

**Cortez Fire Protection District  
Pension Board meeting minutes  
January 9, 2013**

**Call to order**

President Nic McDonald called the meeting to order at 6:45 p.m. in the meeting room at Station #1. The roll was taken and the board members present were Nic McDonald, Matt Lindsay, Jim Bridgewater, Lori Johnson, Kent Lindsay and Orly Lucero. Keenan Ertel was absent. Administrative assistant Wendy Mimiaga, Asst. Chief Charles Balke and Chief Jeff Vandevoorde were also present for the meeting.

Kent Lindsay made a motion to excuse Keenan Ertel from the Cortez Fire Protection District Pension Board Meeting, Jim Bridgewater seconded. The motion passed on the following vote:

Bridgewater	Johnson	Ertel	Lindsay, K.	Lindsay, M.	Lucero	McDonald
yes	yes	absent	yes	yes	yes	yes

**Approval of the minutes**

The minutes of the meeting held on November 14, 2012 were brought before the board for approval.

After reading and review, Kent Lindsay made a motion to approve the minutes, fixing the typo on page 6, paragraph three, line four, Lori Johnson seconded. The minutes were approved on the following vote:

Bridgewater	Johnson	Ertel	Lindsay, K.	Lindsay, M.	Lucero	McDonald
yes	yes	excused	yes	yes	yes	yes

**Public Comment**

There was no public comment.

**Correspondence**

There was no correspondence.

**Administrative assistants report**

Wendy Mimiaga reported the balance in the Edward Jones Investment account on October 26, 2012, \$1,881,582.38 with an income for the month of \$4,733.86, on November 30, 2012, \$1,974,344.52 with an income for the month of \$4,056.00 and December 31, 2012, \$1,958,675.60 with an income for the month of \$8,667.52. The year to date income for 2012 is \$66,802.60

In the First National Bank account, the balance, as of October 31, 2012, was \$134,297.83 with interest earned of \$11.73; November 30, 2012, was \$51,530.13 with interest earned of \$8.68; December 31, 2012, was \$102,687.98 with interest earned of \$7.56. Interest earned in 2012 for this account was \$133.88. The interest rate has remained at 0.10%.

Contributions to the First National Bank account included the fourth quarter pension payment from the district of \$18,155.50, for a total payment from the district for 2012 of \$72,622.00, and the Colorado State contribution of \$45,814.21 on December 12, 2012.

On November 19, 2012, \$75,000 was withdrawn from the First national Bank account and invested in the Edward Jones account to earn a higher interest rate. Mr. McAndrew purchased \$70,000 University Colorado Enterprise System Revenue Series B, 3.5% due 6/1/42 at \$102.70, a little bit of a premium, for a total of \$72,051.48. This bond is rated AA2 and AA+.

On December 12, 2012, \$40,000 mortgage revenue bond was paid off. Mr. McAndrew re-invested it in \$40,000 Eagle River Colorado Water & Sanitation District Enterprise Wastewater Revenue, 3% due 12/1/32 at \$99.98, a little bit of a discount, for a total of \$39,996.95. This bond is rated A+. One of the nice things about the pension account with Edward Jones is that we are able to invest in Colorado municipal bonds, which is the one investment we can make that has a little higher interest rate.

**Old business**

There was no old business.

**New Business**

A. Resignation – Two letters of resignation were received from Toby McCoy and Justin Lindsay.

Kent Lindsay made a motion to accept both letters of resignation, Orly Lucero seconded. The motion passed on the following vote:

Bridgewater	Johnson	Ertel	Lindsay, K.	Lindsay, M.	Lucero	McDonald
yes	yes	Excused	yes	yes	yes	yes

B. Certification of volunteer hours and training – Asst. Chief Balke directed the board to look over the half sheet handed out, 2012 Volunteer Training Requirements. This list only those who are volunteers, the names not highlighted are the individuals who are working toward a pension, those highlighted are individuals who are volunteers, but have not been accepted into the pension program. The training hours for each month, the number of meeting attended, B-tone responses, A-tone responses, total responses, B-tone percentage and total call percentage are listed. Asst. Chief Balke then deducted the number of B-tone calls that occurred when an individual was on duty or on another regular work schedule, and therefore unable to respond, except for November and December. The final column is the recalculated percentage of B-tone calls. The total number of training hours required is thirty six (36) hours, with eighteen (18) hours in each half of the year, and twenty percent (20%) of the B-tone calls, as stated by the bylaws. Only one individual is short training hours at this point, but a few individuals still have training sheets to hand in. None of the volunteers who are eligible for the pension made 20% of the B-tone calls. The board reviewed the numbers and discussed what would be acceptable.

Nick McDonald commented that there had been a long discussion on what to do about the requirements at the last pension board meeting, and it was discussed at the volunteer association meeting in December. The

volunteers had wanted to come back to the board with an answer, but were unable to come up with one. The association will meet again, and try to come up with something to present to the pension board at the next meeting in April.

Lori Johnson commented that she had spoken with several individuals on different fire district boards at the SDA conference about volunteer pensions. Many of the combination departments are doing away with the standard twenty year pensions and the State pension fund, and are now offering the volunteers a set amount payable for each year they were a volunteer, and met the volunteer requirements. After five years, if the volunteer wants to become a reserve, they can resign as a volunteer and receive a payout for the time they served. (i.e. \$1,000 a year for each year they were a volunteer. At five years they would receive a \$5,000 payment, eight years \$8,000, etc.) This is something we can look into for our future volunteers. This would benefit the volunteer as well as the department. The volunteer would be vested at five years, but would not have to serve a minimum of ten years to qualify for a retirement benefit.

Mr. Lindsay suggested that we see if there is a way to offer our current volunteers the option of putting in their ten years and when they turn fifty they can collect, or if they are unable to continue and are vested (have volunteered five years) have the option of this new retirement benefit. This way they would not lose the years they have volunteered for the organization. It was discussed that there would have to be two separate funds depending on which retirement option a firefighter would choose. The traditional pension fund would still qualify for the State contribution, as long as the District also made a contribution. The alternative retirement plan would be fully self-funded by the District. Staff will conduct more research on alternative retirement options and report back to the Board.

Chief Vandevoorde commented that this would also be helpful for those members who wanted to test to become full time firefighters. He is also looking into restructuring the membership so that you will be either a volunteer or a reserve, but not both. This could eliminate many of the problems for volunteers not being able to make the minimum requirements. It has proven too difficult for members to fulfill the requirements for both positions. The new group of volunteers have a new set of requirements they need to meet to be members of the organization. Justin Lindsay will be the new volunteer coordinator.

As for the certification for training hours and calls, Chief Vandevoorde explained that since this was the first year that the new requirements were initiated, training hours, pub. ed. hours and all the extra things people have done were all also taken into consideration. Chief Vandevoorde made a recommendation to the Board that if the volunteers made their training hours, despite making the 20% of B-tone calls, that they should be certified for 2012 for the pension. 20% of the B-tone calls is a good goal. With or without a required percentage, as a Chief, with the number of calls that we have, it is disappointing that no one is showing up, especially in the middle of the night. It is imperative that these firefighters show up, especially for the big calls, for safety reasons.

Matt Lindsay made a motion to accept the training hours and call percentages as submitted and award everyone on the list their year if they meet the training hour requirement, 36 hours. All un-submitted training hours must be in by Monday, 1/21/13. Anyone that did not meet the 20% B-tone call percentage must be sent a certified letter, or sign for receipt of such letter, stating that if they do not meet their 20% of B-tone calls and 36 hours of training next year, 2013, they will not get credit for the year, and every year thereafter, Lori Johnson seconded.

Discussion ensued, Mr. K. Lindsay commented that based on the B-tone call numbers for 2012, 20% is less than one call a week. Chief Vandevoorde stated that a training with our members and dispatch was being worked on to determined when a B-tone should be called out. There is a lot of pub. ed. and trainings scheduled for this year. There will be no reason for anyone not to have their training hours. President McDonald also noted that you are allowed up to ten hours of outside training. He also commented that there are plenty of training opportunities available for the members. Mr. Bridgewater expressed concern about setting a precedent by allowing the volunteers to ignore the 20% of B-tone calls for this year, but make it mandatory to meet the percentage in the future. The Board made the change in the bylaws and should stick with it and not keep changing its mind, the 20% is not unrealistic. Asst. Chief Balke commented that, with this being the first year

requiring the 20% of B-tone calls, due to most volunteers also filling reserve shifts and working full time, we should accept the percentage that each member made, as long as they made the required thirty-six hours of training, and make sure they understand that next year there will be no exceptions and they will have to make the 20% of B-tone calls. President McDonald expressed concern that if the actual 20% number is used, and not the adjusted number, and everyone on the list is told they did not qualify, he can guarantee that everyone on the list will resign. Chief Vandevoorde responded that the Board has been very flexible on this issue. As an organization we can say that just to be a member of the department you must make 20% of the B-tone calls. We want qualified people here who can help the department. So we work with the volunteers this year and give them a one year grace period and next year they leave when they again cannot make the 20%. Mr. Bridgewater commented that when the Board set the 20% goal, individuals on twenty-four hour shifts were not taken into consideration, and the fact that they cannot be working and get credit for the B-tone call. But where do you draw the line. Asst. Chief Balke cannot spend hours trying to match everyone's schedule. The volunteers should be responsible for the calls. Mr. M. Lindsay stated that the Chief and Asst. Chief are here all the time, so if they say to the Board that an individual is not performing, the Board needs to back them up and that individual should not get the credit for the year. And if they say everyone did their share, we again should back them up and give the credit. With no more discussion, President McDonald called for a vote.

The motion passed on the following vote:

Bridgewater	Johnson	Ertel	Lindsay, K.	Lindsay, M.	Lucero	McDonald
no	yes	excused	yes	yes	no	yes

**Executive Session**

There was no executive session.

**Adjournment**

Having no further business to come before the board, Orly Lucero made a motion to adjourn the meeting, Matt Lindsay seconded. The motion passed as follows:

Bridgewater	Johnson	Ertel	Lindsay, K.	Lindsay, M.	Lucero	McDonald
yes	yes	excused	yes	yes	yes	yes

The meeting adjourned at 8:00 p.m.

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Nic McDonald – President

Attest:

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Kent Lindsay – Secretary / Treasurer