

**RINCON VALLEY FIRE DISTRICT
MINUTES OF THE PUBLIC SAFETY PERSONNEL RETIREMENT SYSTEM
LOCAL PENSION BOARD MEETING**

Wednesday, May 3, 2017
9:30 am RVFD Station 2
14550 E. Sands Ranch Rd.
Vail, AZ 85641

Note: The Board may vote to go into executive session at any time during the meeting on any item set forth below pursuant to Arizona Revised Statutes 38-431.03 (A) (3), for the purpose of consultation for legal advice with the board's attorney regarding any agenda item.

Note: From time to time, it may be necessary for Board Members to participate in Board meetings via speaker telephone.

MINUTES

- 1. Call to Order** - The meeting was held in the Prevention Room of the RVFD Administration Building, 14550 E. Sands Ranch Rd. Vail, AZ 85641.

Michelle Harrington, Chairperson, called the meeting to order at 9:42 a.m.

- **Roll Call of Fire Board Members – TAKE ATTENDANCE AND DETERMINE IF A QUORUM EXISTS:**

Present: Michelle Harrington, Chairperson
Jacqueline Bisnar, Board Member
Cameron McQuillen, Board Member
Jeremy Curtis, Board Member
Jack Sharma, Board Member

Attendance was taken and a quorum existed with five (5) voting members physically present.

Additional Attendees: Jayme Kahle, RVFD Fire Chief, Steve Bossé, Attorney for RVFD Local Pension Board; Laura Bucklin, RVFD Local Pension Board Secretary; Asa Palette, RVFD Captain and other RVFD crew members were also present. Mr. and Mrs. Nicholas Spears also attended.

- **Date of next meeting** – Steve Bossé advised that another meeting will be scheduled for July 5, 2017 at 9:30 a.m. in order to proceed with the Disability Application Process submitted by Nicholas Spears.

- 2. Approval of prior meeting minutes**

- Pension Meeting of June 14, 2016. Member Bisnar made the following motion, seconded by Member Curtis, and approved unanimously:

Motion to Approve the Minutes of the June 14, 2016, Local Pension Board Meeting. Motion passed 5 to 0.

3. Public Appearances

- Call to the Public - Steve Bossé recommended moving this item to the end of the Agenda. – At the call to the public, there was no response.

4. Notice of Election by Secret Ballot for one position.

- Cameron McQuillen – Term ends 5/2017 –4-year term – Rincon Valley Fire District Local Pension Board has one (1) term expiring this year that needs to be filled. The vacancy is for one member elected by secret ballot by members employed by the fire district. The vacancy is for a four (4) year term. The candidate with the most votes will hold the term. When a vacancy occurs, or a term expires for an RVFD member on the Local Pension Board, the Fire Chief or an assigned designee shall hold nominations and an election by secret ballot for that vacancy. Any active RVFD member may nominate any other active RVFD member of the district.

Motion by Member Bisnar, second by Member Sharma to solicit nominations and vote by May 20, 2017, and schedule the election by secret ballot before May 31, 2017. Motion passed 5 to 0.

5. Board Bylaws

- Review and discussion - Steve Bossé recommended removing this item from future agendas unless there is an adjustment or concern.

6. Review, discussion and possible action to Adopt Revised Model Uniform Rules of Local Board Procedure.

- REVIEW AND ADOPT PUBLIC SAFETY PERSONNEL RETIREMENT SYSTEM REVISED MODEL UNIFORM RULES OF LOCAL BOARD PROCEDURE CREATED PURSUANT TO A.R.S. §38-847 (F).

Member Bisnar made the following motion, seconded by Member McQuillen, and approved unanimously:

Motion to adopt Public Safety Personnel Retirement System Revised Model Uniform Rules of Local Board Procedure Created Pursuant to A.R.S. §38-847 (F).

7. Financial Report

- REVIEW AND DISCUSSION REGARDING THE RESULTS OF THE JUNE 30, 2016, ANNUAL ACTUARIAL VALUATION OF MEMBERS COVERED BY THE ARIZONA PUBLIC SAFETY PERSONNEL RETIREMENT SYSTEM (PSPRS).
- RVFD contribution rate will increase from 12.31% to 19.21%. There will also be an additional 4% employer contribution for Tier 2 employees. Tier 3 employer rate is not yet established by PSPRS. District ACR amount will remain at 8%. This is a 76% increase at \$180,000 for Fiscal Year 2017/2018.

8. PSPRS Pension Reform

- Employee Contribution Tiers - With the enactment of SB1428, beginning July 1st 2017, Tier 2 members (those who became members of PSPRS between 1-

1-2012 and 6-30-2017) will have coverage in the PSPRS Defined Contribution (DC) Retirement Plan. As an employer and local board who has members who are not covered by Social Security, the participation in the DC plan during employment with RVFD will be mandatory, unless the employee has elected to opt-out of participation. Notification has been sent to advise Tier 2 employees that the PSPRS Office has officially opened up the opt-out period. PSPRS will be notifying Tier 2 employees directly to advise them of their option to opt-out and what steps they will need to take in order to do so. Please note, that the PSPRS office will be handling the administrative process for members to submit their opt-out election. Tier 2 Members who wish to opt-out will be making that election electronically via the **Members Only** portal. This will be the only outlet in which a member can record their opt-out decision. RVFD highly encourages all PSPRS members to sign-up for a Members Only account if they have not done so already. While not all the components of this new DC plan have been finalized, the PSPRS DC Committee has selected Nationwide as the Third Party Administrator for the plan. In the coming weeks PSPRS will be sharing more information on this new plan.

9. New Employees in the PSPRS system

- Review List of 4 new employees to accept into the PSPRS System

Executive Session held for consideration and discussion - Motion by Member Curtis, second by Member McQuillen to adjourn the Regular Pension Board Meeting at 10:10 a.m. and go into Executive Session. Motion amended to allow Chief Kahle to attend the Executive Session. Motion amended and passed 5 to 0.

Those attending must keep all matters discussed in an Executive Session confidential. No action may be taken.

- **Reconvene Regular Pension Board Meeting at 10:21 a.m.** – Motion by Member McQuillen, second by Member Bisnar to adjourn the Executive Session at 10:21 am and reconvene the Regular Pension Board Meeting. Motion passed 5 to 0.

Regular Pension Board Meeting reconvened at 10:21 a.m. New Employees in the PSPRS system.

- Review List of 4 new employees to accept into the PSPRS System – Motion by Member Bisnar, second by Member Sharma to accept the 4 new employees into PSPRS with notation that 2 employees have pre-existing conditions. Motion passed 5 to 0.

10. Initial Hearing on a claim for Disability Benefits for Nicholas Spears.

- Steve Bossé explained to the Pension Board the process for the Disability Application. He advised the next step in the process is for the Local Pension Board to hire an Independent Medical Physician and refer Nicholas Spears to have an Independent Medical Examination conducted. He recommended Dr. Thrasher as the Independent Medical Physician to review the application and supporting documentation. The Pension Board should then wait for the results

of the medical examination and schedule another pension meeting, approximately in 60 days, to process the application.

- First motion made by Member Curtis, second by Member Bisnar to hire Dr. Thrasher as the Independent Medical Physician. Motion passed 5 to 0.
- Second motion made by Member Sharma, second by Member McQuillen to refer Nicholas Spears to Dr. Thrasher for an independent medical examination. Motion passed 5 to 0.

11. ADJOURNMENT


- Member Curtis made the following motion, seconded by Member Bisnar, and approved unanimously:

Motion to adjourn the meeting.

The meeting adjourned at 10:35 p.m.

Dated this 4th day of May 2017.

Rincon Valley Fire District Local Pension Board



Chairperson Harrington



Member Bisnar

 *Brown*

Member McQuillen

Member Sharma

Member Curtis