

**THE SEMI-ANNUAL MEETING OF THE FIREFIGHTER'S
PENSION AND RELIEF BOARD HELD OCTOBER 23, 2008 AT
CITY HALL, 120 W. 6TH STREET, BENSON, ARIZONA, AT 9:00 A.M.**

FIRE CHIEF KEITH SPANGLER OPENED THE MEETING AT 9:07 A.M.

**PRESENT WERE: KEITH SPANGLER,
MARK ARCHER, RAY EMMERICH,
DARRELL FOSTER, VICKI VIVIAN
ABSENT: KEVIN DUNIVAN.**

- I. Call to Order: Chief Spangler called the meeting to order at 9:07 a.m.
- II. Roll Call:
- III. Call to the Public:
None.
- IV. Opening Remarks
and Agenda: Chief Spangler stated Mark Archer and Darrell Foster were elected to retain there positions on the Board. Chief Spangler indicated their terms would expire in 2012.
- V. Approval of Minutes
of February 28, 2008
Meeting:

Ray Emmerich moved to approve the minutes of the February 28, 2008 minutes as presented. Seconded by Mark Archer. Motion passed 4-0.
- VI. Old Business:

None.
- VII. New Business:
 - A. Treasurer's Report
 1. Review and Acceptance of Annual Audit

Jim Cox, Finance Director stated the he will be presenting the draft audit, but that the City's final audit will be issued in the coming week. Mr. Cox then presented the audit pertaining to the Fire Pension Fund to the Board.
 2. Review of Deposited Funds – Contributions to Pension Fund 07-08

Jim Cox, Finance Director addressed the Board, reviewing the contributions to the Fire Pension Fund. Mr. Cox stated the State contribution was not reflected in the presentation since the contribution was not received until after the fiscal year ended, but that there would be two contributions reflected in the next fiscal year. Mr. Cox then stated the State's contribution was lower than in past years. Mr. Cox then stated the interest earned during the 2007-2008 fiscal year was \$28,114.00 and the expenditures, which were pension payments, totaled \$22,450.00, which resulted in a net income of \$7,764.00,

which is added to the balance in the account. Mr. Cox stated the net asset balance is \$604,883.00.

B. 2008 Annual Report filing to the Office of the State Fire Marshall

Vicki Vivian, City Clerk and Deputy Secretary presented the Board with a copy of the 2008 Annual Report that will be filed with the Officer of the State Fire Marshall after the final audit is issued for the City. Ms. Vivian stated this report is not due until January 31, 2009.

C. Review of Current Pension Conditions

Jim Cox, Finance Director addressed the Board regarding the current pension conditions. Mr. Cox stated the economy was in a state of turmoil and that in anticipation of that, he moved the City's investments, including the pension fund, out of mortgage backed investments into Treasury notes. Mr. Cox stated while this protected our assets, the investment yield would be approximately 2% and was significantly lower. Mr. Cox then stated his recommendation would be for the City to make a contribution to the pension fund, since the interest earnings would be so low. Mr. Cox then stated he expected an overall negative pension transaction of approximately \$8,000.00 for the current fiscal year. Mr. Cox then stated in spite of the economic conditions, he recommended continuing pension payments in the amount of \$200.00 per month, stating the pension fund had accumulated interest earning that were available and the he felt recovery would happen in approximately 3 years. Chief Spangler then verified that all pension payments are made from interest earned on the pension fund with Mr. Cox stating all pension payments must be made from interest, whether earned in the current year or accrued interest.

D. Review and Possible Action Regarding Pension Payments

Chief Spangler stated after listening to Mr. Cox, he recommended the pension payments stay at the current amount of \$200.00. Mr. Cox then stated historically, the City has contributed \$24,000 each year, although they only contributed \$12,000 in fiscal year 2006-2007 and nothing in 2007-2008. Mr. Cox felt Council would be agreeable to contributing to the pension fund. Mark Archer then moved to leave the pension payments at \$200.00 per month; revisiting the payments at the next meeting. Seconded by Ray Emmerich. Motion passed 4-0.

E. Pension Certification and Letter to Benefit Recipients

Instructions were given to Vicki Vivian to mail notification letters to pension recipients stating the board's action.

VIII. Future Agenda items and meeting date:

After discussion, the Board directed the Chairman to schedule semi-annual meetings in April and October each year. The next Board meeting will be scheduled for April, 2009. No special items were added to the next agenda.

IX. Adjournment:

Mark Archer moved to adjourn at 9:23 a.m. Seconded by Ray Emmerich. Motion passed 4-0.