

Board of Fire Commissioners

Bedford Hills Fire District

332 Bedford Road

Bedford Hills, NY 10507

BOARD MEMBERS

Joseph J. Lombardo, *Chair*
Dominick N. Bueti, *Vice Chair*
Maureen C. Bailey
Dominic A. Bueti
Jonathan A. Lucas



DISTRICT STAFF

Diane Bancroft, *Secretary*
Alexandra Graniero, *Treasurer*
Kerry McGill, *Deputy Treasurer*

Minutes of Special Meeting – January 29, 2026

- The Special Meeting was called to order by Chairman Joseph J. Lombardo at 19:18 p.m. The meeting was conducted both in person and via Zoom.
- In attendance was Chairman Joseph J. Lombardo, Vice-Chairman Dominick N. Bueti, Commissioner Dominic A. Bueti and Commissioner Jonathan A. Lucas. The minutes were recorded by Chairman Lombardo.
- Chairman Lombardo noted that the required notifications were completed in accordance with the NYS Open Meeting Laws.
- Chairman Lombardo noted that nobody from the public was present in person or on Zoom. If any other member of the public attends, they will be afforded an opportunity to address the BOFC.
- Commissioner Lucas provided the BOFC with an update regarding the new annuity program offered by VFIS our program administrator for the Fire District's Length of Service Award Program (LOSAP). The interest rates with the new offer more closely match market rates of interest. Our current annuity is a guaranteed annuity contract with Empower formerly the Hartford is fixed at 3.0%. The new offer will mark to market the interest rate of the annuity at current market rates. We are currently being offered the opportunity to move the initial investment of our vested funds, which is approximately \$4.1 million dollars over to National Life at a secured 10-year fixed rate of 4.25%. National Life has the same best credit rating of "A Positive" that Empower has and they are a reputable insurance company. Although VFIS cannot provide financial advice as they are not financial advisors, VFIS has also vetted National Life and the contract prior to making the offer to their clients and they are recommending that their clients investigate the opportunities.

Commissioner Lucas conducted his due diligence and contacted our Legal Counsel Joseph Frank and Scott Dow, our audit firm – PKF O'Connor Davies (Carolyn Kopf), as well as a colleague at J.P. Morgan to investigate this opportunity in detail. And while none of the above are Registered Investment Advisors all concurred that the opportunity seemed to make sense for the District and that other Districts were considering the opportunity as well.

Following his lengthy investigation, Commissioner Lucas concluded that this is a good plan for the Fire District to take. It will greatly increase the amount of money we have at the end of 10 years. If we moved our \$4.1 million dollars at a rate of 4.25% for 10 years, it would grow to approximately \$6.2 million at the end of the 10-year term. Whereas if we left it in our current annuity with Empower the balance would be \$5.5 million dollars, so we are gaining an extra \$700,00.00 dollars if we made the switch.

The other major contributing factor is that the Fire District currently funds the LOSAP program at \$272,000.00 per year and pays out \$203,000.00 to members that are eligible to collect benefits. Currently the remaining balance after the annual payouts are made from the plan are invested at a fixed rate of 3.0%, as opposed to the current market rate with the new investment.

The Fire District's LOSAP program is currently funded in the 70th percentile, and we are slightly underfunded. This opportunity will allow us to not only catch up but potentially reduce our yearly contributions at some point in the future and our yearly increase will be offset and minimized by the higher interest rate. The lower yearly payment would in turn allow the Fire District to allocate funds within our budget toward other lines and/or Capital Reserves.

Commissioner Lucas discussed the Prudent Investor Act which is a New York State Law that requires Fiduciaries to invest money that they are responsible for in a prudent manner. The Fire District is protected, as we are acting within this scope. The Fire District is not risking the principal of our \$4.1 million dollars; we are simply changing our guaranteed investment contract rate from 3.0% to 4.25%. The breakup fee will be covered by the new company (National Life).

- Vice-Chairman Bueti remarked that he is in support of this opportunity and feels strongly that Commissioner Lucas conducted the appropriate due diligence and that any of his prior questions and concerns were addressed. This opportunity will not only benefit our employees, but the taxpayers as well. Vice-Chairman Bueti thanked Commissioner Lucas for his efforts on this project.
 - Commissioner D.A. thanked Commissioner Lucas for his foresight and the legwork to investigate this opportunity. As well as his due diligence to ensure that this was a viable option for the Fire District, which will allow our LOSAP program to be properly funded for the future when more employees/firefighters are collecting benefits.
 - Chairman Lombardo echoed everyone's comments and thanked Commissioner Lucas for his efforts on this project, and he feels very comfortable with this opportunity especially with Commissioner Lucas' business and financial background. The Fire District has done the proper due diligence and if approved will be making a responsible decision for firefighters/employees and the taxpayers of the Fire District.
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- On the motion of Commissioner Lucas with second by Commissioner D.A. Bueti, the Board of Fire Commissioners approved the transfer of the Fire District's current investable LOSAP funds in the amount of \$4.1 million from Empower to National Life, to be invested at a fixed 10-year rate of 4.25%, with any new investments made at the prevailing market rate. The motion further authorized the completion of all required forms to effectuate the transfer. Chairman Lombardo amended the motion to authorize Commissioner Lucas to act on behalf of the Fire District to execute the transfer and sign all necessary documentation.

On roll call vote as follows:

Chairman Joseph J. Lombardo III, Aye
Vice-Chairman Dominick N. Bueti, Aye
Commissioner Dominic A. Bueti, Aye
Commissioner Jonathan A. Lucas, Aye

Motion Carries: 4 – In favor, 0 – Against, 0– Abstained, 0 - Recused

- Motion to adjourn by Commissioner Lucas with second by Commissioner D.A Bueti.

On roll call vote as follows:

Chairman Joseph J. Lombardo III, Aye
Vice-Chairman Dominick N. Bueti, Aye
Commissioner Dominic A. Bueti, Aye
Commissioner Jonathan A. Lucas, Aye

Motion Carries: 4 – In favor, 0 – Against, 0– Abstained, 0 - Recused

With there being no other business, Chairman Lombardo adjourned the meeting at 7:36 p.m.

Respectfully Submitted,
Diane Bancroft, Fire District Secretary
