Don Jeffrey- voted yes
Kenneth Broadfoot- absent
Ian Murton- voted yes

Regular Agenda:

- #2.** Consideration and action pertaining to acceptance of one (1) new Police Officers into the PSPRS System.

Mr. Jeffrey had a question. He said the pre-employment physical indicates Mr. Williams job description was not available and how could the doctor determine if he could do his job. Mr. Murton indicated the employee saw an AZ Post doctor that is contracted with the City and the doctor is very familiar with our job descriptions. Mr. Jeffrey said ok.

Carlton Williams, effective 08/13/18 with pre-existing condition- **Approved**

Motion: Hicks
Second: Murton
Opposed: None

Scott Gwaltney- voted yes
Courtney Hicks- voted yes
Don Jeffrey- voted yes
Kenneth Broadfoot- absent
Ian Murton- voted yes

- #3.** Review and discussion pertaining to Michael Mishler's failure to satisfy the 90 day election period for enrollment in PSPRS membership and acknowledgement that because Mishler did not satisfy the 90 day election period, there will be no effective date for PSPRS membership and no retirement plan election submitted for him with the City of Surprise.

Ms. Washington explained we had an employee who left the city prior to satisfying the 90-day waiting period with PSPRS. Ms. Washington stated to the board this was the first time the City encountered this situation and PSPRS informed us that Mr. Mishler will not have an enrollment date with PSPRS or retirement plan selected since he did not satisfy the waiting period. No action required.



Motion: N/A

#4. Consideration and action pertaining to the adopt the local board procedures as presented for the City of Surprise Police PSPRS Local Board- **Tabled**

Ms. Washington stated at the last board meeting we asked our board attorney to review our procedures to see if they are in line with what PSPRS required as a local board. At that time, Mr. Niederdeppe and Ms. Kelley recommended the board use the PSPRS model procedures and then add specific information that applied to our board.

Since there were a lot of changes to the local board procedures, it was not easy to provide a red line version so Ms. Kelley made a memo to highlight the changes made and that was provided to the board via email as well as a copy in the board meeting notebooks.

Ms. Washington pointed out one thing that has been identified with the Fire Board and it was on page 5 section A to add the notice would be sent by certified mail. Ms. Washington asked if the Police board was in agreement to add this same language to their local board procedures. Ms. Washington also explained there will be a separate Fire and Police local board procedures.

Mr. Murton said the way the local board procedures are written for selecting a board secretary are in direct violation with ARS statute 38-847 (M) in terms of the composition of the board and conducting a meeting under section C (3), as it pertains to the local board secretary. Mr. Murton explained the local board procedures as they are written have the city determine the local board secretary rather than the board and he expressed it needed to be re-written to match statute 38-847 (M). Mr. Murton also stated he wanted a four year term for the local board secretary. Mr. Murton talked about Phoenix PD's local board electing their secretary and their board attorney.

Ms. Kelley explained the secretary of the Phoenix local board is always the Director of the retirement department. Mr. Murton said they told him that they elected that person so they still had a role in selecting the individual.

Ms. Washington pointed out if the Secretary is not part of HR they would have sensitive information about the employee. Keeping in mind that with the disability retirement cases, the secretary would have medical information about the employee and HR would typically be the ones to house that information and that information is scanned into a system that is separate from the employee's personnel file.

Mr. Murton stated he also wanted to mention 38-847 (N) when it comes to the legal counsel. Mr. Murton explained that he and Ms. Washington initially spoke to Phoenix at the PSPRS seminar which initially led to believe the board shall have the decision in choosing an attorney. In reading the statute, it doesn't say that, but it does say that the City shall pay for the attorney. Mr. Murton recommended the city to provide a couple individuals for the board to make a non-biased selection for the PSPRS Board Attorney.



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Mr. Murton stated during the short time he has been on the board we have had 3 attorneys and he felt that the board should have been involved in the selection process.

Ms. Washington explained the current process is the City Attorney's office chooses the outside attorney. All PSPRS local boards are required to have an outside attorney. Because the City Attorney's office establishes the contract for the outside attorney that is why they make the selection.

Mr. Jeffery asked if they are breaking the law with the City Attorney's office making the decision. Ms. Washington said no. Mr. Murton said there's no law violated by the city doing that, but felt it was not vetted appropriately since the City is picking the attorney for the board.

Chair Gwaltney asked if the board would be able to have a final say who is selected for the board attorney. Mr. Murton felt by outlining the selection process in the procedures the board could have the final say in the selection. However, Ms. Washington said that may not be an option for the board and that she would need to look into that further.

Ms. Washington explained she did send notification of both attorney changes prior to the board meetings so it wasn't that the board found out when they attended a meeting. The 1st change was due to incorrect information being given to the board by the attorney on multiple occasions and the board was making decisions. The 2nd was the attorney was moving out of state and we were unaware this change was going to happen. And that is why we have a 3rd attorney.

Ms. Kelley explained there is only a handful of people that do work for PSPRS boards. Ms. Hicks asked Ms. Kelley if they know how other cities choose their attorneys for the boards. Ms. Kelley said Tempe and Phoenix vote and David Niederdeppe has been with Tempe for 18 years and Mesa for just as long. She is not sure how it works with Mesa.

Ms. Washington indicated she did talk with PSPRS because of concerns she had with the way it was presented at the PSPRS seminar and PSPRS has talked to their attorney and there is nothing in statute that references the process for how a board attorney is chosen.

Ms. Washington mentioned again that she is currently sending notifications to employees who have been identified as having a pre-existing condition by certified mail, but asked the board if they wanted to insert sent by certified mail to the local board procedures on Page 5 Section A. The board members all agreed they want the clarifying language added.

The board chose to table the discussion for the local board procedures until the information about the local board secretary and board attorney could be reviewed.



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Ms. Washington let the board know since our next meeting is January the 9th with the holidays we may not have all the updates to the board procedures ready for that meeting.

#5. Consideration and action pertaining to placing items on future agenda.

Motion was made to review board attorney and secretary information under 38-847 (M) and (N) on local board procedures

Motion: Gwaltney
Second: Hicks
Opposed: None

Scott Gwaltney- voted yes
Courtney Hicks- voted yes
Don Jeffrey- voted yes
Kenneth Broadfoot- absent
Ian Murton- voted yes

Ms. Washington explained to the board the disability retirement applicant is scheduled for two IME's and one is scheduled for tomorrow and the other is scheduled for January 4th and we will not have the results in time for the January 9th meeting. Ms. Washington asked if the board wanted to meet later in January or wait till the February meeting.

Ms. Washington said agenda needs to be prepared at least 3 weeks in advance and the results for an IME generally take 7-10 days after the appointment for the City of Surprise to receive.

Mr. Jeffery suggested to not have a meeting in January and move the February meeting up one week. All board members agreed they move the meeting to February the 6th at 9am. Ms. Washington said she will need to make sure the room is available. If the actuarial reports are ready by the February 6th meeting, then Ms. Washington will bring those for the board to review.

Motion was made to cancel the January 9, 2019 meeting and move the February meeting to February 6, 2019 at 9am

Motion: Gwaltney
Second: Hicks
Opposed: None

Scott Gwaltney- voted yes
Courtney Hicks- voted yes
Don Jeffrey- voted yes
Kenneth Broadfoot- absent
Ian Murton- voted yes

Ms. Washington discussed the City Attorney's office reviews the board agenda items and we have been given direction that we need a motion for all future agenda items. This is different from what our previous attorney indicated to the board.

#6. Executive Session: Consideration and action to enter into Executive Session pursuant to A.R.S. 38-431.03 (A) (2) and (3) for consideration or discussion of material deemed confidential by law and/or discussion or consultation for legal advice with the board attorney regarding the local board procedures.

We did not go into executive session.

Adjournment:

Chair Scott Gwaltney made a motion to adjourn the meeting at 10:40 a.m. – **Approved**

Motion: Gwaltney
Second: Murton
Opposed: None

Scott Gwaltney- voted yes
Courtney Hicks- voted yes
Don Jeffrey- voted yes
Kenneth Broadfoot- absent
Ian Murton- voted yes

Scott Gwaltney, Chairperson

Donald Jeffery – Board Member - Citizen

Courtney Hicks, Board Member - Police Dept.

Ken Broadfoot, Board Member - Citizen

Ian Murton, Board Member – Police Dept.

Chanda Washington, Board Secretary



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Council Meeting Date: February 6, 2019
Submitting Department: Human Resources
Staff Recommendations:

Contact Person:
District: Internal

Consent: No	Regular: Yes	Public Hearing: No	Report/Discussion: No
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Agenda Wording:

Consideration and action pertaining to the Accidental Disability Retirement application and IME summary for Brandon Johnson.

Motion:

I move to _____ (approve or disapprove) the Accidental Disability Retirement application and IME summary for Brandon Johnson

Background:

N/A

Objective Analysis:

N/A

Policy Compliant:

N/A

Financial Impact:

N/A

Budget Impact:

N/A

FTE Impact:

N/A

ATTACHMENTS:



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District: Internal

Consent: No	Regular: Yes	Public Hearing: No	Report/Discussion: No
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Agenda Wording:

Discussion and action pertaining to the revised local board procedures drafted for and presented to the City of Surprise Police PSPRS Local Board.

Motion:

I move to approve and adopt the revised local board procedures as presented for the City of Surprise Police PSPRS Local Board.

Background:

The PSPRS Board Attorney is providing a revised draft version of the local board procedures for the board to consider adopting, which will include the PSPRS model procedures, legislative changes for open meeting law and other pertinent information that is deemed necessary.

Objective Analysis:

Adopt the local board procedures as recommended by the PSPRS Board Attorney.

Policy Compliant:

N/A

Financial Impact:

N/A

Budget Impact:

N/A

FTE Impact:

N/A

ATTACHMENTS:



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Council Meeting Date: February 6, 2019
Submitting Department: Human Resources
Staff Recommendations:

Contact Person:
District: Internal

Consent: No Regular: Yes Public Hearing: No Report/Discussion: No

Agenda Wording:

Review and Discussion of June 30, 2018 PSPRS Police Actuarial Report

Motion:

N/A

Background:

The board will be reviewing the PSPRS actuarial report for Surprise Police Department for June 30, 2018 and will be doing a comparison analysis from the prior year June 30, 2017 actuarial report to see the funding status. The board has requested to see the actuarial reports annually. The new actuarial report is 68 pages.

Objective Analysis:

Reviewing the June 30, 2018 PSPRS Actuarial Report for Surprise Police Department.

Policy Compliant:

N/A

Financial Impact:

N/A

Budget Impact:

N/A

FTE Impact:

N/A

ATTACHMENTS:
