Minutes of the Tempe Police Public Safety Personnel Retirement System Board meeting held virtually via Cisco Webex on Thursday, May 7, 2020, 2:00 p.m. from the City of Tempe Finance Conference Room, 20 E. 6th Street, 2nd Floor, Tempe, Arizona.

Board Members Present (via Cisco Webex online):
- Steven Methvin
- Rob Ferraro
- Bill Goodman
- Alex Moreno
- Johnny Tse

Board Members Absent: None

City Staff Present (via Cisco Webex online):
- Renie Broderick, Internal Services Director
- Rebecca Strisko, Deputy Internal Services Director-HR
- Wendy Messina, HR Analyst
- Susan Buck, Executive Assistant

Legal Counsel Present (via Cisco Webex online): Lesli Sorensen

Chair Steven Methvin called the meeting to order at 2:37 p.m.

ITEM 1 – Consideration of Meeting Minutes:
Motion by Rob Ferraro to approve the March 5, 2020 Board meeting minutes and the March 5, 2020 Executive Session minutes; second by Bill Goodman. Motion passed on a voice vote 5-0.

Ayes: Chair Methvin; Boardmembers Ferraro, Goodman, Moreno and Tse
Nays: None
Absent: None

ITEM 2 – Motion to Adjourn to Executive Session, if necessary:
No Executive Session was held.

ITEM 3 – New Members:
Boardmember Alex Moreno noted that the new member application of Joseph Ludlum did not contain an answer to Question No. 18 on the medical questionnaire. Board Legal Secretary Lesli Sorensen stated that she had discussed that issue with staff and noted that the Board can conditionally approve Mr. Ludlum’s application and ask staff to obtain clarification regarding that question. Motion by Alex Moreno to approve the following new member applications:
- Armando Castellanos
- Jamie Lauren Encinas
- Jace R. Green (pre-existing condition)
(item continued on next page)
- **Alex J. Kitchens** (pre-existing condition)
- **Joseph Ludlum** (conditionally approved with pre-existing conditions and pending clarification of answer to Question No. 18 on the medical questionnaire)
- **Justin Milan** (pre-existing condition)
  Second by Rob Ferraro. Motion passed on a voice vote 5-0. Ayes: Chair Methvin; Boardmembers Ferraro, Goodman, Moreno and Tse
  Nays: None
  Absent: None

**ITEM 4 – Clarification of Previously Approved New Members:**
Local Board Secretary Renie Broderick provided clarification for the previously approved new member application of **Matthew P. Barker**, stating that that staff did not note for the Board that Mr. Barker was a rehire. Ms. Broderick noted that is important because “pre-existing” condition would refer to any conditions prior to his initial entry into PSPRS.

Ms. Broderick stated that when staff previously clarified a question regarding a pre-existing condition for **Janel Brinkman**, staff incorrectly indicated at that time that she did not have any other pre-existing conditions. However, Ms. Brinkman did have other pre-existing conditions and staff just wanted to make sure that was clear.

**ITEM 5 - Applications to Enter the Deferred Retirement Option Plan (DROP):**
Motion by Rob Ferraro to approve the applications to enter DROP of **Naomi Galbraith** and **Amy Orr**; second by Alex Moreno. Motion passed on a voice vote 5-0.
  Ayes: Chair Methvin; Boardmembers Ferraro, Goodman, Moreno and Tse
  Nays: None
  Absent: None

**ITEM 6 – Status Update on Applications for Accidental Disability Benefits:**
HR Analyst Wendy Messina provided a status update on the following applications:
- **Paul Colborn**: Mr. Colborn’s application is pending the results of the Independent Medical Exam (IME). Mr. Colborn’s IME was conducted on May 4, 2020 and the report should hopefully be received in time for review at the June board meeting.
- **Brian McCluskey**: Mr. McCluskey did not file an appeal and his appeal period ended on May 4, 2020.

**ITEM 7 – Annual Review of Members Receiving Disability Benefits:**
Ms. Broderick stated that staff annually provides a list of members receiving disability benefits. The list provided to the Board in their meeting packet is sorted by years of service and there are several members with less than 20 years. There was no further discussion on this item.

**ITEM 8 – Overview of Disability Applications Filed 2015-2020**
Ms. Broderick stated that this information was requested by the Board. Boardmember Rob Ferraro noted that he requested the information and thanked staff for providing it. There was no further discussion on this item.

**ITEM 9 – Discussion Regarding Tier Implications / Employer Contributions:**
Boardmember Ferraro stated that he requested this agenda item and noted that he was contacted by a former Tempe Police member who had transferred laterally to the Phoenix Police Department.
The member, along with one other officer, discovered that he was in Tier 2 instead of Tier 1 but didn’t understand why. Boardmember Ferarro stated:

- The member was hired as a Tempe police officer in November 2011 and graduated academy and became sworn in April 2012.
- The Tier system cut-off was in January 2012.
- The City of Tempe used to enter recruits in ASRS until they were sworn, when they would then be entered into PSPRS.
- Both members were Tempe employees paying into ASRS prior to their hire as Tempe police officers.
- The two members contacted PSPRS and were told that this a “Tempe issue” and the local board can address it.

Boardmember Ferraro noted that there are a lot of implications to this issue and stated that the two members would like to address this with the Board in person. Boardmember Ferraro requested that the following questions be answered by Board Legal Counsel and/or staff:

- Has something like this ever occurred before?
- Has a Local Board ever changed a date of hire for someone in relation to pension status?
- Can we confirm with the State pension board if this is even possible or in the Local Board’s purview?
- Is this a City of Tempe / HR issue or is this a Local Board issue?
- Who bears the liability on this? Is it Tempe or Phoenix?
- What costs would be associated with the City paying the employer contributions for the time in academy?
- If both members left their ASRS contributions at ASRS, how does that impact everything?
- Legally, has this ever been entertained by any other Local Board?

Ms. Sorensen stated that she used to work at ASRS and there was a historical interpretation that recruits in academy were not considered to be on hazardous duty, so they were not enrolled in PSPRS during that time. However, there was a subsequent determination that they did qualify as hazardous duty and could therefore be enrolled in PSPRS. Ms. Sorensen noted that there were a number of jurisdictions that (for some period of time) enrolled recruits into ASRS when they were not eligible to be enrolled in PSPRS because they wanted to make sure the members had coverage in case something catastrophic happened. In addition, the employers may have been required by Social Security to enroll the members in a plan, depending upon the employer’s Social Security status. Ms. Sorensen noted that while she has not directly contacted PSPRS to discuss this issue, there are things to consider; for instance, whether other members employed by Tempe are in the same situation. Ms. Sorensen stated that for members who have transferred out of Tempe, the liability would be borne by the jurisdiction from which they ultimately retire.

Ms. Sorensen indicated that the cost of employer contributions would be important to know; it would also be good to know if any of the members transferred the ASRS service to PSPR. Ms. Sorensen provided a brief overview of issues pertaining to service transfer.

Boardmember Ferraro requested that this item be discussed further at a future in-person meeting at which the two impacted parties will be invited to address the Board. He further noted that there are significant implications to be evaluated, including whether other people are impacted. Chair Methvin requested that this be discussed as an Executive Session item with the Board Legal Counsel before public discussion. Boardmember Ferraro reiterated that this should be postponed until the Board can meet in person (not virtually).
HR Analyst Wendy Messina inquired what research the Board would like staff to do in the meantime. Boardmember Ferraro requested that staff determine if this issue effects any other Police members (other than the two former members in question) and that staff also research potential costs associated (ex: reimbursement for the ASRS piece).

ITEM 10 - Future Meeting Date:
The next meeting is scheduled for June 4, 2020.

ITEM 11 – Future Agenda Items:
- Discussion Regarding Terminating Employment via DROP vs. Disability
- Tier Implications / Employer Contributions

ITEM 12 – Public Appearances:
Executive Assistant Susan Buck stated there were no public comments submitted to the Board via email prior to the meeting or online during the meeting.

Boardmember Ferraro stated that Wendy Messina would be missed and thanked her for her professionalism and caring service to the Police members. Chair Methvin thanked Wendy Messina for all of her work and support to the members, city employees and the residents of Tempe.

Adjournment
Motion to adjourn by Alex Moreno; second by Rob Ferraro. Motion passed on a voice vote 5-0.
- Ayes: Chair Methvin; Boardmembers Ferraro, Goodman, Moreno and Tse
- Nays: None
- Absent: None

The meeting adjourned at 3:10 p.m.