



MINUTES

Highlands Fire District PSPRS Local Board

January 29, 2020
3:00 PM

Fire Station 23, Board Room
3350 Old Munds Hwy, Flagstaff, Arizona 86005

Call to Order:

A meeting of the PSPRS Local Board was called to order at 3:05 PM.

Board Members:

Membership PSPRS Local Board. Mr. Joe Favazzo serves as the Highlands Fire District Fire Board's designee and chairperson of the PSPRS Local Board. Citizen members to the PSPRS Local Board include Mr. Fred Johnson and Mr. Scott Talboom, whose terms expire on March 30, 2020 and March 30, 2022 respectively. PSPRS members elected by secret ballot include and Engineer Casey Modrell and Engineer Kevin Dobbe, whose terms expire on March 30, 2020 and March 30, 2022 respectively.

Attendance of the January 29, 2020 Meeting was as follows: Mr. Joe Favazzo, Chairperson; Mr. Fred Johnson, Mr. Scott Talboom, and Engineer Kevin Dobbe were present. Engineer Casey Modrell was absent.

Secretary:

Ms. Jayme Jones serves as Secretary to the PSPRS Local Board and was present to record the minutes.

Welcome:

Chairperson Favazzo welcomed members of the PSPRS Local Board; there were no visitors in attending.

Approval of Minutes:

January 30, 2019 Biannual Meeting Minutes. The Local Board reviewed the minutes of the June 25, 2019 biannual meeting. A MOTION was made by Engineer Dobbe and was seconded by Mr. Talboom to accept the minutes with minor corrections; the motion was unanimously APPROVED.

Discussion and Possible Action:

A. PSPRS Membership.

The Local Board reviewed the *Highlands Fire District Census Report of January 2020*. There are currently 27 active PSPRS members employed at Highlands Fire District at this time.

B. Receive and review the Highlands Fire District Actuarial Valuation per A.R.S. § 38-847(D)(1).

The Board received and reviewed a summary of the *Highlands Fire District Actuarial Valuation the Fiscal Year ended June 30, 2020*. The Local Board discussed the District's Funded Status of 59.9%, which is generally considered financially weak. The Board also discussed the exceedingly high contribution rate of 30.16% for FY 2021, which is a 0.16% increase over the current year with no relief in sight.

C. Receive and review reports regarding financial condition of the fund per A.R.S. 38-847(D)(7).

The Local Board received and received a summary of *The Comprehensive Annual Financial Report for the Fiscal Year ended June 30, 2020*. It was noted that although the Fiduciary Net Position of the PSPRS fund increased 7.21%, the funded status was 46.4%, which is poorly funded.

D. Review Uniform Rules of Procedure per A.R.S. 38-847(F).

The Local Board reviewed the *Uniform Rules of Procedure* provided by PSPRS. A MOTION was made by Mr. Johnson and was seconded by Engineer Dobbe to reaffirmed prior adoption of the *Uniform Rules of Procedure*. The motion was unanimously APPROVED.

E. Review Local Board Bylaws per A.R.S. 38-847(M).

The Local Board reviewed their Bylaws and recommended the following amendments: 1) In Section 1. B., add "Fire Board" in Front of Chairperson; 2) In Section 2., change "annually" to "at least twice a year"; 3) In Article V., strike "Reporting Requirements" and add "Powers"; remove first sentence and add " Section 1. The Local Board shall decide all questions of eligibility for membership, service credits, and benefits and determine the amount, manner and time of payment of any benefits under the system as provided by Arizona Revised Statutes. Section 2. The Local Board shall receive and review the actuarial valuation of the system for its group of members per A.R.S. § 38-847 (D)(7). Section 3. The Local Board shall receive and review report of the financial condition and of the receipts and disbursements of the fund per A.R.S. § 38-847 (D)(8)."

After discussion, the Local Board agreed to review the Bylaws for necessary amendments to be considered at the next meeting.

A MOTION was made by Mr. Talboom and was seconded by Mr. Johnson to accept amendments as discussed; the motion was unanimously APPROVED.

Correspondence:

There was no additional correspondence presented.

Closing Comments:

There were no additional comments.

Adjournment:

A MOTION was made by Engineer Dobbe and was seconded by Mr. Johnson to adjourn; the motion was unanimously APPROVED. The meeting adjourned at 4:05 PM.

Respectfully submitted,
Jayme Jones, Secretary PSPRS Local Board

A.R.S. § 38-847(G) ...No later than twenty days after taking action, the local board shall submit to the board of trustees the minutes from the local board meeting that include the name of the member affected by its decision, a description of the action taken and an explanation of the reasons and all documents submitted to the local board for the action taken, including the reports of a medical board...

Pursuant to A.R.S. § 38-847(M) ...The secretary of the local board shall keep a record and prepare minutes of all meetings ... and forward the minutes and all necessary communications to the board of trustees as prescribed by subsection G of this section.

Attn: Fund Manager
3010 E Camelback Rd, Ste. 200
Phoenix, Arizona 85016