

OF921012

TYPE OF RECORD: PERMANENT

CATEGORY OF RECORD: MINUTES

CITY DEPARTMENT: ADMINISTRATIVE SERVICES

YEAR: 1992

FIRE PENSION BOARD MEETING
October 12, 1992

A meeting of the Fire Pension Board was called to order at 9:10 a.m. by Chairman Tim Bevan. Members present were Tim Bevan, Mike Petersen, Glenn Crespin, Claudia Hazelhurst and Ron Lappi.

Minutes

Mike Petersen moved that the minutes of the May 1, 1992 meeting be approved as submitted. Glenn Crespin seconded, and the motion carried.

Old Business

Claudia Hazelhurst said she was told at the last meeting to pursue the actuarial study for the proposed amendments to the plan and had forwarded the results of the study to Board members. The proposed amendments would: 1) increase retirement benefit 2% each year up to a max of 60% for each year worked past normal retirement; 2) allow vesting of employee contributions to the plan at the rate of 5% per year; 3) allow deferral of benefits to age 50 after 20 years of service has been completed.

Ron Lappi said the impact on these changes would be approximately \$13,000 per year.

Claudia was asked to contact Amy Timmons of FPPA to find out what assumptions were used in her calculations and to ask for the individual costs of the three separate amendments.

Ron Lappi said he would like to present this at a Council Workshop before a vote of the membership to ensure Council would be supportive of such changes to the plan. Tim Bevan said their needs to be a 65% member approval, then it should go to Council for final adoption and finally to FPPA. Ron said FPPA will approve if changes are fully funded by the employer. Claudia said she would ask John Shaver to work on the language of the amendments.

Claudia Hazelhurst informed the board that FPPA was notified of the overpayment to Jack Campbell. They said they did not have a problem with continuing him at full rank, but recommended Claudia present the matter to the City Attorney. She has referred the letter to John Shaver and should have an answer at the next meeting.

The meeting adjourned at 10:00 a.m.

FIRE PENSION BOARD MEETING

- No changes in pension recipients since last meeting
- Abolished ranks handled in the manner previously approved by the Board. Percentage increase for Fire Chief is the difference between the higher rate earned by the previous Chief and the 1997 rate approved for the current Chief.
- Due to what we've been told are idiosyncrasies associated with the FPPA computer program, the rates approved by the Board each year are invariably a few pennies different than those actually paid out to pensioners by FPPA. The rate shown in the "1996 Pension Rate" column is the rate actually being paid to pensioners by FPPA not that approved by the Board for 1996. When you approve pensions for 1997, I would ask that you do so according to the percentage change in rate rather than the dollar amount shown in the "1997 Pension Rate" column.

Loan provision plan amendments are awaiting amendments to other 401(a) and 457 plan amendments. Expect to take all amendments to the City Council in January or February, 1997. Other amendments include:

1. Amend retirement age and add loan provisions to Executive plan
2. Define composition of oversight boards, operating/administrative guidelines and take out protections for spouses of plan participants not required of governmental plans; adopt amended prototype money purchase plan - old hire police and fire and executive 401(a) plans with ICMA
3. Amend all 401(a) plans to allow for QDROs
4. Amend 457 plan to comply with recent legislative changes (indexing, in-service withdrawals, loans, etc.) and define composition of oversight board