

***Statewide Plans Task Force
Fire & Police Pension Association***

Meeting Agenda

April 19, 2019

7:30 a.m.

Call to Order

Approval of Record of Proceedings of April 5, 2019

**Discussion of Statewide Death & Disability Plan and Statewide Defined Benefit Plan. *Presenter:*
*Dana Woolfrey, GRS Consulting***

Adjournment

FIRE AND POLICE PENSION ASSOCIATION
Record of Proceedings - Statewide Plans Task Force Meeting
April 19, 2019

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

Statewide Plans Task Force members attending: Pam Feely, Todd Bower, Dante Carbone, Kerry George (via phone), Laura Wachter, Michael Valdez (via phone), Mike Frainier, Patrick Phelan, Phil Cordova, and Tom DeMint.

Attending from FPPA: Dan Slack, Kevin Lindahl, Kim Collins, Chip Weule, Steven Miller, Michael Sutherland, and Karen Moore.

Others attending: Karen Frame; Dana Woolfrey, GRS Retirement Consulting.

Notice of this meeting and a copy of the agenda were posted at 5290 DTC Parkway, Suite 100, Greenwood Village, CO 80111, and on the FPPA website, at least twenty-four hours prior to the meeting.

Call to Order

At 7:32 a.m., Co-chair Bower called the meeting to order and welcomed the task force.

Approval of Record of Proceedings of April 5, 2019

Ms. Wachter moved to approve the record of proceedings. Commander Phelan seconded the motion. The motion passed.

Ms. George and Mr. Valdez joined the call. Mr. Slack provided an introduction.

**Discussion of Statewide Death & Disability Plan
and Statewide Defined Benefit Plan**

Ms. Woolfrey presented the Statewide Death and Disability Plan (SWD&D Plan) projections requested by staff and task force members. Ms. Woolfrey reviewed funding results that included experience study assumptions and assumes a 5.7% actuarial asset return in 2018. Next, Ms. Woolfrey reviewed the initial state funding that was intended to cover future death or disabilities for pre-1997 actives, including 3% COLAs for total disability. Ms. Woolfrey also reviewed the plan outlook with the addition of employer lump sum funding

At 8:29 a.m., Co-chair Bower called for a break.

At 8:44 a.m., the meeting reconvened. Ms. Woolfrey continued with her presentation, reviewing a fully funded bifurcated SWD&D Plan, with active and retirees' assets and liabilities moving into the Statewide Defined Benefit Plan (SWDB Plan). Statewide Money Purchase Plans actives and retirees would remain a standalone plan.

Ms. Woolfrey then reviewed two additional scenarios. The first scenario would move contributions from SWDB Plan to SWD&D Plan at the time of a death or disability. The second scenario would move the accrued benefit from SWDB Plan to SWD&D Plan at the time of death or disability.

The task force discussed strategy and options for obtaining the funding needed for the SWDB and SWD&D Plans.

At 9:37 a.m., Co-chair Bower called for a break.

At 9:51 a.m., the meeting reconvened. Ms. Woolfrey continued with her presentation, discussing the value thresholds of the SWD&D Plan versus the SWDB Plan and benefit and eligibility scenarios for consideration.

The task force agreed that the SWDB Plan should remain as a separate plan from the SWD&D Plan. The task force discussed the timeframe for a proposal to the Board.

The Committee discussed communication of task force decisions.

The task force provided staff with direction on what scenarios and concepts staff should proceed in exploring. The task force agreed to wait and discuss whether SWDB assets should be used to fund the SWD&D plan until more of the task force members are present. The task force is still considering a vested defined benefit retirement after reaching a vested retirement when on disability.

The task force discussed whether staff should explore an increase in the contribution rate or reduction of benefits.

The task force discussed that the FPPA Board may need more flexibility to change the contribution rates of the SWD&D Plan, currently limited to 0.1% every two years.

It was noted that a lump sum payment to the SWDB Plan is not enough to maintain plan without an ongoing >4% contribution rate.

Any additional requested scenario projections are to be submitted to staff and the co-chairs by Tuesday, April 23th. Co-chair Bower stressed the importance of attendance at the next task force meeting.

At 10:31 a.m., Co-chair Bower declared the meeting adjourned.