



AGENDA

Queen Creek Local Public Safety

Personnel Retirement System Police Board

Municipal Service Building, San Tan Conference Room

22358 S. Ellsworth Road, Queen Creek, AZ 85142

December 9, 2021 | 8:30 am

1. Call to Order and Roll Call.

2. Public Comment. *Members of the public may address the Board on items not on the printed agenda. Please observe a time limit of three minutes. Note that pursuant to the Arizona Open Meeting Law, members of the Board may not discuss matters raised under this public comment portion of the meeting.*

3. Executive Session. *Pursuant to A.R.S. Section 38-431.03(A)(2) & (3) the Queen Creek Public Safety Retirement Board may vote to convene into Executive Session to discuss or consider confidential records exempt by law from public inspection concerning matters on the agenda and/or consult with the Board's attorney for legal advice concerning any item on the agenda.*

4. Items for Discussion and Possible Action.

A. Introduction of new Queen Creek PSPRS Local Board Attorney, Cynthia Kelly, from Ryan, Rapp, Underwood, and Pacheco.

B. Certification of full-time Police Officers, Sergeants and Lieutenants.

A.R.S. §§ 38-842.24 & 38-847(D)(1)

<u>Last Name</u>	<u>First Name</u>	<u>Position</u>	<u>Certification Date</u>
Newman	Mark	Lieutenant	12/14/2020
Klix	Renee	Police Sergeant	05/17/2021
Higgins	Shana	Police Sergeant	05/27/2021
Goodwyn	Eric	Police Sergeant	06/28/2021
Myers	Nicholas	Police Sergeant	06/28/2021
Ruth	Daniel	Police Sergeant	07/06/2021
Erwin	Megan	Police Sergeant	07/12/2021
Gilliland	Kevin	Police Officer	07/30/2021
Jost	Michael	Police Officer	07/30/2021
Klingensmith	Jordan	Police Officer	07/30/2021
Pullem	Erica	Police Officer	07/30/2021

<u>Last Name</u>	<u>First Name</u>	<u>Position</u>	<u>Certification Date</u>
Kray	Matthew	Police Officer	08/02/2021
Kuhn	Deanna	Police Officer	08/02/2021
Lines	Richard	Police Officer	08/02/2021
Wallace	Lauren	Police Officer	08/02/2021
Willi	Tyler	Police Officer	08/02/2021
De La Torre	Rachel	Police Officer	08/09/2021
Luna	Andrew	Police Officer	08/09/2021
Stalter	Janine	Police Officer	08/09/2021
Statt	Jeremy	Police Officer	08/09/2021
Trawick	Lee	Police Officer	08/09/2021
Williams	Christian	Police Officer	08/09/2021
Storch	Evan	Police Officer	08/12/2021
Brady	Justine	Police Officer	08/16/2021
Demuth	Jack	Police Officer	08/16/2021
Grossman	Frank	Police Officer	08/16/2021
Soltero	Christopher	Police Sergeant	08/16/2021
Van Woerkom	Andrew	Police Officer	08/23/2021
Winch	Melissa	Police Officer	08/30/2021
Anderson	Christopher	Police Officer	09/13/2021
Lopez Hinojos	Simon	Police Officer	09/13/2021
Rounds	Cassandra	Police Officer	09/13/2021
Webber	Adam	Police Officer	09/13/2021
Debellevue	Jeffrey	Police Officer	09/20/2021
Driskill	Jaymi	Police Officer	09/20/2021
Arrubla	Jessica	Police Officer	09/27/2021
Callahan	David	Police Officer	09/27/2021
Miller	Sean	Police Officer	09/27/2021
Allen	John	Police Officer	09/30/2021

<u>Last Name</u>	<u>First Name</u>	<u>Position</u>	<u>Certification Date</u>
Trotter	Albert	Police Officer	09/30/2021
Zorich	Chaz	Police Officer	09/30/2021
Lull	Derek	Police Officer	10/04/2021
Mazur	Philip	Police Officer	10/04/2021
Muth	Michelle	Police Officer	10/04/2021
Rodriguez	Obed	Police Officer	10/04/2021
Warskow	Meaghan	Police Officer	10/11/2021
Scott	Chriswell	Police Sergeant	10/11/2021
Iribe	Dana	Police Officer	10/18/2021
Knight	Kevin	Police Officer	10/18/2021
Larabell	Sean	Police Officer	10/28/2021

C. Pension Funding Policy (Dan Olsen)

5. **Announcements.**

6. **Adjournment.**

Pursuant to A.R.S. § 38-431.02, notice is hereby given to the members of the Queen Creek Public Safety Retirement Board and the general public that a meeting open to the public will be held as set forth above.

Maria E. Gonzalez, CMC
Town Clerk | Board Secretary

I, Maria E. Gonzalez, do hereby certify that I caused to be posted this 7th day of December, the Agenda for the December 9, 2021 Queen Creek Public Safety Retirement Board (Police) in the following places: 1) Queen Creek Town Hall; 2) Queen Creek Library; 3) Queen Creek Community Center.

The Town of Queen Creek encourages the participation of disabled individuals in the services, activities, and programs provided by the Town. Individuals with disabilities who require reasonable accommodations in order to participate should contact the Town Clerk's office at (480) 358-3000.

Requesting Department:
Town Clerk's Office,
Assistant Town Manager



**TO: QUEEN CREEK LOCAL PUBLIC SAFETY PERSONNEL
RETIREMENT SYSTEM (PSPRS) POLICE BOARD**

**FROM: BRUCE GARDNER, ASSISTANT TOWN MANAGER
MARIA GONZALEZ, TOWN CLERK AND BOARD SECRETARY**

RE: Queen Creek PSPRS Board Attorney Introduction

DATE: December 9, 2021

For Discussion Only

There have been recent changes to statutes for PSPRS local boards where any attorney that has any relationship representing a city or town in any fashion is no longer able to represent the PSPRS local boards. As a member of the Arizona Municipal Risk and Retention Pool (AMRRP), the Town is often represented by Pierce Coleman in risk and employment issues. As such, Justin Pierce and his firm will no longer be able to represent the Town's local boards.

In contacting agencies for other options, the Assistant Town Manager has identified the firm of Ryan, Rapp, Underwood, and Pacheco, PLC as a replacement. The firm represents several other PSPRS local boards throughout Arizona, in addition to other types of Boards and Commissions. In addition to the firm, Cynthia Kelley will be introducing herself as the new Queen Creek local board attorney.

Attachments

- Engagement and Retainer Letter
- Resumes

 **RYAN RAPP
UNDERWOOD
& PACHECO** PLC
3200 N. Central Avenue, Suite 2250
Phoenix, Arizona 85012
(602) 280-1000
Fax (602) 265-1495
Cynthia K. Kelley
ckelley@rrulaw.com

November 18, 2021

SENT VIA EMAIL ONLY bruce.gardner@queencreekaz.gov

Queen Creek PSPRS Police and Fire Boards
c/o Bruce Gardner

Re: Engagement and Retainer Agreement

Dear Mr. Gardner:

Thank you for the selection of Ryan Rapp Underwood & Pacheco, P.L.C., to represent the Queen Creek PSPRS Police and Fire Boards (“the Boards”). We recognize that the Boards have a choice of legal counsel, and appreciate the confidence you have in our firm.

This letter is to confirm our understanding of the representation that Ryan Rapp Underwood & Pacheco has undertaken on the Boards’ behalf, its scope and the terms of our engagement. In addition, under our professional rules of ethics, we have an obligation to inform the Boards of the firm’s billing practices. Experience has shown that a letter such as this is useful both to the client and to the firm to express our respective expectations and undertakings.

We ask that you and the Boards representatives carefully review this letter. It is intended to be a formal Retainer and Engagement Agreement. If it meets with the Boards’ approval and understanding of our respective responsibilities and duties, please sign where indicated and return it to us. Your signature on this Agreement will confirm the Boards’ consent to the terms contained herein.

SCOPE OF REPRESENTATION

We understand that Ryan Rapp Underwood & Pacheco, P.L.C., has been retained to represent the Boards and its constituent members in connection with their duties and responsibilities under the Arizona Public Safety Personnel Retirement System. The primary attorneys engaged in this representation will be Cynthia Kelley, Lesli Sorenson and David Niederdeppe.

The attorneys will, as requested, attend meetings relating to the Boards, review materials prior to the meetings and, if necessary, monitor compliance with open meeting law for those

meetings attended. The attorneys will, upon referral of a lawsuit or other legal matter by either Board, provide any necessary legal representation to the Boards and any of its officers, employees, or agents as directed by the Boards. The attorneys agree to perform all necessary legal services, including but not limited to investigation, legal research, preparation of legal memoranda, pleadings and briefs and making appearances before administrative tribunals and courts, in representing the Boards.

The Boards and their representatives, as our client, agree to cooperate with, and to timely provide assistance and requested documentation and information to us so that we may handle these legal matters on its behalf.

FEES AND COSTS AND RETAINER

All matters undertaken by the firm require that the client agree to terms of payment prior to the commencement of representation. In consideration of our services in connection with this representation, the Boards agree to pay Ryan Rapp Underwood & Pacheco according to the terms set forth in this Agreement. Any litigation necessitated by this representation is, by its very nature, time consuming, uncertain and often expensive. While the firm will work diligently on each Board's behalf, no predictions can be made as to the outcome of any particular matter. We normally send billings on a periodic basis, usually monthly. The periodic bills are to be paid upon presentation, and the amounts thereof are applied to the total fee. If the bills are not promptly paid, we reserve the right to withdraw from representation.

The normal fee arrangement of the firm is the "reasonable fee" arrangement which is based upon the criteria for reasonableness specified in the Rules of Professional Conduct. The factors set forth in the rules include the time required for tasks performed; the difficulty, novelty or complexity of the problem presented; the skill required to perform the services properly; the time constraints imposed by the clients or the nature of the matter; the amount involved and the results obtained for the clients; and the experience, reputation and ability of the lawyer or lawyers performing the service. We have established a normal hourly billing rate for each attorney and legal assistant, which is adjusted from time to time. Attorneys Cynthia Kelley and Lesli Sorenson will be the primary attorneys in this matter and their hourly billing rate for this representation is \$275.00. David Niederdeppe may assist in special projects. His hourly rate is \$300 per hour. If necessary, other attorneys may be involved in the matter and if that occurs, his/her hourly billing rate will be disclosed to you prior to that attorney commencing work on your cases. In addition to attorneys, there may be legal assistants involved in the matter. The firm's legal assistants are typically billed at rates between \$75 and \$150 per hour. In most circumstances, the total fee billed to the clients will be calculated primarily on the basis of the hourly rates and the amount of time expended for all attorneys and legal assistants involved in the matter. Such hourly totals, however, may be adjusted at the end of any particular case (and occasionally on an interim basis) to take account of the various factors described above.

For some cases, the fee arrangement may be a fixed hourly, fixed project, flat, or such other arrangement as is set forth in writing between the clients and the primary attorney performing the work. In certain instances, modified or hybrid fee calculations may be appropriate as well. For example, in instances where the result achieved is particularly beneficial or advantageous to the clients when viewed against the amount(s) at stake or in controversy, the efforts expended and other like factors, the application of a “value billing” methodology above and beyond the base or customary hourly billing agreement may be appropriate. Of course, any such hybrid or value billing arrangement will be utilized only after prior consultation with, and concurrence of, the clients.

In addition to fees for legal services, the firm may incur various costs and expenses in performing legal services under this Agreement. These expenses will be itemized in our billing statements. Costs and expenses include, without limitation, filing fees, messenger and process services, special mailing expenses, express mail services, copying charges and other reproduction costs charged by an outside agency or vendor, expert fees, Westlaw research, long distance telephone calls, travel expenses and court reporter charges. We may send larger copying jobs to an outside copying service and charge the Board for such service. We may ask that the Boards pay court reporters' fees, outside copying charges and other large charges directly to the provider of the service.

To aid in the representation, our firm and the Boards may agree that hiring expert witnesses, appraisers, accountants, consultants or investigators is necessary. Our firm will select such outside experts or entities, after consultation with the Boards. The Boards authorizes us to retain and the Boards agree to pay the fees or charges of these persons or entities hired by us, either directly to the outside person or entity, or to the firm, as appropriate.

In the event that either Board is involved in litigation, it may be possible to seek an award of the Board's attorneys' fees and costs from the opposing party. We will pursue such an award if appropriate, but we cannot and will not look to such an award as a source of payment for amounts owed to the firm under this Agreement. The Board is responsible for paying the fees and costs as set forth in this Agreement. If attorneys' fees and costs are awarded, we will reimburse the Board for the amount of the award, or apply the award to fees and costs that are still being accrued or owing.

We ask and expect payment of our billings on a current basis because delayed payments add to our overall costs of providing services to all of our clients. To avoid burdening our clients who do pay promptly with these additional overhead costs, we reserve the right to charge interest on any balance which is not paid by the end of the month following the month in which the firm's billing statement is dated. Unless otherwise agreed, payment of each monthly billing statement is due upon receipt.

CORRESPONDENCE, PLEADINGS AND DOCUMENTS

As a matter of course, the firm will forward to the Boards copies of key correspondence, and any court pleadings and documents generated or received by us concerning the legal matter being handled. This is an inexpensive and routine way to keep our clients advised of important developments and the status of the matter as it progresses. The Boards should review the documents sent to them and contact us with any questions or comments about them. All communications to the Boards are directed to the addresses provided to us. Because communications between the Boards and the firm are critical, we must be kept informed of any changes in address, telephone number, and e-mail as appropriate.

RETENTION OF FILES AND FILE DESTRUCTION

Given the number of client matters the firm handles, the indefinite retention of each client's file is impractical. Therefore, once any particular matter is completed, the file will be marked "closed" by the firm. The Board has a right to obtain a copy of the files at any time, but given the firm's routine practice of copying clients with correspondence, pleadings and documents, the firm will only copy those documents the Boards have not already been sent. Original documents will be returned to the Boards upon the closing of the file. If a Board needs another copy of the file after receiving copies from the firm, we will charge for the cost to re-copy the file. By executing this Agreement, you give the firm permission to destroy any files once they have remained closed, with no material activity, for a period of seven years.

CONFLICT OF INTEREST

The firm has conducted an internal conflict of interest check based upon the names of the persons and/or entities provided to us by you. No conflict of interest has appeared from this internal conflict check. The Boards agree to continue to provide any additional information to the firm regarding the names and identities of any other person or entity involved, or which may become involved, in any matters for which we provide representation.

TERMINATION OF REPRESENTATION AND CONCLUSION OF MATTERS

Once the representation of either Board in the matters described in this Agreement concludes, the firm will have no continuing obligation to represent the Board in any matter beyond the scope of representation as described herein unless an agreement for continued representation is reached.

The Boards have the right to terminate the firm's representation with or without cause. However, should a Board determine to terminate our services, it must notify us in writing of the termination. Termination of our services does not negate any fees or costs owed to the firm in the

representation.

The firm reserves the right to withdraw as set forth herein if our fees are not paid on a timely basis. The firm also reserves the right to withdraw for any reason permitted or required under the Code of Professional Responsibility. In the event the firm determines to terminate the representation, the Board will be notified in writing as to the termination, and agree to execute an approval of a Motion to Withdraw or Substitution of Counsel, if applicable. In that event, the firm will cooperate in transitioning the matter to another attorney as appropriate.

After the Board representatives have had an opportunity to review this Agreement, please sign it where indicated and return it to me for our file. The firm's attorneys will generally not proceed to work for a client beyond the initial consultation and initial research until a signed Agreement is received from the Board. In the event that legal services have been performed and costs expended on the Board's behalf, it is obligated to the firm for the value of such services and costs.

We recognize that this Agreement has a formal tone, but we believe that a complete understanding of our business relationship helps to assure a mutually beneficial attorney-client relationship. We appreciate this opportunity to be of assistance and look forward to working with the Police and Fire Boards.

Very truly yours,

RYAN RAPP & UNDERWOOD, P.L.C.


Cynthia K. Kelley

I have read and understand the foregoing terms set forth in the Ryan Rapp Underwood & Pacheco, P.L.C. Engagement and Retainer Agreement, and approve and agree to them as of the date that Ryan Rapp Underwood & Pacheco, P.L.C., first provided services to the Board.

QUEEN CREEK PSPRS POLICE AND FIRE BOARDS

By: _____

Date: _____

Printed Name: _____

Its: _____

CYNTHIA KELLEY

3200 North Central Avenue, Ste. 2250
Phoenix, Arizona 85012
ckelley@rrulaw.com • 602.280-1000

PROFESSIONAL EXPERIENCE

RYAN, RAPP & UNDERWOOD, P.L.C., PHOENIX, ARIZONA, AUGUST 2008 - PRESENT

PARTNER: ADMINISTRATIVE LAW AND FAMILY LAW

Represents various Local Public Safety Personnel Retirement System Local Boards throughout Arizona. Monitor compliance with open meeting law for those meetings attended. Upon referral of a lawsuit or other legal matter by the Board, provide any necessary legal representation to the Board and any of its officers, employees, or agents as directed by the Board. Perform all necessary legal services, including but not limited to investigation, legal research, preparation of legal memoranda, pleadings and briefs and making appearances before administrative tribunals and courts, in representing the Board.

Assists clients in developing premarital agreements, resolving dissolution issues, legal separations and annulments, and representation in disputes involving spousal support, custody and child support, parenting time and post-dissolution enforcement issues.

ARIZONA STATE UNIVERSITY, 2007- 2008

Executive Director of External Affairs & Alumni Relations

Worked directly with the Dean of the Sandra Day O'Connor College of Law, faculty, Director of Development and high-profile community leaders in formulating a fundraising strategy for the College. Identified new potential donors and develop long-term relationships between the College and its students and alumni, while serving as liaison between the College and the SDOCOL Alumni Association. Gave direction to staff regarding compliance of departmental policy and procedure for charitable giving. Assisted the Dean and comptroller with development of budget representing Alumni interests. Participate in the creation and implementation of the Annual plan. Worked with the Dean and Communications personnel for marketing, branding and communication strategy for the College of Law. Organize and implement the following events: Alumni Reunions, Law Society Dinners, Class Leader's Luncheons and Dean's Forums.

MARICOPA COUNTY ATTORNEY, Phoenix, Arizona, 2004- 2007

Deputy County Attorney

Prosecute felony and misdemeanor cases for busy office. Negotiate plea agreements with defendants and their attorneys. Conduct felony jury and bench trials. Manage a large case load of up to 80 cases at a time. Represent County in preliminary, evidentiary, and probation-violation hearings. Draft pleadings, plea agreements, motions, correspondence, and memoranda. Conduct legal research on a wide variety of substantive and procedural issues. Submit sentencing recommendations and case dispositions. Present cases to the Grand Jury.

- Promoted to major crimes, Drug Enforcement Bureau after 10 months in trial group.
- Conducted twelve jury and bench trials.

RYAN, RAPP & UNDERWOOD, PLC, Phoenix, Arizona, 2003-2004

Associate Attorney

Practiced transactional law for full-service boutique law firm. Drafted complex Qualified Domestic Relations Orders for division of pension plans and retirement accounts during divorce proceedings. Developed mastery of applicable tax, benefits, and estate law.

BRIAN E. KELLEY, PA, Phoenix, Arizona, 1992-2003

Administrative Manager

Managed all operational and logistics functions for family law practitioner. Administered payroll, taxes, and employee benefits, including health insurance. Oversaw personnel matters. Researched and identified best-fit office space, software and hardware, equipment, and supplies. Negotiated favorable contracts with vendors. Maintained current awareness of applicable tax and employment law. Managed accounts payable and receivable and supervised outsourced accounting functions.

- Managed all aspects of start-up for business, including office set-up, initial hiring, systems development, software selection, and policy development.

EDUCATION AND CREDENTIALS

Juris Doctor (1988)

ARIZONA STATE UNIVERSITY – Tempe, Arizona

Moot Court Brief Selected for Publication

ASU Criminal Practice Clinic

Law Intern City of Phoenix Prosecutor's Office

Bachelor of Science, Accounting (1988)

ARIZONA STATE UNIVERSITY – Tempe, Arizona

Licensure

Licensed to Practice Law in Arizona since 1988

Conferences

National Alliance for Drug Endangered Children, 2006

APPAC Summer Conference, 2006

Advanced Trial Advocacy II, 2005

BAR AND CIVIC ACTIVITIES

ARIZONA STATE BAR ASSOCIATION, Member, 1988-Present

MARICOPA COUNTY BAR ASSOCIATION, Member, 2004-Present

ARIZONA WOMEN LAWYER ASSOCIATION, 2007-Present

ARIZONA WOMEN LAWYERS HONORING JUSTICE O'CONNOR, 2007-Present

XAVIER COLLEGE PREPARATORY, Chairman, Mother's Guild, 2002-2005

ARIZONA BEHAVIORAL HEALTH EXAMINERS BOARD, Member, 2002-2004

BROPHY COLLEGE PREPARATORY, Chairman, Mother's Guild Varsity Shop, 2002-2004

ARIZONA HEART BALL COMMITTEE, Committee Chair, 1999-2001

LESLI M. H. SORENSEN, ESQ.

37 East Woodward Drive • Phoenix, Arizona 85004 • (602) 315-4789 • lsorensen@rrulaw.com

EMPLOYMENT

RYAN RAPP UNDERWOOD & PACHECO, PLC

PHOENIX, ARIZONA

Partner

August 2017-present

- Provide legal services for clients in areas relating to public retirement and pensions, open meeting laws, public records, civil law, government operations, tax law, criminal law, planning and zoning, business law, campaigns elections, and ethics. Clients include fire districts, government entities, corporations, and individuals.

SORENSEN LAW, PLLC

PHOENIX, ARIZONA

Owner

October 2010- August 2017

- Provided diversified legal services in multiple practice areas including pension, wills, trusts, insurance, civil litigation, tax law, and business law.
- Supplied Amicus brief writing and editing services.

ARIZONA HOUSE OF REPRESENTATIVES

PHOENIX, ARIZONA

Deputy Chief of Staff and Supervising Attorney

November 2014-January 2017

In addition to the duties of Majority Policy Advisor and Staff Attorney:

- Assisted with the management of the House of Representatives, which included supervision of managers and personnel, building facilities, and budget, creating the weekly schedule, and strategic planning.
- Assisted House Leadership with negotiating the \$9 billion State budget.
- Supervised the General Counsel, other attorneys, and legal staff.
- Reviewed and approved publication of final work product by policy and research staff.

Majority Policy Advisor and Staff Attorney

October 2013-November 2014

- Advised the Republican caucus on legislative policy, including public retirement, insurance, public safety, military and veterans, regulatory affairs, and government.
- Assisted with drafting bills, amendments, summaries, press releases, and speeches.
- Managed extensive stakeholder negotiation processes by bringing together diverse views and finding areas of consensus.
- Assisted the General Counsel with oral arguments, legal briefs and strategy, and legal analysis of pending legislation.

ARIZONA STATE RETIREMENT SYSTEM

PHOENIX, ARIZONA

Government Relations Officer, External Affairs Division

October 2006-October 2013

- Represented the Arizona State Retirement System (ASRS), which manages a \$38 billion public pension fund, at the Arizona Legislature to forward the directives of the Board.
- Testified at Legislative Committee hearings and stakeholder meetings to educate and facilitate the agency's strategic vision.
- Built consensus and support for legislative changes among external groups.
- Assisted the Assistant Attorney General with legal interpretations and gauge impact of proposed Legislation on the ASRS.
- Coordinated with outside tax counsel to ensure the continued tax qualification of a supplemental defined contribution plan, and prepared plan statement amendments as needed.

THE CINEMAT, VIDEO STORE AND SCREENING ROOM

BLOOMINGTON, INDIANA

Consultant

April 2004-Feb 2009

- Negotiated contracts, managed finances including bookkeeping and payroll, suggested efficiency improvements, created and implemented marketing plans, and worked with film distribution companies to secure screening rights.
- Managed a full business-model conversion from a coffee house to a movie screening room and live music venue with an alcohol license.

EDUCATION

INDIANA UNIVERSITY MAURER SCHOOL OF LAW

BLOOMINGTON, INDIANA

Doctor of Jurisprudence

May 2006

- Highest Grade in Intellectual Property Practicum.
- Notable courses: Negotiations, Pensions & Employee Benefits, Legislation, Tax Procedure, Law & Architecture, Copyright Law, Information Technology Law, and Entertainment Law.

ARIZONA STATE UNIVERSITY

TEMPE, ARIZONA

Bachelor of Music, Music Theory and Composition with Theory Emphasis

December 2001

- Played Oboe and English Horn for the School of Music's Lyric Opera Theatre.
- Notable courses outside the School of Music: Organic Chemistry, Biology, and Humanities.

BAR ADMISSIONS

- State of New York *August 2007*
- State of Arizona *February 2008*
- Supreme Court of the United States *March 2015*

REFERENCES

Available upon request.

Résumé

DAVID L. NIEDERDEPPE

Business Address: Ryan Rapp & Underwood, PLC
3200 N. Central Avenue, Suite 2250
Phoenix, Arizona 85012
(602) 280-1000

Education: Legal: University of Nebraska College of Law
Lincoln, Nebraska
Recipient of Juris Doctor Degree

 Undergraduate: Midland Lutheran College
Fremont, Nebraska

 University of Nebraska
Lincoln, Nebraska
Recipient of Bachelor of Science Degree
in Mechanical Engineering

Experience: 2006 – Present Ryan Rapp & Underwood, PLC
Phoenix, Arizona
Consultation and representation of clients
in employee benefit matters

 1989 – 2006 Law Office of David L. Niederdeppe/
David L. Niederdeppe, Ltd.
Phoenix, Arizona and Prescott, Arizona
Consultation and representation of clients
in employee benefit matters.

 1976 – 1989 Ward & Keenan, Ltd.
Phoenix, Arizona
Consultation and representation of variety of
clients in employment and employee
benefit matters.

 1975 – 1976 Law Clerk to Hon. Harry A. Spencer, Judge,
Nebraska Supreme Court
Research and preparation of memoranda
concerning issues before the Court.

Current Responsibilities:

Fund Counsel to a number of private sector Health and Welfare, Pension and Annuity Funds in Arizona and elsewhere; Local Board Counsel to a number of Police and Fire Pension Boards under the Arizona Public Safety Personnel Retirement System;

Bar Admissions: Admitted to practice in the State of Nebraska and the U.S. District Court for the District of Nebraska in June, 1975.

Admitted to practice in the State of Arizona and the U.S. District Court for the District of Arizona in October, 1976.

Admitted to practice in the Ninth Circuit Court of Appeals.

Memberships:

State Bar of Arizona
Nebraska State Bar Association (Inactive)
American Bar Association
American Judicature Society

Client and Professional References Available upon Request

Requesting Department:
Town Clerk's Office,
Assistant Town Manager



**TO: QUEEN CREEK LOCAL PUBLIC SAFETY PERSONNEL
RETIREMENT SYSTEM (PSPRS) POLICE BOARD**

**FROM: BRUCE GARDNER, ASSISTANT TOWN MANAGER
MARIA GONZALEZ, TOWN CLERK AND BOARD SECRETARY**

**RE: CERTIFICATION OF FULL-TIME POLICE STAFF INTO THE
ARIZONA PUBLIC SAFETY PERSONNEL RETIREMENT
SYSTEM (PSPRS)**

DATE: December 9, 2021

Proposed Motion:

Motion for the Queen Creek PSPRS Retirement Board to retro-actively certify the following full-time police personnel into the Arizona Public Safety Personnel Retirement System (PSPRS), subject to any pre-existing conditions as noted in executive session.

Last Name	First Name	Position	Certification Date
NEWMAN	MARK	LIEUTENANT	12/14/2020
KLIX	RENEE	POLICE SERGEANT	05/17/2021
HIGGINS	SHANA	POLICE SERGEANT	05/27/2021
GOODWYN	ERIC	POLICE SERGEANT	06/28/2021
MYERS	NICHOLAS	POLICE SERGEANT	06/28/2021
RUTH	DANIEL	POLICE SERGEANT	07/06/2021
ERWIN	MEGAN	POLICE SERGEANT	07/12/2021
GILLILAND	KEVIN	POLICE OFFICER	07/30/2021
JOST	MICHAEL	POLICE OFFICER	07/30/2021
KLINGENSMITH	JORDAN	POLICE OFFICER	07/30/2021
PULLEM	ERICA	POLICE OFFICER	07/30/2021
KRAY	MATTHEW	POLICE OFFICER	08/02/2021
KUHN	DEANNA	POLICE OFFICER	08/02/2021
LINES	RICHARD	POLICE OFFICER	08/02/2021
WALLACE	LAUREN	POLICE OFFICER	08/02/2021
WILLI	TYLER	POLICE OFFICER	08/02/2021
DE LA TORRE	RACHEL	POLICE OFFICER	08/09/2021
LUNA	ANDREW	POLICE OFFICER	08/09/2021

STALTER	JANINE	POLICE OFFICER	08/09/2021
STATT	JEREMY	POLICE OFFICER	08/09/2021
TRAWICK	LEE	POLICE OFFICER	08/09/2021
WILLIAMS	CHRISTIAN	POLICE OFFICER	08/09/2021
STORCH	EVAN	POLICE OFFICER	08/12/2021
BRADY	JUSTINE	POLICE OFFICER	08/16/2021
DEMUTH	JACK	POLICE OFFICER	08/16/2021
GROSSMAN	FRANK	POLICE OFFICER	08/16/2021
SOLTERO	CHRISTOPHER	POLICE SERGEANT	08/16/2021
VAN WOERKOM	ANDREW	POLICE OFFICER	08/23/2021
WINCH	MELISSA	POLICE OFFICER	08/30/2021
ANDERSON	CHRISTOPHER	POLICE OFFICER	09/13/2021
LOPEZ HINOJOS	SIMON	POLICE OFFICER	09/13/2021
ROUNDS	CASSANDRA	POLICE OFFICER	09/13/2021
WEBBER	ADAM	POLICE OFFICER	09/13/2021
DEBELLEVUE	JEFFREY	POLICE OFFICER	09/20/2021
DRISKILL	JAYMI	POLICE OFFICER	09/20/2021
ARRUBLA	JESSICA	POLICE OFFICER	09/27/2021
CALLAHAN	DAVID	POLICE OFFICER	09/27/2021
MILLER	SEAN	POLICE OFFICER	09/27/2021
ALLEN	JOHN	POLICE OFFICER	09/30/2021
TROTTER	ALBERT	POLICE OFFICER	09/30/2021
ZORICH	CHAZ	POLICE OFFICER	09/30/2021
LULL	DEREK	POLICE OFFICER	10/04/2021
MAZUR	PHILIP	POLICE OFFICER	10/04/2021
MUTH	MICHELLE	POLICE OFFICER	10/04/2021
RODRIGUEZ	OBED	POLICE OFFICER	10/04/2021
WARSKOW	MEAGHAN	POLICE OFFICER	10/11/2021
SCOTT	CHRISWELL	POLICE SERGEANT	10/11/2021
IRIBE	DANA	POLICE OFFICER	10/18/2021
KNIGHT	KEVIN	POLICE OFFICER	10/18/2021
LARABELL	SEAN	POLICE OFFICER	10/28/2021

If necessary, the Board can adjourn to executive session in order to discuss the pre-existing conditions of above staff.

Discussion:

The Public Safety Personnel Retirement System (PSPRS) gives local boards the authority to approve individuals into and out of the retirement system. To summarize the responsibilities, the three main areas revolve around:

1. Approving new hires into the PSPRS system and designating, if any, pre-existing conditions in which the new hire may have that may eliminate them from disability coverage in the event of injury/illness due to the pre-existing condition. This will require the Board to **confidentially** review the medical information that has been organized by Human Resources and the Town Clerk's office.
2. Approving/determining disability claims by the employees in the public safety retirement system.
3. Approving/determining eligibility for retirement.

Current employees within the Police Academy will be submitted to the Board for PSPRS certification upon graduation.

Attachments:

Applications for each member will be available to the Board upon request. Member applications will be included with the official file by the Board Secretary.

Requesting Department:
Town Clerk's Office,
Assistant Town Manager



**TO: QUEEN CREEK LOCAL PUBLIC SAFETY PERSONNEL
RETIREMENT SYSTEM (PSPRS) POLICE BOARD**

**FROM: BRUCE GARDNER, ASSISTANT TOWN MANAGER
MARIA GONZALEZ, TOWN CLERK AND BOARD SECRETARY**

RE: Queen Creek PSPRS Funding Policy

DATE: December 9, 2021

For Discussion Only

Annually it is recommended for the PSPRS Local Board to receive information on the Town's funding policy and be presented information on the fund valuation. Dan Olsen, Deputy Finance Director, will be briefly presenting information on the Town's funding policy for PSPRS. Because the Police Local Board is new, a fund valuation review will be conducted next year.

Attachments

- Queen Creek Pension Funding Policy

TOWN OF QUEEN CREEK, ARIZONA
PENSION FUNDING POLICY
JUNE 2021

INTRODUCTION

The purpose of this Policy is to establish the pension funding objectives for the Town's pension plans. The Town has three pension plans: 1. the Queen Creek Fire Defined Benefit Pension Plan in the Public Safety Personnel Retirement System (PSPRS), 2. the pension costs associated with the Maricopa County Sheriff's Office contract, and 3. the Arizona State Retirement System (ASRS). The Town Council establishes this Funding Policy to help ensure the financial sustainability of the Town's plans.

In 2018, the Arizona Legislature passed HB 2097 which requires all governing boards of PSPRS member entities to adopt a pension funding policy. This requirement, along with the reporting requirements of the Governmental Accounting Standards Board (GASB) discussed below, necessitate the creation of this funding policy.

The Government Finance Officers Association (GFOA) recommends the adoption of a pension funding policy and has numerous recommendations regarding the funding of pension plans. Those recommendations are incorporated into this policy. Furthermore, the League of Arizona Cities and Towns Pension Task Force recommends adoption of a policy as well.

This policy shall be reviewed by the Town Council annually.

FUNDING OBJECTIVES

1. Fully funded pension plans. Maintain adequate assets so that current plan assets plus future contributions and investment earnings are sufficient to fund all benefits expected to be paid to members and their beneficiaries.

The target funded ratio goal is 100% (full funding). Taxpayer and member equity is best achieved at full funding. At full funding, both the member and taxpayer have paid the appropriate costs incurred to date.

2. Maintain intergenerational equity. Pension costs are paid by the generation of taxpayers who receive the services.

Fully funded pension plans are the best way to achieve taxpayer and member intergenerational equity.

Pensions that are less than fully funded place the cost of service provided in earlier periods on the current and future taxpayers. If the plan is underfunded (less than 100%), future members and taxpayer are responsible for an unfair portion of plan costs.

3. Maintain stability of the Town's contribution amounts.
4. Maintain public policy goals of accountability and transparency. Each policy element is clear in intent and effect, and each should allow an assessment of whether, how and when the funding requirements of the plan will be met.

OVERVIEW OF PENSION REPORTING TERMS AND REPORTS

The following terms are used throughout this policy:

Unfunded Actuarial Accrued Liability (UAAL) – the difference between assets and the estimated future cost of pensions earned by employees. This UAAL results from actual results (interest earnings, member mortality, disability rates, etc.) being different from the assumptions used in previous actuarial valuations. This amount is reported in the annual Actuarial Valuation that is used to set contribution rates.

Annual Required Contribution (ARC) – the annual amount required to pay into the pension funds, as determined through the annual Actuarial Valuation. It is comprised of two primary components: normal pension cost – which is the estimated cost of pension benefits earned by employees in the current year; and, amortization of the UAAL – which is the cost needed to cover the unfunded portion of pensions earned by employees in previous years. The UAAL is collected over a period of time referred to as the amortization period. The ARC is a percentage of the current payroll.

Funded Ratio – a ratio of fund assets to actuarial accrued liability. The higher the ratio, the better funded the pension is, with 100% being fully funded.

Intergenerational Equity – ensures that no generation is burdened by substantially more or less pension costs than past or future generations.

Net Pension Liability (NPL) – similar to the UAAL, the difference between assets and estimated future costs of pensions earned by employees, as calculated using asset values and assumptions required by GASB Statement 68. This amount is reported in the annual GASB 68 Employer Reporting Accounting Schedules provided by the pension plan administrator.

The Annual Required Contribution (ARC) rate is calculated and reported in the Town's annual Actuarial Valuation report. For many years, the ARC was

used as a basis for both funding decisions and financial reporting requirements.

In 2012, the Governmental Accounting Standards Board (GASB) approved two financial standards: GASB Statement No. 67 (*Financial Reporting for Pension Plans*) and GASB Statement No. 68 (*Accounting and Financial Reporting for Pensions*).

As a result of GASB Statement 68, the Town receives a second annual report that measures the Town's Net Pension Liability using a specific set of assumptions and asset valuation methods required by the GASB. The main difference between the Actuarial Valuation and the GASB 68 report is how the Town's pension assets are valued and reported.

GASB 68 requires the use of the market value assets at June 30th, including all investment gains and losses during the year. A point-in-time market value measurement can be very volatile. In contrast, the Actuarial Valuation follows a generally accepted actuarial method to "smooth" the value of assets by recognizing investment gains and losses over a long-term period (PSPRS uses a seven-year smoothing period, and ASRS uses a ten-year smoothing period). This smoothing method helps maintain reasonably stable contribution rates.

The result is that the Town has two different numbers that attempt to report the Town's pension liability on the same date. The Actuarial Valuation number is generally used to make *funding* decisions (i.e., set the contribution rates), while the GASB 68 number is used for *reporting* in the Town's financial statements.

The Town will use the higher of the two numbers in any given year to meet the funding objectives of this policy.

SPECIFIC FUNDING PRACTICES

The Town Council will fully fund the pension liabilities for the three pension systems by directing resources created from revenues in excess of expenses at the end of every fiscal year. The three pension liabilities will be fully funded in the following priority order: first, the fire unfunded pension liability; second, the MCSO unfunded pension liability; and third, the ASRS unfunded pension liability.

1. Fire Plan in PSPRS

PSPRS is administered as an agent multiple-employer pension plan. This system has two main functions: 1) to co-mingle assets of all plans under its administration, thus achieving economy of scale for more cost efficient investments, and invest those assets for the benefit of all members under its administration and 2) serve as the statewide uniform administrator for the distribution of benefits.

Under an agent multiple-employer plan, each agency participating in the plan has an individual trust fund reflecting that agency's assets and liabilities. Under this plan all contributions are deposited to and distributions are made from that fund's assets, each fund has its own funded ratio and contribution rate, and each fund has a unique annual actuarial valuation.

Prior to June 30th annually, the Town will remit a one-time payment to PSPRS. The amount remitted will be the greater of the Net Pension Liability reported in the Town's most recent GASB 68 Employer Reporting Accounting Schedules, or the Unfunded Actuarial Accrued Liability reported in the most recent Actuarial Valuation. The amount will be based on Tier 1 and 2 employees only.

Without this policy, the Town's Fire Unfunded Actuarial Accrued Liability will not be paid off until the year 2036. The PSPRS Board makes the determination regarding the amortization period of the Unfunded Actuarial Accrued Liability which is a closed, 30-year period.

2. Maricopa County Sheriff's Office (MCSO) Contract

The Maricopa County Sheriff's Office has a plan in PSPRS. MCSO's annual pension costs are included in the Town's service contract. This cost includes MCSO's contribution toward paying down its Unfunded Actuarial Accrued Liability.

As such, the Town is unable to directly make payments to the MCSO plan to reduce the Unfunded Actuarial Accrued Liability as the Town does with its Fire Plan. Therefore, an alternative approach has been developed to achieve the objectives identified in this Policy.

Effective June 2018, an MCSO Unfunded Pension Liability Reserve account is created in the General Fund. The amount recorded in this reserve represents the Town's share of the greater of the Net Pension Liability as reported in the MCSO's most recent GASB 68 Employer Reporting Accounting Schedules, or the Unfunded Actuarial Accrued Liability as reported in the MCSO's most recent Actuarial Valuation. The Town's share is determined based on the Town's number of sworn contract employees as a percentage of the total active sworn employees in the MCSO PSPRS plan.

Without this policy, the Town's MCSO Unfunded Actuarial Accrued Liability will not be paid off until the year 2036. The PSPRS Board makes the determination regarding the amortization period of the Unfunded Actuarial Accrued Liability which is a closed, 30-year period.

3. Arizona State Retirement System (ASRS)

ASRS is administered as a cost-sharing, multiple-employer pension plan. This system has two main functions: 1) to comingle assets and liabilities of all member entities under its administration, thus achieving economy of scale for more cost efficient investments, and 2) serve as the statewide uniform administrator for the distribution of benefits.

Under this system, each agency participating in the plan is allocated its individual share of assets and liabilities. As such, the Town does not have its own separate plan as it does with Fire under PSPRS. All of the Town's employees (excluding those in the Fire PSPRS) are included in this system.

As a result, an alternative approach has been developed to achieve the objectives identified in this Policy.

Effective June 2018, ASRS Unfunded Pension Liability Reserve accounts are created in the General Fund and each Enterprise Fund. The amounts recorded in these reserves represent the Town's share of the ASRS Net Pension Liability as reported in the ASRS's most recent GASB 68 Employer Reporting Accounting Schedules. The ASRS Actuarial Valuation does not have sufficient information to allocate or estimate the Town's portion of the ASRS UAAL, therefore only the GASB 68 reports will be used for this policy.

Without this policy, the Town's ASRS Net Pension Liability will not be paid off until the year 2047. The ASRS Board makes the determination regarding the amortization period of the Unfunded Actuarial Accrued Liability which is a closed, 30-year period.

Allocation of Resources to Fund Reserve Accounts

Annually, all available resources in the Operating Budget in excess of the Town's Operating Budget 25% Unassigned Fund Balance Reserve will be directed in the following priority order until both reserves are fully funded: first, to the MCSO Unfunded Pension Liability Reserve and second, to the ASRS Unfunded Pension Liability Reserve in the General Fund.

Annually, unrestricted net position in each Enterprise Fund will be directed to the ASRS Unfunded Pension Liability Reserve in the respective Enterprise Fund until the reserves are fully funded. Each Enterprise Fund's share of the ASRS Net Pension Liability will be based on that fund's covered payroll relative to total covered payroll for all of the Town's ASRS-eligible employees.