

**TOWN OF SAHUARITA
 ARIZONA PUBLIC SAFETY PERSONNEL RETIREMENT SYSTEM (PSPRS)
 SAHUARITA LOCAL POLICE BOARD
 MEETING MINUTES
 September 29, 2016**

The Public Safety Personnel Retirement System (PSPRS) Sahuarita Local Board met in the Town Hall Executive Conference Room on the second floor, 375 West Sahuarita Center Way, Sahuarita, Arizona on Thursday, September 29, 2016.

1. Call to Order

Chairman Blumberg called the meeting to order at approximately 4:00 p.m.

2. Roll Call

PRESENT: Board Members, Scott Downs, Alexander Droban Matt McGlone, Clark Munger, and Chairman Duane Blumberg

ABSENT:

ALSO PRESENT: Local Board Attorney Thomas Benavidez and Board Secretary Lisa Cole

Additional Attendees: Michelle Malott, Sahuarita Human Resources Director, Michelle Johnson-Ochoa, Applicant, and Shelly Johnson-Ochoa, Spouse of Applicant

3. Consent Agenda:

A. Minutes for Approval – September 1, 2016

B. Transfer of Redemption of Prior Service

Name	Transfer Type	Service Years	Amount
Aaron Medina	New Employment	9.8440	\$25,023.36
Rosalie Petty	New Employment	7.7510	\$19,724.02

MOTION was made by Board Member Downs, seconded by Board Member Munger to approve the consent agenda. **MOTION CARRIED UNANIMOUSLY.**

Michelle Johnson-Ochoa, applicant, requested the board grant a continuance of the review of her Catastrophic Disability Retirement Application and independent medical examination report in order for her to thoroughly review the report from the medical board to cite inaccuracies.

EXECUTIVE SESSION

4. Executive Session pursuant to A.R.S. § 38-431.03(A)(2) and (A)(3) to discuss records exempt by law from public inspection and for legal advice regarding the Catastrophic Disability Retirement Application submitted by Officer Michelle Johnson-Ochoa.

Chairman Blumberg declared the board convened for Executive Session at 4:08 p.m. to consult with the local board attorney for legal advice and reconvened the regular meeting at 4:38 p.m.

CONTINUATION OF MEETING

5. Consideration and possible action regarding the Catastrophic Disability Retirement Application submitted by Officer Michelle Johnson-Ochoa.

MOTION was made by Board Member Droban, seconded by Board Member McGlone to grant a continuance of 30 days for Michelle Johnson-Ochoa to review the independent medical examination report and respond to the board on how she plans to proceed. **MOTION CARRIED UNANIMOUSLY.**

6. Consideration and possible action regarding the Application for Deferred Retirement Option Plan (DROP) for Officer Wesley Genzer, Jr.

Lisa Cole, Board Secretary, provided a brief overview of the DROP program, program participation requirements, and a summary of the application of Officer Wesley Genzer, Jr.

MOTION was made by Board Member McGlone, seconded by Board Member Munger to approve the DROP application of Officer Wesley Genzer, Jr. **MOTION CARRIED UNANIMOUSLY.**

7. Annual review of Accidental Disability Retirement recipients.

Lisa Cole, Local Board Secretary, presented a list of retirement recipients receiving accidental disability benefits. Thomas Benavidez, Local Board Attorney, explained that the board has the option to require disability recipients to submit to an annual independent medical examination if warranted.

No action was taken.

8. Overview of election process for employee representative to the PSPRS local board.

Lisa Cole, Local Board Secretary, announced that the term of Board Member McGlone would expire on December 31, 2016 and that an election by secret ballot from amongst the local membership to fill the board member seat for a term of four years would be conducted in the near future.

9. Discussion and acceptance of the PSPRS Sahuarita Actuarial Valuation as of June 30, 2015 (continued from the meeting of September 1, 2016).

Chairman Blumberg provided the board with additional information regarding PSPRS membership benefits, actuarial valuations and PSPRS fund returns. He stated that the Arizona Constitution protected the benefits of members in a public retirement system and that public retirement system benefits could not be diminished or impaired. Additionally he shared that the actual return rates of the PSPRS fund for fiscal year 2015 was 3.6% and 1.06 % for fiscal year 2016. He further explained that the assumed earnings rate used in the actuarial valuations was based on a 7 year average and that the purpose of this item was to acknowledge receipt of the actuarial valuation report.

Board Member Munger voiced his concerns regarding the unfunded liabilities of the system and who pays if the system is actuarially unsound. He further stated his apprehensions of approving or accepting an actuarial valuation report for a system that was not sustainable. Chairman Blumberg stated he would meet with PSPRS to voice the board's concerns and suggested that the board compose a letter to the PSPRS board to address the fiscal soundness of the PSPRS system.

MOTION was made by Board Member Droban, seconded by Board Member Downs to accept the June 30, 2015 PSPRS Sahuarita Actuarial Valuation. **MOTION CARRIED 4 -1**, Board Member Munger voted no.

10. Future Agenda Items

Board Member Downs requested a follow up report from Chairman Blumberg on his visit with PSPRS regarding the fiscal sustainability of the PSPRS system.

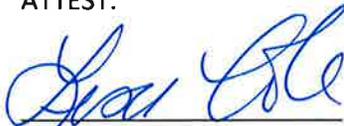
11. Adjournment

Chairman Blumberg adjourned the meeting at approximately 5:01 p.m.



Duane Blumberg
Chairman

ATTEST:



Lisa Cole, MMC
Secretary to the Board

CERTIFICATION

I hereby certify that the foregoing minutes are a true and correct copy of the minutes of the Meeting of the Public Safety Personnel Retirement System Local Board of the Town of Sahuarita held on the 29th day of September, 2016. I further certify that the meeting was duly called and held and that a quorum was present.

Dated this 3rd day of November 2016.