



**PUBLIC SAFETY RETIREMENT SYSTEM  
CITY OF SURPRISE LOCAL BOARD – FIRE**  
Minutes, Wednesday, January 9, 2019  
16000 North Civic Center Plaza, Surprise, Arizona 85374

The following are the minutes from the PSPRS City of Surprise Local Board – Fire Meeting held at 9:00 a.m. on Wednesday, January 09, 2019. The meeting was held in City Hall, Council Overflow Conference Room.

**Call To Order:**

Chair Gwaltney called the meeting to order at 9:01 a.m.

- A. Roll Call:** Scott Gwaltney, Chairperson & Citizen Board Member - Present  
Don Jeffery, Citizen Board Member – Present  
Rick Valdez, Vice-Chair & Employee Board Member – Present  
Christopher Preest, Employee Board Member – Present  
Ken Broadfoot, Citizen Board Member – Absent

**In attendance:** Chanda Washington, Board Administrator  
Lindsey Steinhoff, Human Resources  
Donna Meuse, Human Resources  
Cynthia Kelley, Board Attorney  
David Niederdeppe, Board Attorney

**B. Current Events Reports: None**

**C. Staff Reports:**

Ms. Washington discussed Ken Broadfoot has decided to resign from the board and she is working with the City Clerk’s office regarding the Mayor appointing a replacement; however, he will need to continue to serve until his replacement has been selected but Ms. Washington wasn’t sure if Mr. Broadfoot would be able to attend future meetings.

Ms. Washington let the board know next month we have one employee who reached their 91<sup>st</sup> day of employment and will need to be evaluated for entrance into PSPS, but there are no other items for that meeting, so far.

Ms. Washington let the board know the City of Surprise has changed the system in which agenda items are created so the agendas they see have a little different format/look.

**Call to the Public: None**

**Consent Agenda:**

#1 Approval of PSPRS Local Board - Fire December 12, 2018 meeting minutes. -

**Approved**

Motion: Jeffrey  
Second: Preest

Opposed: None

Scott Gwaltney- voted yes  
Chris Preest- voted yes  
Don Jeffrey- voted yes  
Kenneth Broadfoot- absent  
Rick Valdez- voted yes

### **Regular Agenda**

**#2** Consideration and action pertaining to the acceptance of Jerald L Clark into the Deferred Retirement Option Plan (DROP) effective January 27, 2019-

#### **Approved**

Motion: Valdez  
Second: Preest  
Opposed: None

Scott Gwaltney- voted yes  
Chris Preest- voted yes  
Don Jeffrey- voted yes  
Kenneth Broadfoot- absent  
Rick Valdez- voted yes

**#3** Discussion and action pertaining to the revised local board procedures drafted for and presented to the City of Surprise Fire PSPRS Local Board- **Approved contingent change made to page 5 section D, under #4 No Pre-Existing Condition to add language to the end of the sentence** “and the employee will receive a copy of their pre-employment physical”.

Mr. Preest asked, on page 5 section D those with pre-existing conditions will be mailed a copy of the pre-employment physical by certified mailed, but under #4 will those without pre-existing conditions be mailed a copy of their pre-employment physical by certified mail as well? Mr. Preest would like everyone to have a copy of the pre-employment physical because with their cancer coverage employees have to prove they didn't have cancer prior to approval of benefits. Mr. Preest asked if Ms. Washington if there is an issue with sending everyone a copy. Ms. Washington expressed this would have a high cost to the city to send all employees a copy via certified mail so the city was limiting the information that was being sent by certified mail. Ms. Washington explained there is a requirement for pre-employment physicals to be sent to the employee by certified mail if there is a pre-existing condition noted.

The board discussed they do not necessarily want a copy mailed certified to all employees, but they do want all employees to be provide a copy of their pre-employment physical. Ms. Washington suggested providing a copy at NEO on the employees 1<sup>st</sup> day. Mr. Preest was ok with this, as he just wants to ensure everyone has a copy of their own record, so they can prove they did not have cancer at the time of employment, if needed.

Mr. Valdez suggested there be a checklist or similar document the employee completes to show they received a copy of the pre-employment physical.

Mr. Preest asked for medical retirement are we pulling the pre-employment physical for the doctor to review. Ms. Washington said yes, this information is provided to the doctor, so they can determine if the applicant's condition occurred before or after their pre-existing condition (if applicable).

Mr. Preest asked about the accidental and ordinary retirement in the board procedures say we should review each case currently retired annually and determine if they should be sent for an IME for a medical determination if they can return back to work. Ms. Kelley said it is up to the discretion of the board if they send accidental and ordinary disability retirements for IMEs on an annual basis. Mr. Preest asked if we should put review of these retirements on the agenda once a year. Ms. Kelley said a list is usually provided that can be used for review.

Ms. Washington said we do not currently do this, but we can start. It was asked how many accidental and ordinary retirement does the City of Surprise currently have. Ms. Washington said we have two that she knows of, but would need to get the information from PSPRS for other cases prior to her employment with the City of Surprise.

Mr. Niederdeppe discussed the City of Phoenix reviews their list of current disability retirement cases on a yearly basis and some have no reason to be re-examined. Mr. Niederdeppe did mention that to end a pension, the City of Surprise would need to be willing to offer someone a job if the IME returned that they could work. Ms. Washington said she needs to check with HR to know if this is something we could do. Mr. Preest understood that it may not be an offer we would be able to make.

Mr. Jeffrey stated he was concerned with review and sending someone back to the doctor once the person had pensioned out. Mr. Jeffrey asked what gives the board the right to have someone go for another medical exam when the person is already receiving the pension benefits and the doctor already said they can no longer work. Mr. Preest said it is the state statute that we are able to do this. Mr. Jeffrey was under the impression it was normal practice that once retired, no further action is taken. Mr. Preest said that is how it has been in the past, but was looking to see if the board should be doing more per statute.

Motion: Preest  
Second: Jeffrey  
Opposed: None

Scott Gwaltney- voted yes  
Chris Preest- voted yes  
Don Jeffrey- voted yes  
Kenneth Broadfoot- absent  
Rick Valdez- voted yes

**#4 Review and Discussion of June 30, 2018 PSPRS Fire Actuarial report- No action needed**

Ms. Washington gave an overview of the City of Surprise contribution rates, funding status and each section of the actuarial report for 2018. She also explained some of the changes from the 2017 actuarial report and improvements that have been made.

Mr. Niederdeppe said he and Ms. Kelley have looked at a number of PSPRS actuarial reports in the last few weeks and the City of Surprise has outstanding numbers.

Mr. Valdez asked how PSPRS determines the interest percentage rate for the DROP and if PSPRS assesses the interest rate for DROP based on City of Surprise plan or all PSPRS employers in the system as a whole. Ms. Washington said the DROP interest rate is based on all employers and determined by the PSPRS Board of Trustees.

Mr. Preest asked if there is a goal for the City of Surprise to be 100% funded on the PSPRS plan. Ms. Meuse said we work with Finance on this evaluation and they strategically look at what we can do to improve our funding status, but there are some things that we cannot control.

Mr. Valdez asked how someone can access the actuarial reports. Ms. Washington said they are posted on the PSPRS website.

**#5 Consideration and action pertaining to placing items on future agenda. – No Items requested**

**#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:**


Chairperson Scott Gwaltney accepted the motion to adjourn the meeting at 9:44a.m. – **Approved**

Motion: Gwaltney  
Second: Jeffrey  
Opposed: None

Scott Gwaltney- voted yes  
Chris Preest- voted yes  
Don Jeffrey- voted yes  
Kenneth Broadfoot- absent  
Rick Valdez- voted yes


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Scott Gwaltney, Chairperson, Board Member – Citizen



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Rick Valdez, Vice-Chairperson, Board Member – Fire Dept.



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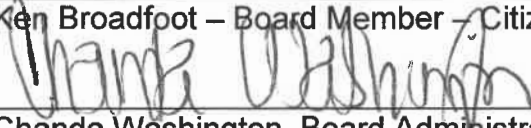
Christopher Preest, Board Member – Fire Dept.

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Donald Jeffery – Board Member – Citizen

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Ken Broadfoot – Board Member – Citizen



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Chanda Washington, Board Administrator