



**CITY OF SCOTTSDALE POLICE LOCAL BOARD OF THE
PUBLIC SAFETY PERSONNEL RETIREMENT SYSTEM (PSPRS)**

REGULAR MEETING MINUTES

Thursday, September 22, 2016

**Police and Fire Department Headquarters – Operations Conference Room
8401 E. Indian School Road
Scottsdale, Arizona 85251**

PRESENT: Jeff Burg, Chairperson/Mayoral designee
Hugo Meraz, Citizen Member
Rodger Paliwoda, Elected Member
Tommy Jensen, Elected Member
Donna Brown, Citizen Member/Merit Head

STAFF: Sue Sola
Lauren Beebe
Darlene Ganger

GUESTS: Wayne Crenshaw
Hannah Auckland

Call to Order

Chair Burg called the meeting to order at 11:00 a.m.

Roll Call

Members present as noted above.

Possible Executive Session

- 1. Review and approval of regular session meeting minutes – August 25, 2016**

BOARD MEMBER BROWN MOVED TO APPROVE AS PRESENTED THE REGULAR SESSION MEETING MINUTES FROM THE AUGUST 25, 2016 PSPRS POLICE LOCAL BOARD MEETING. BOARD MEMBER PALIWODA SECONDED THE MOTION, WHICH CARRIED FIVE (5) TO ZERO (0).

2. Induction of new Scottsdale police officers into PSPRS, if any

There were no new inductees.

3. Discussion and vote on the DROP (Deferred Retirement Option Plan) application of Police Officer Guy L. Milanovits

Ms. Sola noted that Police Officer Guy L. Milanovits is entering the DROP effective as of September 3, 2016 with 20.090 years of service. His monthly DROP benefit is calculated at \$3,560.22. All of his paperwork is in order.

BOARD MEMBER MERAZ MOVED TO APPROVE THE DROP APPLICATION OF POLICE OFFICER GUY L. MILANOVITS. BOARD MEMBER PALIWODA SECONDED THE MOTION, WHICH CARRIED FIVE (5) TO ZERO (0).

4. Discussion and vote on the DROP (Deferred Retirement Option Plan) termination and normal retirement application of Police Sergeant Patrick J. Ryan

Ms. Sola noted that Police Sergeant Patrick J. Ryan is retiring from the DROP effective September 30, 2016 with 22.012 years of service. His monthly DROP benefit is calculated at \$4,773.08. All of his paperwork is in order.

BOARD MEMBER PALIWODA MOVED TO APPROVE THE DROP TERMINATION AND NORMAL RETIREMENT APPLICATION OF POLICE SERGEANT PATRICK J. RYAN. BOARD MEMBER JENSEN SECONDED THE MOTION, WHICH CARRIED FIVE (5) TO ZERO (0).

5. Discussion and vote on the DROP (Deferred Retirement Option Plan) termination and normal retirement application of Police Officer Kurt P. Kinsey

Ms. Sola noted that Police Officer Kurt P. Kinsey is retiring from the DROP effective September 30, 2016 with 30 years of service. His monthly DROP benefit is calculated at \$5,994.67. All of his paperwork is in order.

BOARD MEMBER MERAZ MOVED TO APPROVE THE DROP TERMINATION AND NORMAL RETIREMENT APPLICATION OF POLICE OFFICER KURT P. KINSEY. BOARD MEMBER PALIWODA SECONDED THE MOTION, WHICH CARRIED FIVE (5) TO ZERO (0).

6. Discussion and vote on the Accidental disability Retirement application of Police Officer Wayne W. Crenshaw

Ms. Beebe noted that Officer Crenshaw signed a waiver of confidentiality. She noted that Officer Crenshaw's left knee is now permanently disabled.

BOARD MEMBER PALIWODA MOVED TO APPROVE THE ISSUANCE OF AN INDEPENDENT MEDICAL EXAMINATION THROUGH ONE OF THE BOARD'S CONTRACTED MEDICAL PROVIDERS FOR THE APPOINTMENT OF A MEDICAL SPECIALIST TO SERVE AS THE MEDICAL BOARD FOR THE ACCIDENTAL DISABILITY

RETIREMENT APPLICATION OF POLICE OFFICER WAYNE W. CRENSHAW. BOARD MEMBER BROWN SECONDED THE MOTION, WHICH CARRIED FIVE (5) TO ZERO (0).

7. Discussion and vote on renewal of annual contract with the Grasso Law Firm as Counsel to the Board and approval of increase to counsel's hourly rate

Ms. Sola distributed the annual contract for review and noted that the contract is reviewed annually and was coming before the Board because of fee change.

Ms. Auckland noted that fees are capped at \$15,000 annually based on the City Attorney's ability to renew contracts up to a certain amount. This board has not ever reached the cap amount.

BOARD MEMBER MERAZ MOVED TO APPROVE THE RENEWAL OF THE ANNUAL CONTRACT WITH GRASSO LAW FIRM AS COUNSEL TO THE BOARD AND APPROVE THE INCREASE TO COUNSEL'S HOURLY RATE. BOARD MEMBER BROWN SECONDED THE MOTION, WHICH CARRIED FIVE (5) TO ZERO (0).

8. PSPRS Update regarding PSPRS Stakeholder Comment Period Coming Soon & 2016 Legislative Update

She distributed information which stated:

- The draft is scheduled to be released in the coming weeks.
- Feedback on the draft report offered by Cortex Applied Research will be accepted during the month of October.
- The study commissioned by PSPRS in May was mandated by state law passed in 2016 in order to examine potential cost savings and other improvements for Arizona's Public Safety Pension System.
- The study is expected to identify methods in which risk pooling and board consolidation could be achieved and whether methods are peaceful and in the best interest of the PSPRS Trust employees, members, and retirees.
- Under State law, the study must be presented on or prior to January 15, 2017, to the PSPRS Board of Trustees, which in turn must consider and report its recommendations for legislation to the Arizona Senate President, the Speaker of the Arizona House of Representatives, and the Governor by February 15, 2017.
- Passed by the Legislature and signed into law by Governor Doug Ducey in February, SB1428 established a mandatory review and other reforms to Arizona's pension system, including a new benefit structure for future employees and changes to methods used by PSPRS to provide pension increases to retirees.

Ms. Auckland explained that the idea behind the amendments is to assist smaller boards in operating more efficiently. Ms. Sola said no further information was available on the website. A webinar of the 2016 Legislative update held in July is available for viewing on YouTube.

9. Report to the Board on recently completed service transfers

Ms. Sola noted that John Schommer is redeeming 4.833 years of prior military service.

10. Board suggestions for upcoming agenda items

Ms. Sola asked if all Board members would like to receive all information requested by an individual Board member. Chair Burg opined that all information should be shared with everyone.

Adjournment

With no further business to discuss, being duly moved and seconded, the meeting adjourned at 11:23 a.m.

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