

Station 16
8130 3rd Street
Wellington, CO 80549



Station 17
108 E County Road 66
Fort Collins, CO 80524

Wellington Fire Protection District

PENSION BOARD MEETING AGENDA

The **Pension Board Meeting** of the Wellington Fire Protection District will be called to order at **5:00 pm** and the Regular Board Meeting to immediately follow. On **March 20th, 2024**, the meeting will be held at **Station 16** located at 8130 3rd St., Wellington, CO 80549. Any member of the public who chooses to attend the meeting in person may do so. Please contact our administrative office for social distancing guidelines or additional attendance accommodations. **Zoom Meeting information is listed below.**

Pledge of Allegiance

Roll Call

Additions/Deletions to the Agenda

Conflicts of Interest

Correspondence

Guests or Presentations

Pension Presentation

Treasurer's Report

Pension Board Business:

1. Pension Board Meeting Minutes
2. Pension Board Election results

Other

Adjournment

Future Meetings:

June 19th 2024

Station 16
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Wellington Fire Protection District

Zoom Meeting Information

Wellington Fire Protection District is inviting you to a scheduled Zoom meeting.

Topic: Wellington Fire Protection District's Zoom Meeting

Join Zoom Meeting

<https://us02web.zoom.us/j/7848079463>

Meeting ID: 784 807 9463

One tap mobile

+17209289299,,7848079463# US (Denver)

+13017158592,,7848079463# US (Washington DC)---

Dial by your location

- +1 720 928 9299 US (Denver)
- +1 301 715 8592 US (Washington DC)

Meeting ID: 784 807 9463

Find your local number: <https://us02web.zoom.us/u/kukYHs6Ch>

Agenda Posted to www.wfpd.org & at 8130 3rd



Wellington Fire Protection District

PENSION BOARD MEETING MINUTES

Pension Board Meeting called to order on September 20, 2023 at 17:00.

Pledge of Allegiance

Roll Call – Members present – Meyers (late), Gaiter, Lopez, Hunter (Zoom), Bollinger, Reed, Moranville

Additions/Deletions to the Agenda - None

Conflicts of Interest - None

Correspondence - None

Public Comment – Steve Sarno, Helen Boggs, Carolyn Omby made a public comment

Guests or Presentations - None

Treasurer's Report – presented by Treasurer Gaiter

Pension Board Business:

1. Pension Board Meeting Minutes for June 21, 2023 – Motion to accept the minutes M/S Gaiter/Lopez. All Ayes. Motion passes.
2. Review of Pension Benefits – Motion to table to December Pension meeting M/S Reed/Gaiter. All ayes. Motion passes.
3. Bylaws – Motion to table changes to next meeting until Moranville and Reed are able to compare to the statutes. M/S Reed/Gaiter. All ayes. Motion passes.

Other - None

Motion to Adjourn at 17:48, M/S Gaiter/Reed. All ayes. Motion passes.

Future Meetings:

December 13



Wellington Fire Protection District

PENSION BOARD MEETING MINUTES

December 13, 2023 Pension Board meeting called to order at 17:01.

Pledge of Allegiance

Roll Call – Members present – Gaiter, Bollinger, Standing (Zoom), Lopez, Hunter, Moranville, Reed.

Members absent – none.

Additions/Deletions to the Agenda – Public after correspondence.

Conflicts of Interest – Reed has a conflict with pension benefits as a beneficiary of pension fund. Moranville does not have a conflict of interest but made it known that he will collect benefits in the future.

Correspondence - None

Public Comment – Steve Sarno and Jason Meyers made a public comment.

Guests or Presentations

Pension Presentation

Treasurer's Report – presented by Treasurer Gaiter

Pension Board Business:

- 1. Pension Board Meeting Minutes** – Table minutes to next meeting.
- 2. Review of Pension Benefits** – Discussion. No change made.
- 3. Bylaws** – Motion to accept changes as previously stated. M/S Gaiter/Bollinger. All Ayes. Motion passes. Reed reminded the Board that letters soliciting candidates for Pension Board need to be mailed out in December to all volunteers so that a new Board member is elected before the March Pension meeting.

Other – Steve Sarno needed a signature for a change of beneficiary.

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Motion to Adjourn at 17:56. Motioned by Gaiter. All ayes. Motion passes.

Future Meetings:
March 20th, 2024

Fire and Police Pension Association

Volunteer Fire Pension Plan Contributions WELLINGTON FPD 7369-5

For the Reporting Period: 01/01/2023 through 12/31/2023

Deposit Date	Employer Contributions	State Matching Funds	Total Remittance
12/21/2023	\$105,876.00	\$0.00	\$105,876.00
Total Remittance			\$105,876.00
Calculated Contribution per the 01/01/2021 Actuarial Study			\$116,417.00
Difference Over/(Under)			\$(10,541.00)

Note: The Calculated Contribution amount is due to FPPA before 12/31/2023

January 30, 2024

David Cropp, Interim Fire Chief
Via email: dcropp@wfpd.org

RE: Wellington FPD Volunteer Firefighter Plan

Dear Volunteer Plan Employer and Volunteer Plan Board Members:

This letter is regarding changes that FPPA will be making to the way your Volunteer Firefighter plans' assets will be invested. Under Colorado law, specifically, C.R.S. § 31-31-705 (2)(a), FPPA has the responsibility to determine how the assets of your plan will be invested.

In accordance with its responsibilities, FPPA established an internal review committee to evaluate the investment asset allocation for the Volunteer Firefighter plans in light of their changing demographics and cash flow forecasts. The internal review committee, in consultation with GRS Consulting, (FPPA's actuarial firm), developed criteria that warrant a review of the asset allocation. Specifically, FPPA has determined that a review of asset allocation must be done when the plans enter a late-cycle stage where the majority of the remaining benefit obligations will be paid out in a relatively short timeframe.

Criteria for additional review was separated into two categories:

- (1) the average age of participants is age 75 or greater, and the payee to active participant ratio is greater than 2-to-1; and,
- (2) the average age of participants is between 60 and 75, and the payee to active participant ratio is greater than 2-to-1.

FPPA has concluded that the liquidity needs and the risk tolerance of Volunteer Firefighter plans meeting the above criteria dictate a new investment asset allocation is required, or will be required in the near future, to better align with the goal of meeting the plan's benefit obligations. One asset allocation for all Volunteer Firefighter plans is no longer prudent.

Upon the completion of the January 1, 2023, actuarial valuations, your plan was identified as meeting the criteria for category 2 described above. Your Volunteer Firefighter plan assets will continue to be invested in the long-term pool with an expectation to transition to the short-term pool, which has a greater exposure to income generating investments and a lower exposure to equity investments. The anticipated move to the short-term asset allocation, designed to meet your plan's increasing need for liquidity and to reduce the risk of loss of assets, will impact the expected rate of return on the plan assets. We anticipate using a blended Discount rate of 6.0% for the January 1, 2025, actuarial valuation and going forward until the plan assets move to the short-term asset pool. The plan will be evaluated at each biennial actuarial valuation period to determine when to move the plan assets to the short-term pool. The next evaluation period is for the actuarial valuation report as of January 1, 2025.

Current contribution rates for the identified Volunteer Firefighter plans are in place through 2025 but the impact of these changes using a lower discount rate has been calculated. To reduce the overall impact to your plan when the January 1, 2025, actuarial valuations are completed, we strongly encourage you to increase your contributions to the plan in the amount of \$140,365 since the budgeted contributions of

\$116,417 for 2024 and 2025, as reported to FPPA, are not sufficient. We will report to you in the quarterly contribution reports using these increased contributions.

If you would like to meet by telephone to discuss the details of this new asset allocation and the new contribution proposal, please contact me to arrange a mutually convenient time for this conversation, including whomever you wish from your department. We look forward to answering your questions.

Sincerely,

Ahni Smith
Chief Operations Officer

Cc:

Christine Gaiter, Treasurer via email: cgaiter@wfpd.org
David Green, Accountant via email: dgreen@greencpafirm.com
Jacob Saulsbery, Administrative via email: jsaulsbery@wfpd.org

**Fire and Police Pension Association
 Direct Expense Allocation Summary
 Wellington FPD Volunteers 7369-5
 For the Twelve Months Ending December 31, 2023**

Type of Expense	2023 Budget	Year-to-Date Expenses	Payment of 2023 Expenses
Actuarial Expenses	\$1,188.48	\$1,098.79	
Audit Expenses	\$160.32	\$160.32	
Other Asset Allocation Study Expenses			
Total Direct Allocated Expenses & Payments	\$1,348.80	\$1,259.11	

Actuarial expenses may exceed the budget related to asset allocation studies and implementation.

Contact Peggy Job at 720-479-2345 to obtain a detailed expense listing.

Fire and Police Pension Association
Wellington FPD Volunteers 7369-5
For the Twelve Months Ending December 31, 2023

Beginning Balance	\$1,688,855.44
Plan Direct Inflows and Outflows	
Member Contributions	
Employer Contributions	\$105,876.00
Contributions from the SWDD Plan	
Refunds	
Affiliations/(Disaffiliations)	
Plan Transfers	
Net Benefits	(\$190,120.87)
Plan Directed Expenses	
State Funding	
Plan Direct Inflows and Outflows Sub-Total	(\$84,244.87)
Allocated Income and Expense	
Interest	\$11,063.75
Dividends	\$8,261.47
Other Income	\$1,514.49
Net Change Accrued Income	\$907.91
Unrealized Gain/Loss	\$118,066.19
Realized Gain/Loss	\$30,037.80
Defined Contribution Earnings (Net)	
Investment Expenses	(\$13,817.93)
Direct Expense Allocation	(\$1,358.15)
Other Expenses	(\$7,028.06)
Allocated Income and Expense Sub-Total	\$147,647.47
Ending Balance	\$1,752,258.04