

RECORD OF PROCEEDINGS

Meeting Minutes of the Estes Valley Fire Protection District Pension Board

June 26, 2013 5:47 p.m.

Dannels Fire Station, 901 N. St. Vrain Ave., Estes Park, CO 80517

Board: President Frank Theis, Vice President Mark Igel, Treasurer Doug Klink, Mike Kearney, Jack Rumley, CPT Jon Landkamer, CPT Bruce Walters

Staff: Chief Scott Dorman, Secretary Landkamer

Also Attending: Dot Dorman, Firefighters Brian Faith and CPT Derek Rosenquist

Absent: Vice President Igel

The following minutes reflect the order of the agenda and not necessarily the chronological sequence of the meeting.

President Frank Theis called the meeting to order at 5:47p.m.

Chief Scott Dorman led the Pledge of Allegiance

Secretary Landkamer performed roll call – Vice President Igel absent (excused)

PUBLIC / BOARD COMMENT

Public Comment: None

Board Comment: None

APPROVAL OF AGENDA

Moved by Jack Rumley, seconded by Treasurer Klink to approve agenda as written. Motion carried unanimously.

APPROVAL OF MINUTES

Moved by Treasurer Klink, seconded by CPT Walters to approve 5-29-13 minutes as written. Motion carried unanimously.

REPORTS

Treasurers Report – Treasurer Klink reported that the EVFPD was being charged 1 ¼ % for our fee up to one million dollars and 1% over that but was able to get the rate dropped to 1% across the board. Treasurer Klink commented that the fee is still a little high for a private sector as it is not easy to find a company to do investment management for a government entity, so they charge more.

OLD BUSINESS

None

NEW BUSINESS

Pension board members reviewed the actuarial report from Milliman. Treasurer Klink stated the purpose of the valuation is to give the EVFPD an idea of how much money the district should have now in order to pay the future pension obligations. The actuarial valuation was prepared using a 5.50% investment return, and Treasurer Klink stated that over the next couple years, if the growth is below our assumption the pension board should have a discussion whether or not we continue with assuming 5.50%. Since the 2011 actuarial study, the EVFPD has gone up \$125,000. Currently the EVFPD has a half million unfunded liability and the district's funding ratio is 75%, up from 70% just 2 years ago. Treasurer Klink stated that the Pension Board has made the commitment over the last few years of putting extra money away, every year, to improve the funding ratio. The district's required contribution is \$71,000 and the district committed over \$78,000 to be put in this year plus we have the matching fund that we get from the state of about \$48,000, therefore to improve the situation it was suggested that the district add \$71,000 and we will be closer to adding about \$130,000 with the state and our part together. Treasurer Klink commented that the money in this account cannot be used for anything other than pension and in some cases, there could be unused money sitting in the account. Chief Dorman stated that in past instances, other departments have raised the pension payment amount to remaining pensioners and if the EVFPD wanted to increase the amount, the district may want to continue putting more amounts in so you can keep that funded liability close to 75%. The board agreed it was a good idea to contact Milliman to see the numbers they ran in 2011, of what the liability would be if the pension amounts increased by \$50 and \$100 per month. The pension board agreed it would be a good idea to entertain this idea of an increase in pension, in 2 years, when the actuarial is completed again in 2015. Treasurer Klink added that when the district increases their amount of contribution, the state decreases their amount of contribution so this should be a decision that is made very carefully. President Theis stated that if the benefits were to increase, the board should have a full presentation given for the report upon its completion. All members of the Pension Board agreed to have a full report given in person by Milliman or other company, the year the EVFPD pension increases.

CPT Landkamer commented that it was interesting to see that 30% of the district's retirees are over the age of 75. Treasurer Klink also added the distribution was interesting as the EVFPD also had so many retirees under age 70.

Moved by Jack Rumley, seconded by Mike Kearney for the Pension Board to accept and approve the January 1, 2013 Actuarial Report at the June 26, 2013 Pension Board Meeting. Motion carried unanimously.

Next Pension Board meeting TBD.

Meeting adjourned at 6:18 p.m.


Suzanne F Landkamer, Recording Secretary

"The Mission of the Estes Valley Fire Protection District is to provide the citizens of and visitors to the Estes Valley with superior fire prevention, fire protection and emergency services in a safe and efficient manner."

"The Mission of the Board of Directors of the Estes Valley Fire Protection District is to establish policy, goals, strategies and financial leadership that are the foundation for the long-term sustainability of the District."