

Alabama Firefighters' Annuity and Benefit Fund
Meeting Minutes
Alabama Fire College 10:30 am
07/20/2016

Members Present:

Chairman Reid Vaughan
Dale Wyatt
Chris Mullins
Billy Doss
Charlie Dixon

*A Quorum was present at this meeting to conduct business.

Secretary's Report, Approval of previous Meeting Minutes and Financial Report

Meeting minutes from 4/27/2016 were presented by Secretary Catherine Burnett

Motion made by Mr. Dale Wyatt to accept minutes
Second made by Mr. Charlie Dixon
Motion passed unanimously

Financial Report for April 1, 2016 through June 30, 2016 presented by Secretary Catherine Burnett

Motion to accept Financial Report made by Mr. Dale Wyatt
Second made by Mr. Billy Doss
Motion passed unanimously

Old Business

The Auditor made us aware that an actuarial study should be conducted every 3 years, not every 5 years as we had been advised by Cavanaugh Macdonald Consulting, LLC {"Cav Mac"}. Due to this being an honest misunderstanding and the fact we had been actively discussing the need for an actuarial study recorded in the minutes, the Auditor will not count this as a finding.

We revisited the Cav Mac contract and how to proceed. The members were presented with a copy of the contract. Mr. Reid Vaughan pointed out some changes that will need to be addressed. One was the address that Cav Mac had for the Fund. The other was a typo on the numbering of article 10 needing to be corrected to reflect article 11. Currently the Cav Mac contract is for \$7500. We need to ask them to do a few additional things. When we initially set up our parameters we wanted to be conservative to be able to function under any circumstances. To start we went with a 5% rate of return which was less than RSA's 8% average, no ancillary investments, just a flat \$20 times the number of Firefighters we anticipated, which was approximately 4,500-5,000 based on 15% of tag list for Volunteer and Career Firefighters. Going forward we have two variables to change- the number of expected members within the 3 year cycle and any potential revenue streams. Planning on 750 members and the Fund being able to transfer \$20,000/yr to RSA within the 3 year cycle is what is proposed. This should bring the benefit to a level

that will generate more interest in the fund. Also discussed by the Board, any changes needing to be addressed, Chairman Reid Vaughan has the authority to make in order to move this motion/action forward.

Motion to approve the contract between Alabama Firefighters Annuity & Benefit Fund and Cavanaugh Macdonald Consulting, LLC with the changes to the \$20,000/yr from the Fund into RSA account and membership to be at 750 members made by Mr. Dale Wyatt

Second made by Mr. Billy Doss

Motion passed unanimously

Video recordings for social media marketing campaigns were postponed to next meeting. Hopefully information from our new study will be available then and we can include that as well. Members will target the various organizations with whom they are associated or have influence.

No other old business to discuss.

New Business

Quick Books is not set up in the most efficient manner. We would like to extend a contract to a qualified individual to set up the software so that we can go back to 10.01.15 and come forward to include dates that will be our next audit time period. We will also conclude current audit with details of all necessary documentation so that going forward any information needed for an audit is in a notebook for an auditor to use. This will streamline the audit process.

Motion to allow chairman, Reid Vaughan, up to \$2,500. to get Quick Books issues resolved by contracting with a CPA either internally or locally made by Mr. Charlie Dixon

Second made by Mr. Dale Wyatt

Motion passed unanimously

Letters of appointment are all current. Mr. Charlie Dixon is up for re-appointment in September 2016.

No other new business to discuss.

The next AFABF meeting will be held on **October 19, 2016 at 10:30 am**. Internal Audit Committee will meet October 19, 2016 at 10:00am.

Adjourn

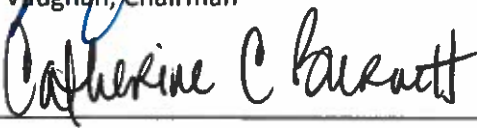
Motion made to adjourn by Dale Wyatt

Second by Billy Doss

Motion passed unanimously



Reid Vaughan, Chairman 7/19/17
Date

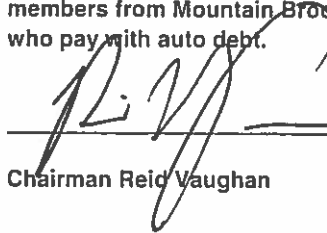


Catherine C Barrett 7.19.17
Secretary Date

Alabama Firefighters' Annuity and Benefit Fund
Profit and Loss
 July 1, 2016 through
 June 30, 2017

	<u>July 2016-June 2017</u>
Income	
Buy Back	2,865.21
Donations	41,293.53
Dues	2,880.00
Miscellaneous Income	6,622.44
RSA Investment Income	<u>1,476.52</u>
Total Income	<u>55,137.70</u>
Expense	
Administrative Expenses	
AFC Contract	15,960.00
Bank Fees	1,073.81
Miscellaneous	169.08
Post Office Box	176.59
Risk Management Insurance	1,401.00
Benefit Expenses	
Retirement Benefit	720.00
Miscellaneous Expense	0.00
Total Expense	<u>19,500.48</u>
Net Income	<u><u>35,637.22</u></u>
Beginning Balance as of July 1, 2016	57,262.54
Net Income	35,637.22
Ending Balance as of June 30, 2017	92,899.76
RSA Investment	133,037.40
Total Assets	225,937.16

We currently have 12 members of the Annuity Fund. There are 4 members from Mountain Brook that are payroll deduct and 8 members who pay with auto debt.


7/19/17

 Chairman Reid Vaughan Date