

**MINUTES
ORO VALLEY CORRECTIONS OFFICER RETIREMENT PLAN (CORP)
LOCAL BOARD
REGULAR SESSION
APRIL 30, 2019
KACHINA CONFERENCE ROOM
11000 N. LA CANADA DRIVE
ORO VALLEY, ARIZONA 85737**

CALL TO ORDER AT OR AFTER 10:30 A.M.

Chair Carlene Kron called the meeting to order at 10:38 a.m.

ROLL CALL

BOARD MEMBERS PRESENT: Carlene Kron, Chair
Brett Sadovnick, Member
Michelle DeVault, Member
Dan Rhoads, Member

BOARD MEMBERS ABSENT: Roberta Hindenlang, Member

OTHERS PRESENT: Carrie Rowley, Local Board Secretary
Stacey Lemos, Administrative Services Director/CFO

AGENDA

**1. REVIEW/APPROVAL OF REGULAR SESSION MINUTES FROM
DECEMBER 18, 2018.**

Correct the spelling of Member Sadovnick's name.

MOTION: Member Rhoads moved to approve the minutes as corrected
and was seconded by Member Sadovnick.

MOTION carried, 4-0.

**2. REVIEW AND DISCUSSION OF DECEMBER 2018 RELEASE OF THE
ACTUARIAL REPORT FOR TOWN OF ORO VALLEY DISPATCHERS.**

Guest Stacey Lemos provided an overview of the actuarial report:

- Report is prepared every year for employers state-wide. It is an actuarial study of over 200 employer plans which comprise this multi-employer pension system.

- The report is prepared by PSPRS (which manages CORP). Current and historical actuarial reports are available online through the PSPRS website.
- Reviewed components of the cover letter, executive summary, and supporting tables. These statistics help determine the employer contribution rate, funded status, and unfunded liability for the next fiscal year.
- The Town of Oro Valley has three active members in CORP all in Tier 1 or Tier 2. The Town's other dispatchers are in the ASRS pension system.
- CORP has three main sources of income. Employer contributions (fluctuate annually), employee contributions (fixed at 7.96%), and investment income.
- Prior fiscal year employer contribution rate was 61.36%
- Fiscal year employer contribution rate is 59.94% for current year.
- Reviewed factors that contribute to the increase/decrease in contribution rates.
- Review of funded status and unfunded liability and what contributes to these figures.
 - Payroll base (active members contributing)
 - Ratio of active members to retirees or inactive members
 - Economy (i.e. great recession)

Member Sadovnick asked Ms. Lemos if it was ok to have unfunded liability since it is payable over a period of time versus all at once. Ms. Lemos stated it is in part, but employers should watch anything below 50% funded.

Ms. Lemos explained recent state legislature requiring municipalities to adopt policies by July 1, 2019 that will address decreasing unfunded liability for PSPRS. This same legislature is not requiring policies concerning CORP, because this system has fewer members and underwent pension changes to help stabilize it. However, the Town may wish to consider additional contributions (lump sums) to both PSRS and CORP. The Town is also considering rolling CORP into the PSPRS policy.

Ms. Lemos offered to continue reviewing the CORP actuarial report on an annual basis for the Board Members. All members were in favor of this recurring review, and Member Devault requested it be flagged as a future agenda item for the spring 2020 meeting.

FUTURE AGENDA ITEMS - BOARD MEMBERS MAY BRING FORTH FUTURE AGENDA ITEMS (DISCUSSION IS LIMITED TO INFORMATION/CLARIFICATION ONLY)

- Add actuarial report review to the spring agenda for 2020

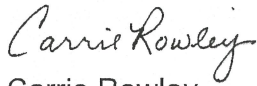
ADJOURNMENT

MOTION: Member DeVault moved to adjourn the meeting and was seconded by Member Rhoads.

MOTION carried, 4-0.

Meeting adjourned at 11:04 a.m.

Prepared by:



Carrie Rowley
Local Board Secretary

I hereby certify that the foregoing minutes are a true and correct copy of the minutes of the Corrections Officer Retirement Plan (CORP) Local Board of Oro Valley, Arizona held on the 30th day of April, 2019. I further certify that the meeting was duly called and held and that a quorum was present.