

**FIREMEN'S RELIEF AND PENSION FUND
LOCAL BOARD MEETING
MONDAY, MARCH 26, 2018
10:00 A.M.
CITY HALL
(613 E. ALLEN STREET)**

- I. CALL TO ORDER** Chairman Dave Bruster called the Firemen's Relief and Pension Fund to order on Monday, March 26, 2018.
- II. PLEDGE OF ALLEGIANCE** Chairman Dave Bruster led the Members and the general public in a Recitation of the Pledge of Allegiance.
- III. ROLL CALL**
- | | |
|---------------------------------|---------|
| Mayor Dustin Escapule | Present |
| Board Member Michael Jensen | Present |
| Board Member Caleb King | Present |
| Board Member Roger King | Present |
| Board Member Anthony Palma | Absent |
| Board Member Dale Anderson | Present |
| Chairman Dave Bruster | Present |
| Member at Large- Donna Driskell | Present |

A QUORUM WAS DECLARED

IV. APPROVAL OF MINUTES

- A. DISCUSSION AND/OR DECISION:** Approval of minutes for Wednesday, September 28, 2016.

MOTION by Mayor Escapule, **SECOND** by Board Member Roger King to approve minutes for Wednesday, September 28, 2016.

DISCUSSION: None

7 Yes Votes, 1 Absent, 0 No Votes

VOTE: 7 /1/0

MOTION: Carried

V. NEW BUSINESS

A. DISCUSSION AND/OR DECISION: Approval of FY 2015-2016 Pension Fund Report.

MOTION by Mayor Escapule, **SECOND** by Board Member Jensen to approve FY 2015-2016 Pension Fund Report.

DISCUSSION: Fire Chief Bruster; "The reason that we are doing this here late is that the auditors were not able to get the exact numbers back until two days prior to filing and at that point there is no time for me. Now that the State of Arizona has changed the required date to March 1st, the auditors will have time to finish their numbers and then the reports will be able to be finalized in a timely fashion so that we can at least get the meeting in prior to the filing date.

Fire Chief Bruster; "Any other questions or discussion?"

Being no further discussion Fire Chief Bruster closes discussion and moves for the vote.

VOTE: 7/1/0

MOTION: Carried

B. DISCUSSION AND/OR DECISION: Approval of FY 2016-2017 Pension Fund Report.

MOTION by Mayor Escapule, **SECOND** by Board Member Roger King to approve FY 2016-2017 Pension Fund Report.

DISCUSSION: None

VOTE: 7/1/0

MOTION: Carried

C. DISCUSSION AND/OR DECISION: Approval of FY 2015-2016 payments.

MOTION by Mayor Escapule, **SECOND** by Board Member Jensen to approve FY 2015-2016 payments. Fire Chief Bruster; "Payments are for Ralph Gonzales, Jr., Gary Harrison, Joseph Perotti, James Fought at a total of \$1,200 for each per year for each member.

DISCUSSION: None

VOTE: 7/1/0

MOTION: Carried

D. DISCUSSION AND/OR DECISION: Approval of FY 2017-2018 payments.

MOTION by Board Member Jensen, **SECOND** by Board Member Roger King to approve FY 2017-2018 payments

DISCUSSION: None

VOTE: 7/1/0

MOTION: Carried

E. DISCUSSION AND/OR DECISION: Approval of FY 2018-2019 payments.

MOTION by Board Member Roger King, **SECOND** by Board Member Anderson to approve FY 2018-2019 payments.

DISCUSSION: Fire Chief Bruster: "It is for the same individuals; Ralph Gonzales, Jr., Gary Harrison, Joseph Perotti, and James Fought for \$1,200 each per year."

Fire Chief Bruster closes discussion.

VOTE: 7/1/0

MOTION: Carried

F. DISCUSSION AND/OR DECISION: Approval of adopting a policy for refunding of monies from the Volunteer Fire Fighter's Pension & Relief Fund.

MOTION by Mayor Escapule, **SECOND** by Board Member Jensen to approve adopting a policy for refunding of monies from the Volunteer Fire Fighter's Pension & Relief Fund.

DISCUSSION: Board Member Andersen; "Is that the one, the refunding policy?"

Fire Chief Bruster: "Yeah! What's happen in the past is Arizona Law says that there has to be some kind of written statement from whom ever is requesting the money. In the past the City gets to have their money also refunded that they put in on behalf of the person but we've never had anything official in writing that said that they needed to make a statement to go into the files. So it's just kind of happened! To correct that missing letter if you will.

Fire Chief Bruster closes discussion and moves for the vote.

VOTE: 7/1/0

MOTION: Carried

G. DISCUSSION AND/OR DECISION: Approval of a policy regarding Pension Fund investment.

MOTION by Mayor Escapule, **SECOND** by Board Member Roger King to approve a policy regarding Pension Fund investment.

DISCUSSION: Board Member Andersen; "That is the last page on the packet we have correct?"

Fire Chief Bruster; "Yes, it's the last page in the packet! Going through the records of the Fire Fighter Fund there been, essentially lost almost \$14,000 in the last three years. Just in refunds! That's not taking into account the \$4,800 that is paid out every year and were not currently right not at this rate with our volunteers we are not putting in that same amount of money that is leaving!"

Board Member Andersen; "So where is the money now if it is not in an interest bearing account?"

Fire Chief Bruster; "It is being held in the City General Fund, earmarked for the ..."

Mayor Escapule: "It's a line item in the accounting process!"

Board Member Andersen; "So are we going to pull that out, put it into an interest bearing account?"

Fire Chief Bruster; "Well I know that we can't pull all of it out because they have to have access to be able to make the payments.

Board Member Andersen; "So we have about \$85,000 in there more or less."

Mayor Escapule; "How much is in there?"

Fire Chief Bruster; "\$86,000, I think."

Board Member Andersen; "So if take out"

Fire Chief Bruster; "What I would suggest if it would be acceptable is we get somewhere between six or seven hundred dollars a year by putting it into a shared certificate at Vantage West but it would require forty thousand dollars being used for the certificates."

Board Member Andersen; "So forty thousand dollars for a certificate. How many years is it?"

Fire Chief Bruster; “Anywhere from three to five!”

Board Member Andersen: “When I used to have money for a non-profit that I used to run what we would do is we would try to split it up into three different bank accounts, it’s called laddering it, so that one would be due one year next one would be due a second year and the third would be due the third year so that, what happens if you do need that money you don’t need to wait five years and you get a penalty. You could get after one year and after the second year. Once the first year comes due, you put it in a fourth year so that you have some money available.”

Mayor Escapule: “I’ll tell you what I would like to do! I would like to table this because this is kind of catching me off. I would like to table this until you and I could meet with Ruben.”

Fire Chief Bruster; “Okay!”

Mayor Escapule: “Even though its Fire Relief and Pension Fund its still City Fund and I want to make sure that we are not doing something that is going to get us in trouble! I like your idea but I don’t know if we can do it because of state statutes.”

Fire Chief Bruster; “I tried to find out information on this from the others. We are the only municipality still actually has money on hand. Like Benson and them they have turned over all their funds to a retirement agency, retirement institutions.”

Mayor Escapule; “I don’t think we want to do that because that (inaudible), but I agree that we should be making some kind of interest on that kind of money! If it was a thousand dollars I would say it’s (inaudible) but eight five thousand dollars is a significant amount of money to be just sitting in a checking account not bringing us any interest! In this motion I would like for you to help me and Ruben is to outline to me and Ruben all of the options that we just talked about so that when I talk to him we have something we can talk about rather than (inaudible) deer in the headlights.”

Fire Chief Bruster closes discussion.

MOTION by Mayor Escapule, **SECOND** by Roger King to table Item G until the City Finance Director can be consulted.

VOTE: 7/1/0

MOTION TO TABLE: Carried

VI. ADJOURNMENT

MOTION by Board Member Jensen, **SECOND** by Board Member King to adjourn the meeting.

VOTE: 7/1/0

MOTION TO ADJOURN: Carried

The Firemen's Relief and Pension Fund Meeting thereby adjourned at 10:15 a.m.

Dave Bruster, Chairman