



# **NORTHWEST FIRE/RESCUE DISTRICT LOCAL PENSION BOARD**

SERVING RESIDENTS OF THE NORTHWEST FIRE DISTRICT, THE FLOWING WELLS COMMUNITY AND  
THE TOWN OF MARANA

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## **MINUTES OF THE NORTHWEST FIRE DISTRICT PUBLIC SAFETY PERSONNEL RETIREMENT SYSTEM LOCAL PENSION BOARD MEETING**

**July 29, 2011**

**DRAFT**

### **CALL MEETING TO ORDER**

Vice Chairman Roger Moore called the meeting to order at 1:40 p.m. The meeting was held in the Conference Room of the Northwest Fire District Administration/Life Safety Services Building, 5225 W. Massingale Road, Tucson, Arizona.

### **TAKE ATTENDANCE AND DETERMINE IF A QUORUM EXISTS:**

Present: Bill Daniell, Chairman (via phone conference)  
Captain Roger Moore, Vice Chairman  
Patrick Pettigrew  
Jeff Piechura, Fire Chief  
Steve Bossé, Attorney for the Local Pension Board (not a voting member)  
Patricia Aguilar, Secretary (not a voting member)

Absent: Dr. John Pedicone – Excused

Vice Chairman Roger Moore called the meeting to order, and a quorum existed with four of the five voting members present. Carla Reece, Administrative Services Manager, Debbie Metzger, Human Resources Specialist, and Catherine Reine, NWFD Administrative Secretary (temp) were also present.

### **SALUTE TO THE FLAG OF THE UNITED STATES OF AMERICA**

Vice Chairman Moore led the Pledge of Allegiance.

### **REVIEW, AMEND AND APPROVAL OF THE JUNE 30, 2011, LOCAL PENSION BOARD MEETING MINUTES**

Vice Chairman Moore made the following motion, seconded by Chief Piechura and approved unanimously:

Move to approve the minutes of the June 30, 2011, Local Pension Board Meeting as presented.

## **BUSINESS**

### **REVIEW, DISCUSSION AND ACTION ON CAPTAIN TIMOTHY GRAVES' APPLICATION FOR DEFERRED RETIREMENT OPTION PLAN (DROP)**

Attorney Steve Bossé commented he reviewed Captain Graves' paperwork and application, and everything is complete and in order.

Vice Chairman Moore made the following motion, seconded by Patrick Pettigrew and approved unanimously:

Move to accept and approve Captain Timothy Graves' application for Deferred Retirement Option Plan (DROP).

### **DISCUSSION AND POSSIBLE ACTION ACCEPTING THE RESIGNATION OF DR. JOHN PEDICONE FROM THE PUBLIC SAFETY PERSONNEL RETIREMENT SYSTEM LOCAL PENSION BOARD**

Attorney Steve Bossé informed Pension Board members that Dr. John Pedicone submitted a letter of resignation on July 26, 2011, stating that he is unable to keep his commitments to the Pension Board. He has served, on the Local Pension Board for 20 years.

Discussion followed regarding how to proceed in filling the vacancy due to Dr. Pedicone's resignation. Chief Piechura suggested the matter be placed on the next Governing Board meeting Agenda. Chairman Daniell requested Patricia Aguilar publish the vacancy on the Northwest Fire District website and on SharePoint.

Steve Bossé responded "there is no legal requirement" of the Pension Board to publish any notification or appoint a replacement for Dr. Pedicone. Steve Bossé further stated, the Governing Board has to provide direction and will assign a successor. He suggested that we place the announcement of a vacancy on the Local Pension Board, as a Governing Board Agenda item at the next Governing Board meeting. These actions would be two separate Agenda items at two separate meetings of the Governing Board. He also stated that once the Governing Board has announced the vacancy, then at the following month meeting, the Governing Board would appoint a successor to fill the vacancy left by Dr. Pedicone's resignation.

Vice Chairman Moore made the following motion, seconded by Chief Piechura and approved unanimously:

Move to accept the resignation of Dr. John Pedicone from the Public Safety Personnel Retirement System Local Pension Board.

Vice Chairman Moore made the following motion, seconded by Chief Piechura and approved unanimously:

Move to announce a vacancy on the Local Pension Board as an Agenda item at the next meeting of the Governing Board.

**REVIEW AND DISCUSSION RELATING TO THE ARIZONA COURT OF APPEALS DIVISION ONE DECISION IN CHARLES LOFTUS VS. ARIZONA STATE UNIVERSITY PUBLIC SAFETY PERSONNEL RETIREMENT SYSTEM LOCAL BOARD**

Steve Bossé gave a brief background of Charles Loftus, who is an Arizona State University (ASU) police officer and a teacher at ASU. ASU broke out Charles Loftus' salary between the police officer role and teacher salary and did not include his teaching salary in the Public Safety Personnel Retirement System. The Pension Board is becoming responsible for matters that should have been in the payroll disputes.

A brief discussion followed as to whether or not the Pension Board is the forum for these kinds of disputes.

**REVIEW, DISCUSSION AND POSSIBLE ACTION RELATING TO LOCAL PENSION BOARD PHYSICIAN GUIDE FOR EVALUATION OF DISABILITY RETIREES AND LOCAL PENSION BOARD EVALUATION OF DISABILITY RETIREES PROCEDURE**

Steve Bossé stated procedures are already in place for this process. The Pension Board has selected Sunnyside Medical Center to perform the evaluation of disability retirees.

No action was taken.

**REVIEW, DISCUSSION, AND POSSIBLE ACTION ON WHETHER THE PENSION BOARD WISHES TO REVIEW CONTINUED ELIGIBILITY OF RECIPIENTS WHO ARE CURRENTLY RECEIVING DISABILITY PENSION BENEFITS**

Discussion began with Vice Chairman Moore commenting it was his understanding that it is the Pension Board's choice to choose which disability pensioner will be reviewed

once a year. It was stated there are six (6) participants in disability and the cost for a baseline medical evaluation is \$1,250.00.

Chief Piechura stated our job is to review the disability claim. After 20 years, the Pension Board cannot review the pensioner's disability claim.

Discussion continued on the purpose of the medical evaluation and Steve Bossé stated it is to track retirees and to insure those persons on physical disability are still qualified for disability benefits; and to insure the public trust of the Pension Plan. He further suggested a two year basis to set a baseline of the Pensioner's medical condition.

Chairman Daniell suggested the Pension Board create a check-in of the retirees' needs, as well as, the pensioners on disability. It was pointed out that retirees with 20+ years of service are not required to check-in, but any Disability Retirees with less than 20 years of service may be required to have an annual medical review.

Patrick Pettigrew made the following motion; but the motion died for lack of a second and he subsequently withdrew the motion:

Move to have annual medical review by November 1<sup>st</sup> of each year who is a disability retiree.

Chief Piechura made the following motion, seconded by Roger Moore and approved unanimously:

Annually by November 1<sup>st</sup> of each year, Disability Retirees with less than 20 years of service must undergo a medical review.

## **REVIEW AND DISCUSSION RELATING TO THE BOARD OF TRUSTEES OF THE PUBLIC SAFETY PERSONNEL RETIREMENT SYSTEM OPINION 2010-01**

Steve Bossé spoke about a trend among police officers who are going into Deferred Retirement Option Plan (DROP) and then are claiming disability pensions to avoid the tax issue. Northwest Fire District currently has no employee in DROP who is also claiming disability.

A brief discussion followed with Steve Bossé clarifying the following facts: if anyone is in DROP and then becomes disabled, the amount of their pension remains the same and their disability pension is not taxable.

**REVIEW AND MAKE RECOMMENDATIONS FOR AGENDA ITEMS TO BE PLACED OR REMOVED FROM THE NEXT PENSION BOARD MEETING'S DRAFT AGENDA**

1. New Pension Board Member
2. Next tentative meeting date is January 2012

**CALL TO THE PUBLIC**

No members of the public requested to speak at this time.

**ADJOURNMENT**

Chief Piechura made the following motion, seconded by Patrick Pettigrew and approved unanimously:

Move to adjourn the Local Pension Board Meeting.

The Local Pension Board meeting adjourned at 2:20 p.m.