



**INTER-CANYON FIRE PROTECTION DISTRICT
PENSION BOARD MEETING
P.O. Box 693 * Conifer, CO 80433-0693 * 303-697-4413
October 14, 2015**

1. Call To Order

ICFPD Pension Board was called to order at 1900 hours at Fire Station No. 1

Board Members Present:

Joseph Marcus, President

Karl Firor, Treasurer

Leslie Caimi, Director

Ralph Dreher, Director

Kerry Prielipp, Director

Randy Rudloff, Secretary

Board Members Absent

Mark Bigler

Guest:

Jennifer Volkman, Sampson Community

Gabrielle Porter, High Timber Times

Lorraine Piche, Safety Officer

Jen Clark, VEE

1. Approval of Minutes

There was a motion to approve the July 8, 2015 minutes by Karl Firor with a second by Kerry Prielipp. The motion passed unanimously.

2. New Business

None

3. Review of Pension Fund:

Review of Fund and Actuarial Study

Karl Firor reviewed the 2015 Second Quarter Report showing \$62k in benefits were paid to retirees, income earned in the pension plan and a \$24k prior balance used to pay

benefits. Karl noted the amount of \$62k falls in line with the Actuarial Report which indicates earnings total less than necessary to pay all of the benefits.

Karl reviewed the Actuarial Report and noted the report indicates mostly good news in that the unfunded liability dropped from \$816k to \$596k. Karl referenced the Executive Summary on page 5 and noted the amount of the assumed contribution is \$105,679. Should ICFPD continue to pay the \$105k each year for 7 years, it should be sufficient to pay off the unfunded liability of \$596k. The Main Memo of the report shows from an actuarial standpoint, payments of \$72,785 per year will pay the unfunded liability in 20 years. Refer to Page 8 of the Executive Summary showing the \$72k is comprised of \$22,392, representing current liability and the amount of \$50,393, representing the minimum of what the District would pay over 20 years toward the \$596k unfunded liability.

Karl explained at this point, \$33k was paid by the State, together with the District's payment of \$105k equal a total of \$139k total paid in 2014. ICFPD has improved from 60% of total funded to 70% of total funded over the past 2 years. \$72,785 is the minimum contribution due this year, Karl would like to get rid of unfunded liability and recommends the District continue to make \$105k in contributions.

The final page shows a table listing other options. Karl admitted he does not understand Plan C on page 23. Randy Rudloff advised Plan C reflects a 10 year pension plan. Randy reviewed the 10 year pension information. Karl requested input from other board members. Randy noted, the potential 2% and 4% increase are also outlined, Plan A outlines a 2% increase. Refer to Page 6, line 6 indicating next year's contribution from the State drops to \$11k, the FPPA will calculate next year to be \$11k in State matching funds compared to the current match of \$33k. ICFPD will need to come up with the additional \$18k to maintain the fund as required. Karl acknowledged, the District's contribution then goes back up to \$120k. It was noted if an increase of 2% is added, it will increase the liability by \$40k. Kerry Prielipp observed the District is taking a hit on both ends of the spectrum. Karl asked Randy if we are just finding out about this. Randy advised he received the information this week and spoke with DOLA, if the District contributes the lower amount of \$75k the State funds go back up to \$33k. Karl noted paying off the unfunded liability in 7 years is not going to happen as it will take at least an additional 3 years at \$105k. Randy noted \$139k in combined payment is required regardless of where it comes from. Randy sees a determination not to approve an increase as a part of the solution to prevent the increase of \$40k in liability, the Pension Board can then review again next year. It was confirmed, the reduction in state

contribution occurs next year when the District will have to pay the additional \$18,500. Ralph Dreher asked if this was taken into consideration when the report was filed. Randy confirmed all of the numbers were in the report. Karl noted this report indicates the dollar the District needs to put away, no matter where the money comes from and asked if \$75k is the right number to maintain a State contribution of \$33k. Randy indicated he would have to confirm with DOLA. If we go back to \$75k we reduce our contribution, but we increase the liability. Joseph Marcus asked for a recommendation. Karl advised the \$105k is included in the budget, and recommends the District continue to pay the \$105k of which \$22k will go toward current liability, at least this year. We can talk with FPPA and DOLA to get more information on the next few years. The unfunded liability of \$596k, must be addressed. Randy will contact DOLA to clarify future State funding.

MOTION: A motion was made by Karl Firor with a second by Leslie Caimi to contribute \$105,679 to the fund in 2015. The motion passed unanimously.

Karl inquired as to if anyone wants to address any of the other changes in the plans and address whether the Pension Board would approve a change in benefit. Karl proposed to hold off until the next Actuarial Report as it may be possible at that time. Kerry confirmed it is not feasible at this time. Karl agreed the market swing over a 5 year period can be high. Kerry agreed we can control our funding, the rest is out of our control. Karl would like to see the \$596k come down before adding to it.

Ralph motioned to table the review of the Actuarial Study to the next Pension Board Meeting in order to give everyone a chance to review and understand it. Ralph expressed his concern about keeping the District's promise to volunteers as they look forward to receiving the pension. Ralph noted the Pension Board By-laws indicate the board must give consideration each year to keep up with the social security percentage. Karl noted social security has been zero. Ralph continued, we can't give what we don't have but we should give them as much as possible by planning ahead. We knew they were coming up for pension. We never put extra money in the pension fund, it is last to fund. We need apparatus and equipment but it is a promise. Ralph stated he would like to reevaluate to insure there is nothing being overlooked, as the last page of the Actuarial Study indicates we can increase the pension, however, Ralph was not aware of the matching funds issue. Karl noted the District is contributing \$105k of district funds and that is absolutely putting money where promised. It was agreed the District is on course to correct the issue.

4. Old Business

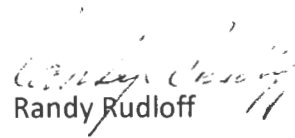
None

5. Adjournment

There being no further business before the Board, the meeting was adjourned at 19:33 hours.

Meeting Minutes by Kelley D. Cross, District Administrator

Submitted by:


Randy Rudloff
Secretary

Approved by:


Leslie Caimi
President