

FIRE and POLICE PENSION ASSOCIATION

Board of Directors

July 9, 2014

7:30 a.m. **Call to order**
 Sue Eaton

7:35 a.m. **Report on SWDB Member Contribution Election Results**

Report of Election Results
 Dan Slack
Election Procedure
 Gina McGrail
Resolution 2014-05
 Kevin Lindahl
Communication to Employers
 Gina McGrail

8:30 a.m. **Adjourn**

**Fire and Police Pension Association
Minutes – Board of Directors Meeting
July 9, 2014**

**FPPA Office
5290 DTC Parkway, Suite 100
Greenwood Village, CO**

Board Members via Teleconference: Chair Sue Eaton, Vice Chair Todd Bower, Jack Blumenthal, Dave Bomberger, Manuel Esquibel, Pam Feely, Nick Nuanes, and Tyson Worrell

Staff Members Present: Dan Slack, Kevin Lindahl, Kim Collins, Gina McGrail, Scott Simon, Elaine Gorton, and Jacquette Tara

Notice of this meeting and a copy of the agenda were posted outside the meeting room and on the FPPA website at least twenty-four hours prior to the meeting.

At 7:31 a.m., Chair Eaton called the meeting to order.

**Report on Statewide Defined Benefit Plan (SWDB)
Member Contribution Election Results**

Mr. Slack reviewed the election certification from VR Election Services, which certifies accurate results of the election and states that the election was conducted in accordance with FPPA's bylaws and rules. The certification will be posted on the Election Central website. The member election passed with a 67.56% "yes" vote, with 39% of the members in the plan voting.

Ms. McGrail thanked the Board for adopting the revised election procedure in April 2014, permitting staff to use mail-in, internet, and telephone methods.

Election procedure for the employer vote requires a passing of the initiative by a majority of those voting. Staff is preparing two separate mailings, one for the SWDB and another for those that have a supplemental Social Security plan. Information on the primary proposal will be sent to the employer's election contact or the department Chief. FPPA expects the employers to take the matter to their District Boards or City Council and have a Resolution filed, or a notation in their minutes indicating the employer vote. , The employer's documentation must be received by FPPA by August 22nd. Results will be reported to the board at the August meeting.

Mr. Lindahl discussed Resolution 2014-05 encompassing the findings and direction from the Board to FPPA staff in conducting the employer election. The Resolution also acknowledges that FPPA received a certification of the election from the Board's vendor for election services and that the member contribution rate increase of 4%

over 8 years has been approved by the membership. The Resolution also finds that the proposed increase in member contribution rates complies with the Internal Revenue Code.

In the event the employers do not approve the 4% member contribution increase, FPPA will go back to VR Election Services for the tally on the 2% increase option. If the members approved the 2% increase, the Board would direct a second election question to the employers for approval. Important points in this Resolution are:

- it certifies to the employers of the plan that the increased contribution rate does not require an increase in the employer contribution rate;
- it has been duly approved more than 65% of the active members of the plan that voted in the election;
- it does not adversely affect the plan status as a qualified plan pursuant to the IRS code; and
- it complies with all other requirements set forth in the applicable statutes and plan documents.

This Resolution directs staff to conduct the election of the employers, that the Governing body of the employer will be the entity that will determine how the employer votes on the election, and that the employer will indicate its vote by submission of a Resolution, a copy of minutes, or other certification of the decision made by the governing body, and that the deadline for that will be 4:00 p.m., MT on August 22, 2014.

Ms. Feely moved to adopt Resolution 2014-05 regarding member contributions to the SWDB Plan. Mr. Nuanes seconded the motion.

Roll call vote on Resolution 2014-05:

Chair Eaton - aye

Mr. Bomberger – aye

Ms. Feely – aye

Mr. Blumenthal – aye

Mr. Esquibel – aye

Mr. Bower – aye

Mr. Worrell – aye

Mr. Nuanes – aye

The motion passed.

Ms. McGrail outlined the communications planned for the employers, which will include the voting results for each particular department; a copy of the primary proposal including a plain language summary, and a Q&A. Also, a sample Resolution will be provided for the employers to take before their District Board and City Councils. Employers are not required to vote, the outcome will depend on the percentage of those who do cast a ballot, and the employer can vote even if their department didn't have any members who voted. If the employer has both active police officers and firefighters in the plan, they get one vote for each department.

At 8:05 a.m., Chair Eaton called for a motion to adjourn the Board meeting. Ms. Feely moved to adjourn the meeting. Mr. Blumenthal seconded the motion. The meeting adjourned.