



**SOUTH METRO FIRE RESCUE**  
**Volunteer Firefighter Pension Board of Trustees' Regular Meeting**  
**May 5, 2025 at 6:00 p.m.**  
**9195 E. Mineral Avenue, Centennial, CO**

**AGENDA**

**I. REGULAR MEETING CALL TO ORDER**

**A. PLEDGE OF ALLEGIANCE**

**B. ROLL CALL**

**C. APPROVAL OF THE AGENDA**

**D. CONFLICT OF INTEREST DISCLOSURE**

**E. PUBLIC COMMENT**

*Public Conduct at Meetings. Comments by members of the public shall be made only during the "Public Comment" portion of the meeting or a specified "Public Hearing," and shall be limited to three minutes per individual and five minutes per group spokesperson unless additional opportunity is given at the Board's discretion. Each member of the public wishing to speak shall identify themselves by name, address, and agenda item, if any, to be addressed. Disorderly conduct, harassment, or obstruction of or interference with meetings by physical action, verbal utterance, nuisance or any other means are prohibited. Such conduct may result in removal of person(s) responsible for such behavior from the meeting, a request for assistance from law enforcement, and criminal charges filed against such person(s).*

**F. CONSENT AGENDA**

*Consent Agenda items are provided for study in the Board packets and introduced in the General Session for the Board's review. They can be adopted by a single motion. All resolutions and proposed actions must be read by title prior to a vote on the motion. Any Consent Agenda items may be removed at the request of a Director and heard separately or tabled.*

1. November 4, 2024 South Metro Fire Rescue Volunteer Firefighter Pension Board of Trustees' Regular Board Meeting Minutes
2. Fourth Quarter 2024 Allocation Reports
3. First Quarter 2025 Allocation Reports

**G. ACTION ITEMS**

1. 2025 Volunteer Pension Board Election Schedule - Dell'Orfano

**H. DISCUSSION ITEMS**

1. Actuarial Study FPPA COLA Scenarios – Corbo

**I. INFORMATION ITEMS**

**J. NEXT MEETING**

Regular Board of Trustees' Meeting to be held on August 4, 2025 at 6:00 p.m. at 9195 E. Mineral Avenue, Centennial, CO.

**K. ADJOURNMENT**



**CONSENT AGENDA**

August 5, 2024 Regular SMFR Volunteer Firefighter Pension Board of Trustees’ Meeting Minutes  
Third Quarter 2024 Allocation Reports

Director Leung motioned to approve the consent agenda as presented. Director Shriver seconded the motion. All were in favor and the motion carried.

**ACTION ITEMS**

1. **Actuarial Study Direction for the Parker Volunteer and South Metro Volunteer Plans** – CFO Corbo stated that the Board of Trustees directed staff to research the process for increasing plan benefits for the Parker and South Metro Volunteer Plan Members, which are due for an actuarial study in 2025. Staff provided different scenarios, at a cost of \$1,500 per plan for up to 3 scenarios to be evaluated in the actuarial study and must be submitted to FPPA by March, 2025. Based on the Board of Trustees’ regular meeting schedule, Staff requested direction be provided at this meeting.

At Chair Albee’s request, CFO Corbo will verify that FPPA conducts an actuarial study every two years.

Trustee Burns stated that the initial intent of his request was to tie the plans to the appropriate COLA index, possibly the same index as used for the Cherry Hills Plan.

After discussion, the Board recommended the following three scenarios:

- No change
- Last 4 years of COLA since the last time adjusted
- ½ of the last 4 years of COLA since the last time adjusted

CFO Corbo will work with FPPA to determine how they are figuring COLA & will submit the three scenarios.

Chair Albee motioned to have Staff move forward with the Actuarial Study with the three scenarios: no change, last 4 years of COLA since the last time adjusted, ½ of the last 4 years of COLA since the last time adjusted and spend the associated cost for each plan. Trustee Burns seconded the motion. All were in favor and the motion carried.

**DISCUSSION ITEMS**

N/A

**INFORMATION ITEMS**

N/A

**EXECUTIVE SESSION**

There was no motion to convene to executive session.

**NEXT MEETING**

Regular Board of Trustees’ Meeting to be held in May 2025, date TBD, at 6:00 p.m. at 9195 East Mineral Avenue, Centennial, CO.

**ADJOURNMENT**

The meeting was adjourned by Chair Albee at 6:30 p.m.

Attested by \_\_\_\_\_ Date \_\_\_\_\_

**MEMORANDUM**

**To:** Affiliated FPPA Old Hire Pension Plan and Affiliated Volunteer Pension Plan Employers-Short Term Pool  
**From:** Peggy Job, Senior Accountant  
**Re:** Year Ended December 31, 2024  
 Allocation Report, Annual Contributions Received & Direct Expense Allocation Summary  
**Date:** February 14, 2025

**Allocation Report**

**Investment Pool**

Your plan assets are commingled for investment purposes in the Members’ Benefit Investment Fund – Short-Term (“Pool”).

**Investment Performance**

Returns for the Pool are as follows:

YE 2024	Quarter	Year to Date	1 Year	3 Years	5 Years
Total Pool Net of Investment Expense*	(2.37%)	4.23%	4.23%	(0.49%)	1.33%

\*FPPA Administrative Expenses are not included in the Total Pool Net of Investment Expense percentages.

The table below summarizes expenses as a percentage of net assets for the Pool as of December 31. For 2019, the expenses are summarized as a blended percentage of net assets for the Members’ Benefit Investment Fund through June 30, 2019 and the Pool effective July 1, 2019 through December 31, 2019:

Year	FPPA Administrative Expense*	Investment Management Expense	Total Expense Ratio
2024	0.16%	0.45%	0.61%
2023	0.18%	0.40%	0.58%
2022	0.16%	0.34%	0.51%
2021	0.13%	0.52%	0.65%
2020	0.12%	0.30%	0.42%

**How to Calculate Your Plan Specific Expense Ratio**

Your Allocation Report may reflect expenses specific to your plan such as actuarial expense and legal fees as well as expenses you directed FPPA to pay from your plan assets. These expenses are reflected in the line items *Plan Directed Expenses* and *Direct Expense Allocation*. As such, your plan’s administrative expenses may differ from the Pool. In order to calculate your plan’s administrative expense ratio, you will need to add the line items *Plan Directed Expenses*, *Direct Expense Allocation* and *Allocated Fees & Expenses* and divide by the *Ending Balance*.

**Allocation Methodology**

*Investment Expenses* and *Allocated Fees & Expenses* are separately allocated and separately reported in the Allocation Report. The *Investment Expenses* are allocated to each plan based on the plan’s proportion of total assets. The *Allocated Fees & Expenses* are allocated based on the plan’s proportion of total membership, including active, inactive and retired members as of December 31 of the prior year as defined by the guidelines within the Annual Comprehensive Financial Report. Member counts may be adjusted during the year for plan affiliation, disaffiliation, or reentry.

### **Review of the Report**

Review the items *Member Contributions, Employer Contributions, Refunds, Affiliations, Net Benefits, Plan Directed Expenses and State Funding* and confirm that these amounts are correct year-to-date. **If any amount is not correct, please send a written response to FPPA by March 31, 2025. If FPPA does not receive a response March 31, 2025 you are confirming that these report items are correct.**

### ***Annual Contributions Received***

FPPA provides a schedule of your 2024 contributions received by FPPA year to date. This schedule compares contributions received in the current year to the actuarial required contributions for 2024. **Please be aware that this report shows contributions based on the date received by FPPA and does not consider if contributions relate to a prior year.** All required contributions were due to FPPA before December 31, 2024 to be included in this report.

### ***Direct Expense Allocation Summary***

#### **Direct Expense Allocation**

FPPA provides a summary of expenses directly allocated to your plan, payments received related to these expenses and the related annual budgeted amounts. These costs are identified as direct plan expenses and are charged directly to the plan as a reduction of plan assets. They are reflected in the *Direct Expense Allocation* row of your Allocation Report. You may contact me to request a detailed summary of these allocated expenses.

The direct expense allocation is comprised of costs for audit and actuarial services. The audit services relate to the SOC 1 Type 2 report over the operating effectiveness of FPPA's controls for processing data and transactions related to your plan. The SOC 1 Type 2 report has been provided since 2014 to assist employers in reporting in accordance with Governmental Accounting Standards Board Statement No. 68 (GASB 68), *Accounting and Financial Reporting for Pensions*. Actuarial services include the biennial funding valuation report (issued in odd years for Volunteer Firefighter plans and even years for Old Hire plans) and the annual GASB 68 report. Actuarial services are provided by Gabriel Roeder Smith & Co. Audit services are provided by Eide Bailly LLP.

The Colorado Revised Statutes allow FPPA to allocate expenses that are directly related to the administration of the local affiliated plans from those plan's assets. For additional information, please see C.R.S. 31-31-701(7)(a)(VI).

#### **Payment of Settlor Expenses**

Please discuss these direct plan expenses with your legal counsel to determine if they are a "settlor" expense. The Department of Labor believes that the employer should bear the cost of settlor expenses. If you agree, you should reimburse the plan for these expenses. This payment is in addition to any employer contributions made to the plan or as determined by the actuary (the actuarially determined contribution).

To reimburse the plan for these costs, please send payment via ACH or wire to FPPA. These payments need to be identified separately from your actuarial required contribution in order to net out the expense. Please contact FPPA for ACH or wire Instructions.

If you have any questions regarding your allocation report or the direct allocated plan expenses, please call me at 303-770-3772 in Metro Denver or 800-332-3772 or email me at [pjob@fppaco.org](mailto:pjob@fppaco.org).

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**Allocation Report Descriptions**

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*This report provides the beginning of year plan balance, year-to-date totals, and an ending plan balance as of the report date*

<p><b>Beginning Balance</b></p> <p><b>Plan Direct Inflows and Outflows</b></p> <p>Member Contributions</p> <p>Employer Contributions</p> <p>Contributions from the SWDD Plan</p> <p>Refunds</p> <p>Affiliations</p> <p>Net Benefits</p> <p>Plan Directed Expenses</p> <p>State Funding</p> <p><b>Plan Direct Inflows and Outflows Sub-Total</b></p> <p><b>Allocated Income and Expense</b></p> <p>Interest*</p> <p>Dividends*</p> <p>Other Income*</p> <p>Net Change Accrued Income*</p> <p>Unrealized Gain/Loss*</p> <p>Realized Gain/Loss*</p> <p>Defined Contribution Earnings (Net)</p> <p>Investment Expenses</p> <p>Direct Expense Allocation</p> <p>Other Expenses</p> <p><b>Allocated Income and Expense Sub-Total</b></p> <p><b>Ending Balance</b></p>	<p>Plan assets at the beginning of the year</p> <p>Member Contributions made to the plan</p> <p>Employer Contributions made to the plan</p> <p>Contributions received for a member on disability rolling to a normal retirement</p> <p>Member withdrawal of funds from the plan</p> <p>Plan affiliation or disaffiliation or idle funds distributions (typically a Volunteer Fire Plan matter)</p> <p>Benefits paid to retired members</p> <p>Payments from plan assets directed by the department Examples: legal, actuarial, and insurance expense</p> <p>State funding for volunteer plans</p> <p>Sub-Total of the above activity</p> <p>Interest on investments</p> <p>Dividends on investments</p> <p>Other investment income</p> <p>Change in accrued earnings for interest and dividends</p> <p>Unrealized Gain/Loss on investments</p> <p>Realized Gain/Loss on investments</p> <p>Not applicable for Defined Benefit plans</p> <p>Allocated share of FPPA investment expense</p> <p>Expenses directly allocated to the plan Examples: actuarial and audit fees</p> <p>Allocated share of FPPA administrative expense</p> <p>Sub-Total of the above activity</p> <p>Plan assets at period end</p>
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\* Allocated from the Fire & Police Members' Benefit Investment Fund – Short-Term Pool

**Fire and Police Pension Association  
Cherry Hills FPD Old Hire Plan 505-4  
For the Twelve Months Ending December 31, 2024**

Beginning Balance	\$2,064,117.33
Plan Direct Inflows and Outflows	
Member Contributions	
Employer Contributions	\$216,735.00
Contributions from the SWDD Plan	
Refunds	
Affiliations/(Disaffiliations)	
Plan Transfers	
Net Benefits	(\$334,702.54)
Plan Directed Expenses	
State Funding	
Plan Direct Inflows and Outflows Sub-Total	(\$117,967.54)
Allocated Income and Expense	
Interest	\$35,853.30
Dividends	\$3,664.56
Other Income	\$750.23
Net Change Accrued Income	\$6,402.09
Unrealized Gain/Loss	\$29,721.58
Realized Gain/Loss	\$31,480.76
Defined Contribution Earnings (Net)	
Investment Expenses	(\$8,308.26)
Direct Expense Allocation	(\$2,873.66)
Other Expenses	(\$3,127.08)
Allocated Income and Expense Sub-Total	\$93,563.52
Ending Balance	\$2,039,713.31

**Cherry Hills Fire (505-4)  
2024 Old Hire Contributions**

<b>Contributions Received by FPPA in:</b>	<b>Employer Contributions</b>
January	\$0.00
February	\$0.00
March	\$0.00
April	\$0.00
May	\$0.00
June	\$0.00
July	\$0.00
August	\$0.00
September	\$0.00
October	\$0.00
November	\$0.00
December	\$216,735.00
Adjustment	\$0.00
<b>Total</b>	<b>\$216,735.00</b>

<b>Employer Required Contribution per 1/1/2022 Actuarial Study</b>	<b>\$216,735</b>
Actual Employer Contribution	\$216,735.00
Annual Required Employer Contribution	\$216,735.00
<b>Employer Difference Over/(Under)</b>	<b>\$0.00</b>

**Percentage of Required Contribution Received** 100.00%  
*The Annual Required Contribution Amount is due to FPPA before 12/31/2024*

**Fire and Police Pension Association  
 Direct Expense Allocation Summary  
 Cherry Hills FPD Old Hire Plan 505-4  
 For the Twelve Months Ending December 31, 2024**

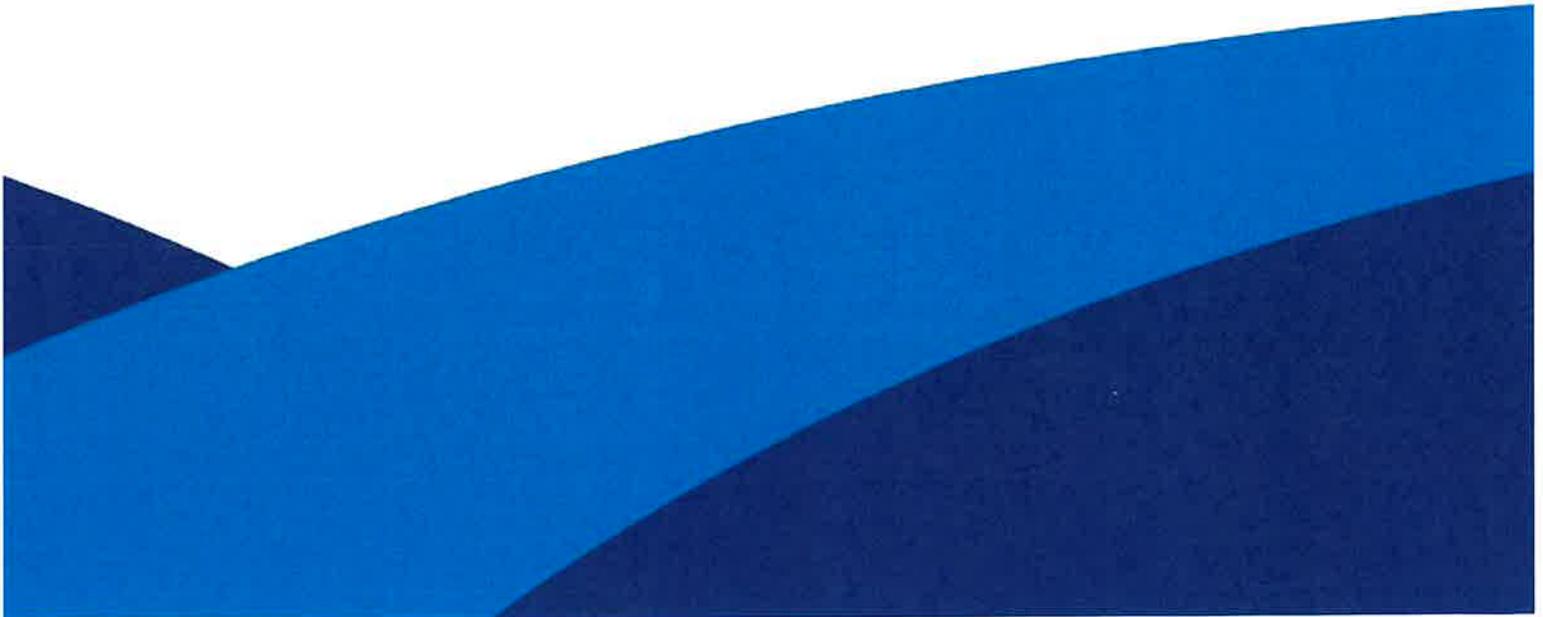
<b>Type of Expense</b>	<b>2024 Budget</b>	<b>Year-to-Date Expenses</b>	<b>Payment of 2024 Expenses</b>
Actuarial Expenses	\$2,704.24	\$2,704.20	
Audit Expenses	\$169.46	\$169.46	
Other Asset Allocation Study Expenses			
<b>Total Direct Allocated Expenses &amp; Payments</b>	<b>\$2,873.70</b>	<b>\$2,873.66</b>	

*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  
CHERRY HILLS OLD HIRE FIRE PENSION FUND**

**ACTUARIAL VALUATION REPORT AS OF JANUARY 1, 2024**





To: Administrative Heads and Finance Officers of the Cherry Hills Old Hire Fire Pension Fund; administered by FPPA

Date: July 2024

Subject: **Actuarial Valuation Results as of January 1, 2024**

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This report contains the actuarial valuation results as of January 1, 2024 for your department as determined by Gabriel, Roeder, Smith & Company (GRS), actuary for the Fire and Police Pension Association (FPPA). Questions about this report should be directed to FPPA, rather than to Gabriel, Roeder, Smith & Company.

### **Financing Objectives**

This valuation was prepared to determine the Required Contribution for fiscal years 2025 and 2026. The Required Contribution for FY2025 and FY2026 is \$216,735 and is shown in Table 1, Item 10. The Required Contribution can be considered a "Reasonable Actuarially Determined Contribution" as required by the Actuarial Standards of Practice.

Due to the many factors affecting a retirement system, users of this report should be aware that contributions made at that amount do not necessarily guarantee long-term benefit security.

### **Benefit Provisions**

This actuarial valuation reflects the provisions that were applicable to the Cherry Hills Old Hire Fire Pension Fund as of the valuation date. The details of the actuarial calculations, based on the current benefit provisions, are described in this report. Departments are allowed to model three alternative benefit packages, if desired. If alternatives were requested, a summary of the alternative requested and the actuarial results based on those packages is shown in Table 18.

### **Actuarial Assumptions and Methods**

This actuarial valuation uses the assumptions and methods that were adopted by the Board of Directors of FPPA based upon the actuary's analysis and recommendations resulting from the 2022 Experience Study and effective in the January 1, 2024 valuations, as well as any asset allocation studies of the Old Hire Plans.

The assets associated with this plan are currently in the Glide-Path Pool asset allocation. However, based on certain plan maturity and funding metrics this plan has been selected to move its assets into the Short-Term Pool asset allocation. The Board adopted investment return for this pool is 4.50% (as compared to 6.50% for the Glide-Path Pool). This assumption change associated with this asset move increases plan liabilities but does not increase the Recommended Contribution over the prior valuation.

A summary of the assumptions and methods can be found in Table 15. The mortality assumptions were updated to use the Pub-2010 Public Safety Mortality tables, projected with the ultimate rates of the

MP-2020 projection scale.

The asset valuation method approximates smoothing over a five-year period by recognizing 20% of the difference between the projected actuarial value and the market value at the valuation date.

The results of the actuarial valuation are dependent on the actuarial assumptions used. Actual results can and almost certainly will differ, as actual experience deviates from the assumptions. Even seemingly minor changes in the assumptions can materially change the liabilities, calculated annual contribution and funding periods. The actuarial calculations are intended to provide information for rational decision making.

This report is prepared using our proprietary valuation model and related software which in our professional judgment has the capability to provide results that are consistent with the purposes of the valuation. We performed tests to ensure that the model reasonably represents that which is intended to be modeled.

This report does not include a detailed assessment of the risks of future experience not meeting the actuarial assumptions. Additional assessment of risks was outside the scope of this assignment.

**Assets**

Table 4 shows the market value of assets for this department and Table 5 shows the development of the actuarial value of assets. The actuarial value is an adjusted market value. It reflects only a portion of the excess (or shortfall) between recent investment returns and the corresponding expected returns based on the annual investment return assumption. The actuarial value recognizes 20% of the difference between the projected actuarial value and the market value at the valuation date with the additional 80% of the difference recognized over the next four years (20% per year). This smoothed average approach dampens the year-to-year fluctuations in the calculated annual contribution.

**Member Data**

Member data as of January 1, 2024 was supplied by FPPA, as supplied by the department throughout the normal course of business. GRS did not subject the data to any auditing procedures but reviewed it and tested it for reasonableness and consistency. The member count is shown in Table 3.

**Experience**

Actuarial experience is measured by comparing the expected valuation results with the actual valuation results at the valuation date. The expected valuation results are calculated as if all of the actuarial assumptions had been met. For instance, a gain/(loss) attributable to investment experience is realized when the pension fund assets earn over/(under) the actuarial assumed earnings rate and a gain/(loss) attributable to liability experience is realized when the pension fund liabilities are less/(greater) than the actuarial assumptions predicted (e.g. members not living as long as expected, rank escalation or cost-of-living increases were greater than expected, etc.).



During the two year period since the prior valuation, the plan experienced liability losses and investment losses due to actual experience deviating from assumptions. Table 2 shows the detailed calculations of the gains and losses since the prior valuation.

**GASB Accounting**

Employer reporting information for GASB Statement No. 68 is provided in a separate report.

**Projected Actuarial Results**

To allow the City to anticipate future contribution requirements for the Fund, we have projected the actuarial status of the Fund as of January 1, 2026. The following table provides the Required Contribution for Fiscal Years 2025 & 2026 based on the January 1, 2024 actuarial valuation and an estimated Required Contribution for Fiscal Years 2027 and 2028, based on three different investment return scenarios in 2024 & 2025 and a projected January 1, 2026 actuarial valuation.

Fiscal Year (FY)	Required Contribution - Current Financing Objectives		
	Assuming 2.50% return in FY 2024 & 2025	Assuming 4.50% return in FY 2024 & 2025	Assuming 6.50% return in FY 2024 & 2025
2025 & 2026	\$216,735	\$216,735	\$216,735
2027 & 2028	\$216,735	\$216,735	\$216,735

The projected liabilities are calculated by rolling forward the liabilities as of January 1, 2024, taking into account interest and benefit payments for the year, including mortality incidence and anticipated cost of living increases. The 4.50% scenario above coincides with the actuarial investment return assumption of 4.50%. The 2.50% and 6.50% scenarios demonstrate the impact of small amounts of investment return volatility. Actual investment return volatility could exceed the illustrated +/-2% deviation from the actuarial investment return assumption of 4.50%.

In addition to investment return experience, demographic experience and future assumption changes could also impact the actual Required Contribution for fiscal years 2027 and 2028.

**Tables**

This report includes the following sections:

- The executive summary includes a condensed summary of the demographic, financial, and actuarial data.
- Table 1 provides the details of the development of the Required Contribution.
- Table 2 shows the sources of change in the UAAL since the prior valuation.
- Table 3 shows historical actuarial and demographic data for the department.



- Tables 4, 5, 6, and 7 show the development of the financial information.
- Tables 8 and 9 provide information for historical comparison purposes only. Similar information needed for financial reporting purposes is provided in a separate GASB 68 report.
- Table 10 shows historical cash flow information.
- Tables 11, 12, and 13 show demographic data for the department.
- Table 14 shows the risks associated with measuring the accrued liability and actuarially determined contribution.
- Table 15 shows the actuarial assumptions and methods used to calculate the liabilities.
- Table 16 is a summary of the benefit provisions for the department.
- Table 17 provides definitions of several terms used throughout the report.

### **Certification**

We certify that the information included herein and contained in the 2024 Actuarial Valuation Report is accurate and fairly presents the actuarial position of the Cherry Hills Old Hire Fire Pension Fund as of January 1, 2024. For financial reporting purposes, the projection of benefits for this Plan does not explicitly incorporate the potential effects of the contractual limits on employer contributions, if applicable.

The supporting schedules in this report were prepared by the actuaries and can be used for completing the actuarial section of the Comprehensive Annual Financial Report. To the best of our knowledge, the supporting schedules fully and fairly disclose the actuarial conditions of the plan.

All calculations have been made in conformity with generally accepted actuarial principles and practices, and with the Actuarial Standards of Practice issued by the Actuarial Standards Board. In our opinion, the results presented comply with the requirements of the State of Colorado statutes and, where applicable, the Internal Revenue Code, ERISA, and the Statements of the Governmental Accounting Standards Board.

The undersigned are independent actuaries.

They are members of the Society of Actuaries and the American Academy of Actuaries, and are also Enrolled Actuaries. They are all experienced in performing valuations for public retirement systems.



Respectfully submitted,  
Gabriel Roeder Smith & Company



Dana Woolfrey, FSA, EA, MAAA  
Senior Consultant



Joseph Newton, FSA, EA, MAAA  
Pension Market Leader



Bill Detweiler, ASA, EA, MAAA  
Consultant



## Executive Summary

Item	January 1, 2024 (1)	January 1, 2022 (2)
<b>Membership</b>		
• Number of:		
- Active members	0	0
- Members in DROP	0	0
- Disabled members	0	0
- Retired members	6	6
- Beneficiaries	4	4
- Total	10	10
• Annualized payroll supplied by FPPA	N/A	N/A
• Annualized monthly benefits paid	\$ 371,199	\$ 359,092
<b>Assets</b>		
• Market value	\$ 2,064,117	\$ 2,405,491
• Actuarial value	2,192,253	2,288,200
• Return on market value - Prior year	6.3%	11.2%
• Return on market value - Prior year minus 1	(7.2%)	9.6%
• Average return on actuarial value	4.7%	7.4%
• Contribution for prior year	\$ 216,735	\$ 216,735
• Contribution for prior year minus 1	\$ 216,735	\$ 216,735
• Ratio of actuarial value to market value	106.2%	95.1%
<b>Actuarial Information</b>		
• Actuarial accrued liability	\$ 4,092,496	\$ 3,744,877
• Unfunded actuarial accrued liability/(surplus)	1,900,243	1,456,677
• Funded ratio	53.6%	61.1%
<b>Required Contribution</b>		
• For year ending December 31, 2025	\$ 216,735	\$ 216,735
• For year ending December 31, 2026	\$ 216,735	\$ 216,735



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## Table 1 - Development of Required Contribution

In 2019, House-Bill 20-1044 was passed which allows the Board to modify the financing objectives of the Old Hire Plans. The financing objectives are as follows:

### 1) Desire for Stable Contributions

The Required Contribution from the actuarial valuation as of January 1, 2022, which determines the contribution requirement for fiscal years 2023 and 2024 is \$216,735. The goal of the funding policy is for contributions to remain unchanged. Thus, unless one of the following conditions (for increased or decreased contributions) is met, the Required Contribution will remain equal to the Required Contribution from the previous biennium. If neither the conditions for increased contributions nor the conditions for decreased contributions, described below, is met, then the contribution requirement will continue to be \$216,735 for fiscal years 2025 and 2026.

### 2) Conditions for Increased Contributions

The Required Contribution cannot be less than the Contribution Threshold. The Contribution Threshold will equal the percent of the annual benefit payments not covered from the current funding position of the trust. It represents the amount needed to keep the funded ratio from declining from one year to the next.

Contribution Threshold = (100% - Funded Ratio) \* Annual Benefit Payments + Administrative Expenses

Based on the results as of January 1, 2024, the Contribution Threshold for 2025 would be calculated as follows:

Contribution Threshold for 2025 = (100% - 53.57%) \* \$364,903 + \$4,652 = \$174,076

### 3) Conditions for Decreased Contributions

If the Contribution Threshold for the upcoming biennium is less than 60% of the contribution from the current biennium, the Required Contribution for the new biennium will be reduced 10% from the current biennium. Currently, the Conditions for Decreased Contributions are not projected to apply for the upcoming biennium.

Finally, if the Funding Target of 100% has been achieved, then contributions can reduce to \$0.



## Table 1 - Development of Required Contribution (Continued)

	January 1, 2024 (1)	January 1, 2022 (2)
1. Total actuarial accrued liability for:		
a. Retirees and beneficiaries	\$ 4,092,496	\$ 3,744,877
b. Disabled members	0	0
c. Members in DROP	0	0
d. Active members	0	0
e. Total	<u>\$ 4,092,496</u>	<u>\$ 3,744,877</u>
2. Actuarial value of assets	\$ 2,192,253	\$ 2,288,200
3. Unfunded actuarial accrued liability (UAAL)/(surplus) (1e. - 2.)	\$ 1,900,243	\$ 1,456,677
4. Funded ratio	53.57%	61.10%
5. Contribution level current biennium (2023-2024)	\$ 216,735	\$ 216,735
6. Current Benefits	\$ 364,903	\$ 354,031
7. Administrative Expenses	\$ 4,652	\$ 3,773
8. Contribution Threshold [(100% - 4) x 6 + 7]	\$ 174,076	\$ 141,491
9. Contribution Threshold as % of Current Contribution [8 / 5]	80%	65%
<b>10. Required Contribution for Upcoming Biennium</b>	<b>\$ 216,735</b>	<b>\$ 216,735</b>

Outcome: Conditions to increase or decrease contributions not met. Continue annual funding of \$216,735.



## Table 2 - Change in UAAL

1. Unfunded actuarial accrued liability (UAAL) as of January 1 of prior valuation year	\$	1,456,677
2. Benefit modifications from prior valuation		0
3. Total normal cost for FY2022 & FY2023		0
4. Contributions less administrative expenses during FY2022		(211,515)
5. Contributions less administrative expenses during FY2023		(212,652)
6. Interest at 6.50%		167,542
		167,542
7. Expected UAAL as of this valuation (sum of 1. to 6.)	\$	1,200,052
8. Actual UAAL at end of period	\$	1,900,243
9. Actuarial gain/(loss) for the period (7. - 8.)	\$	(700,191)
<u>SOURCE OF GAINS/(LOSSES)</u>		
10. Asset gain/(loss) (See Table 7)	\$	(83,088)
11. Salary/rank liability gain/(loss) for the period	\$	104,865
12. Assumption gain/(loss) for the period	\$	(506,873)
13. Net liability gain/(loss) for the period (9. - 10. - 11. - 12.)	\$	(215,095)



**Table 3 - Actuarial Experience**

	<u>2024</u>	<u>2022</u>	<u>2020</u>	<u>2018</u>	<u>2016</u>	<u>2014</u>	<u>2012</u>
1. Number of members							
a. Active	0	0	0	0	0	0	0
b. Retired	6	6	7	8	8	10	10
c. DROP	0	0	0	0	0	0	0
d. Beneficiaries	4	4	3	2	3	1	1
e. Disabled	0	0	0	0	0	0	0
f. Total	10	10	10	10	11	11	11
2. Covered payroll	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
3. Average compensation	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
4. Based on granting limited rank escalation							
a. Normal cost	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
b. Accrued liability	4,092,496	3,744,877	4,102,938	4,340,929	4,487,878	4,509,247	4,664,635
c. Actuarial value of assets	2,192,253	2,288,200	2,264,352	2,329,191	2,399,223	2,474,276	2,565,960
d. Unfunded liability	1,900,243	1,456,677	1,838,586	2,011,738	2,088,655	2,034,971	2,098,675
e. Remaining amortization period	N/A	N/A	N/A	16	18	18	19
f. Funded ratio	53.6%	61.1%	55.2%	53.7%	53.5%	54.9%	55.0%
5. Required contribution							
a. Amount	\$ 216,735	\$ 216,735	\$ 216,735	\$ 216,735	\$ 214,110	\$ 201,921	\$ 206,100
b. Per member	21,674	21,674	21,674	21,673	19,465	18,356	18,736



## Table 4 - Reconciliation of Net Plan Assets

	Year Ending	
	12/31/2023 (1)	12/31/2022 (2)
1. Market value of assets at beginning of year	\$ 2,090,442	\$ 2,405,491
2. Revenue for the year		
a. Plan direct inflows		
i. Employer contributions	\$ 216,735	\$ 216,735
ii. State contributions	0	0
iii. Affiliations	0	0
iv. Plan directed expenses	0	0
v. Total	\$ 216,735	\$ 216,735
b. Allocated income		
i. Interest	\$ 22,844	\$ 15,411
ii. Dividends	4,775	4,706
iii. Other Income	3,190	6,370
iv. Net change accrued income	1,017	1,371
v. Unrealized gain/(loss)	74,176	(213,309)
vi. Realized gain/(loss)	31,211	30,943
vii. Total	\$ 137,213	\$ (154,508)
c. Total Revenue (2a. + 2b.)	\$ 353,948	\$ 62,227
3. Expenditures for the year		
a. Plan direct outflows		
i. Net benefits	\$ (365,404)	\$ (359,091)
ii. Refunds	0	0
iii. Total	\$ (365,404)	\$ (359,091)
b. Allocated expense		
i. Investment expenses	\$ (10,786)	\$ (12,965)
ii. Directed plan expenses	(814)	(2,510)
iii. Allocated fees and expenses	(3,269)	(2,710)
iv. Total allocated expenditures	\$ (14,869)	\$ (18,185)
c. Total expenditures (3a. + 3b.)	\$ (380,273)	\$ (377,276)
4. Increase/(Decrease) in net assets (2c. + 3c.)	\$ (26,325)	\$ (315,049)
5. Market value of assets at end of year (1. + 4.)	\$ 2,064,117	\$ 2,090,442



## Table 5 - Development of Actuarial Value of Assets

	Year Ending	
	12/31/2023 (1)	12/31/2022 (2)
1. Actuarial value of assets at beginning of year	\$ 2,245,737	\$ 2,288,200
2. Cash flow for the year		
a. Contributions	\$ 216,735	\$ 216,735
b. State contributions	0	0
c. Affiliation contributions	0	0
d. Benefit payments	(365,404)	(359,091)
e. Administrative and other expenses	(4,083)	(5,220)
f. Net cash flow	\$ (152,752)	\$ (147,576)
3. Expected investment earnings	\$ 141,008	\$ 143,937
4. Expected actuarial value of assets at end of year	\$ 2,233,993	\$ 2,284,561
5. Actual market value of assets at end of year	\$ 2,064,117	\$ 2,090,442
6. Excess earnings/(shortfall)	\$ (169,876)	\$ (194,119)
7. Excess earnings/(shortfall) recognized (Table 6, Item 6)	\$ (41,740)	\$ (38,824)
8. Final actuarial value of assets (Item 4 + Item 7)	\$ 2,192,253	\$ 2,245,737



**Table 6 - Development of Amounts to be Recognized in the Actuarial Value of Assets**

	Year Ending	
	<u>12/31/2023</u>	<u>12/31/2022</u>
	(1)	(2)
1. Remaining deferrals of excess (shortfall) of investment income from prior years		
a. Current year - 4	\$ 0	\$ 0
b. Current year - 3	0	0
c. Current year - 2	0	31,157
d. Current year - 1	(155,295)	86,134
e. Total	<u>\$ (155,295)</u>	<u>\$ 117,291</u>
2. Current year (Table 5, Item 6 - Table 6, Item 1)	\$ (14,581)	\$ (311,410)
3. Amounts to be immediately recognized due to offsetting current year experience (Item 2) against prior year deferrals (Item 1)		
a. Current year - 4	\$ 0	\$ 0
b. Current year - 3	0	0
c. Current year - 2	0	(31,157)
d. Current year - 1	0	(86,134)
e. Current year	0	117,291
f. Total	<u>\$ 0</u>	<u>\$ 0</u>
4. Remaining prior year deferrals		
a. Current year - 4	\$ 0	\$ 0
b. Current year - 3	0	0
c. Current year - 2	0	0
d. Current year - 1	(155,295)	0
e. Current year	(14,581)	(194,119)
f. Total	<u>\$ (169,876)</u>	<u>\$ (194,119)</u>
5. Deferral of excess (shortfall) of investment income for:		
a. Current year - 4	\$ 0	\$ 0
b. Current year - 3	0	0
c. Current year - 2	0	0
d. Current year - 1	(116,471)	0
e. Current year	(11,665)	(155,295)
f. Total	<u>\$ (128,136)</u>	<u>\$ (155,295)</u>
6. Total amount recognized in actuarial value of assets (Item 3.f + Item 4.f. - Item 5.f.)	\$ (41,740)	\$ (38,824)



## Table 7 - Gain/(Loss) on Actuarial Value of Assets

	January 1, 2024 (1)	January 1, 2022 (2)
1. Actuarial assets, prior valuation	\$ 2,288,200	\$ 2,264,352
2. Total contributions since prior valuation	\$ 433,470	\$ 433,470
3. Benefits and refunds since prior valuation	\$ (724,495)	\$ (728,470)
4. Administrative and other expenses since prior valuation	\$ (9,303)	\$ (7,546)
5. Assumed net investment income at 6.50%		
a. Beginning assets	\$ 307,134	\$ 303,933
b. Contributions	28,633	28,633
c. Benefits, refunds and administrative expenses	(48,298)	(49,152)
d. Total	\$ 287,469	\$ 283,414
6. Expected actuarial assets (1. + 2. + 3. + 4. + 5.)	\$ 2,275,341	\$ 2,245,220
7. Actual actuarial assets, this valuation	\$ 2,192,253	\$ 2,288,200
8. Net asset gain/(loss) since prior valuation (7. - 6.)	\$ (83,088)	\$ 42,980
	Loss	Gain



**Table 8 - Statement of Funding Progress**

Date (1)	Actuarial Value of Assets (AVA) (2)	Actuarial Accrued Liability (AAL) (3)	Unfunded Actuarial Accrued Liability (UAAL (3) - (2)) (4)	Funded Ratio (2)/(3) (5)	Annual Covered Payroll (6)	UAAL as a percent of payroll (4)/(6) (7)
January 1, 2004	\$ 2,853,004	\$ 4,579,978	\$ 1,726,974	62.3%	\$ 0	N/A
January 1, 2006	2,921,962	4,549,377	1,627,415	64.2%	0	N/A
January 1, 2008	3,022,416	4,578,712	1,556,296	66.0%	0	N/A
January 1, 2010	2,763,471	4,571,037	1,807,566	60.5%	0	N/A
January 1, 2012	2,565,960	4,664,635	2,098,675	55.0%	0	N/A
January 1, 2014	2,474,276	4,509,247	2,034,971	54.9%	0	N/A
January 1, 2016	2,399,223	4,487,878	2,088,655	53.5%	0	N/A
January 1, 2018	2,329,191	4,340,929	2,011,738	53.7%	0	N/A
January 1, 2020	2,264,352	4,102,938	1,838,586	55.2%	0	N/A
January 1, 2022	2,288,200	3,744,877	1,456,677	61.1%	0	N/A
January 1, 2024	2,192,253	4,092,496	1,900,243	53.6%	0	N/A

The funded status measure may be appropriate for assessing the need for future contributions. The funded status is not appropriate for assessing the sufficiency of plan assets to cover the estimated cost of settling the plan's benefit obligations.



## Table 9 - History of Employer Contributions

The following exhibit shows a history of the Required Contribution and the actual contributions made to the Plan.

Fiscal Year Ending	Required Contribution	Actual Contribution	Percent
(1)	(2)	(3)	(4)
December 31, 2015	\$ 201,921	\$ 201,921	100%
December 31, 2016	201,921	201,921	100%
December 31, 2017	214,110	214,110	100%
December 31, 2018	214,110	0	0%
December 31, 2019	216,735	430,845	199%
December 31, 2020	216,735	216,735	100%
December 31, 2021	216,735	216,735	100%
December 31, 2022	216,735	216,735	100%
December 31, 2023	216,735	216,735	100%
December 31, 2024	216,735	N/A	



**Table 10 - Cash Flow Analysis**

Year Ending December 31, (1)	Contributions for the Year (2)	Expenditures During the Year			External Cash Flow for the Year (6)	Market Value of Assets (7)	External Cash Flow as Percent of Market Value (8)
		Benefit Payments ** (3)	Expenses (4)	Total (5)			
2013	\$ 206,100	\$ (401,877)	\$ (24,328)	\$ (426,205)	\$ (220,105)	\$ 2,500,186	(8.8%)
2014	201,921	(404,573)	(6,875)	(411,448)	(209,527)	2,451,423	(8.5%)
2015	201,921	(402,436)	(3,687)	(406,123)	(204,202)	2,293,026	(8.9%)
2016	201,921	(396,933)	(5,643)	(402,576)	(200,655)	2,210,748	(9.1%)
2017	214,110	(385,824)	(2,568)	(388,392)	(174,282)	2,334,621	(7.5%)
2018	0	(391,541)	(5,157)	(396,698)	(396,698)	1,943,809	(20.4%)
2019	430,845	(377,681)	(3,070)	(380,751)	50,094	2,249,584	2.2%
2020	216,735	(371,496)	(4,457)	(375,953)	(159,218)	2,299,070	(6.9%)
2021	216,735	(356,974)	(3,089)	(360,063)	(143,328)	2,405,491	(6.0%)
2022	216,735	(359,091)	(5,220)	(364,311)	(147,576)	2,090,442	(7.1%)
2023	216,735	(365,404)	(4,083)	(369,487)	(152,752)	2,064,117	(7.4%)
2024*	216,735	(364,903)	(4,652)	(369,555)	(152,820)	2,000,744	(7.6%)
2025*	216,735	(362,024)	(4,768)	(366,792)	(150,057)	1,937,344	(7.7%)
2026*	216,735	(358,102)	(4,887)	(362,989)	(146,254)	1,874,980	(7.8%)

\* Cash flow estimated based on expected contributions and expected benefit payments.

\*\* Expected Benefit Payments for 2024 and beyond include expected mortality and if applicable, future cost of living increases.



## Table 11 - Membership Data

	<u>January 1, 2024</u>		<u>January 1, 2022</u>		<u>January 1, 2020</u>
	(1)		(2)		(3)
<b>1. Active members</b>					
a. Number	0		0		0
b. Total payroll	\$ 0	\$	0	\$	0
c. Average annual salary	\$ 0	\$	0	\$	0
d. Average age	N/A		N/A		N/A
e. Average service	N/A		N/A		N/A
<b>2. Members in DROP</b>					
a. Number	0		0		0
b. Total annual benefits	\$ 0	\$	0	\$	0
c. Average annual benefit	\$ N/A	\$	N/A	\$	N/A
d. Average age	N/A		N/A		N/A
<b>3. Service retirees</b>					
a. Number	6		6		7
b. Total annual benefits	\$ 278,263	\$	269,011	\$	297,252
c. Average annual benefit	\$ 46,377	\$	44,835	\$	42,465
d. Average age	78.5		76.5		75.0
<b>4. Disabled retirees</b>					
a. Number	0		0		0
b. Total annual benefits	\$ 0	\$	0	\$	0
c. Average annual benefit	\$ N/A	\$	N/A	\$	N/A
d. Average age	N/A		N/A		N/A
<b>5. Beneficiaries</b>					
a. Number	4		4		3
b. Total annual benefits	\$ 92,936	\$	90,081	\$	65,536
c. Average annual benefit	\$ 23,234	\$	22,520	\$	21,845
d. Average age	81.0		79.0		77.3



**Table 12 - Summary of Retirees by Age and Type**

Age (1)	Retirees		Disabled Members		Beneficiaries		Members in DROP		All	
	Number (2)	Average Monthly Pension (3)	Number (4)	Average Monthly Pension (5)	Number (6)	Average Monthly Pension (7)	Number (8)	Average Monthly Pension (9)	Number (10)	Average Monthly Pension (11)
Less than 50	0	\$ 0	0	\$ 0	0	\$ 0	0	\$ 0	0	\$ 0
50-54	0	0	0	0	0	0	0	0	0	0
55-59	0	0	0	0	0	0	0	0	0	0
60-64	0	0	0	0	0	0	0	0	0	0
65-69	0	0	0	0	0	0	0	0	0	0
70-74	1	2,845	0	0	1	2,346	0	0	2	2,596
75-79	1	3,672	0	0	1	1,400	0	0	2	2,536
Greater than 80	4	4,168	0	0	2	2,000	0	0	6	3,445
All	6	\$ 3,865	0	\$ 0	4	\$ 1,936	0	\$ 0	10	\$ 3,093



**Table 13 - Schedule of Retirants & Annuitants Added to and Removed from Rolls**

Valuation Year January 1	Added to Rolls		Removed from Rolls		Rolls-End of Year		% Increase in Annual Benefits	Average Annual Benefits	Average Age
	Number	Annual Benefits*	Number	Annual Benefits	Number	Annual Benefits			
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
2004	N/A	N/A	N/A	N/A	11	\$ 326,480	N/A	\$ 29,680	N/A
2006	0	\$ 26,098	0	\$ 0	11	\$ 352,578	8.0%	\$ 32,053	63.8
2008	0	\$ 8,888	0	\$ 0	11	\$ 361,466	2.5%	\$ 32,861	65.8
2010	0	\$ 27,819	0	\$ 0	11	\$ 389,285	7.7%	\$ 35,390	67.8
2012	0	\$ 11,699	0	\$ 0	11	\$ 400,984	3.0%	\$ 36,453	69.8
2014	0	\$ 8,947	0	\$ 0	11	\$ 409,931	2.2%	\$ 37,266	71.8
2016	2	\$ 57,558	2	\$ 70,556	11	\$ 396,933	(3.2%)	\$ 36,085	73.5
2018	0	\$ 17,183	1	\$ 22,575	10	\$ 391,541	(1.4%)	\$ 39,154	74.1
2020	1	\$ 22,715	1	\$ 51,468	10	\$ 362,788	(7.3%)	\$ 36,279	75.7
2022	1	\$ 39,969	1	\$ 43,665	10	\$ 359,092	(1.0%)	\$ 35,909	77.5
2024	0	\$ 12,107	0	\$ 0	10	\$ 371,199	3.4%	\$ 37,120	79.5

\* Includes cost-of-living adjustments granted since the prior valuation.



## Table 14 - Risks Associated with Measuring the Accrued Liability and Required Contribution

The determination of the accrued liability requires the use of assumptions regarding future economic and demographic experience. Risk measures, as illustrated in this report, are intended to aid in the understanding of the effects of future experience differing from the assumptions used in the course of the actuarial valuation. Risk measures may also help with illustrating the potential volatility in the accrued liability that results from the differences between actual experience and the actuarial assumptions.

Future actuarial measurements may differ significantly from the current measurements presented in this report due to such factors as the following: plan experience differing from that anticipated by the economic or demographic assumptions; changes in economic or demographic assumptions due to changing conditions; increases or decreases expected as part of the natural operation of the methodology used for these measurements (such as the end of an amortization period, or additional cost or contribution requirements based on the plan's funded status); and changes in plan provisions or applicable law. The scope of an actuarial valuation does not include an analysis of the potential range of such future measurements.

Examples of risk that may reasonably be anticipated to significantly affect the plan's future financial condition include:

- A: Investment risk – actual investment returns may differ from the expected returns;
- B: Asset/Liability mismatch – changes in asset values may not match changes in liabilities, thereby altering the gap between the accrued liability and assets and consequently altering the funded status and contribution requirements;
- C: Contribution risk – actual contributions may differ from expected future contributions. For example, actual contributions may not be made in accordance with the plan's funding policy or material changes may occur in the anticipated number of covered employees or other relevant contribution base;
- D: Longevity risk – members may live longer or shorter than expected and receive pensions for a period of time other than assumed;
- E: Other demographic risks

The effects of certain trends in experience can generally be anticipated. For example if the investment return since the most recent actuarial valuation is less (or more) than the assumed rate, the cost of the plan can be expected to increase (or decrease). Likewise if longevity is improving (or worsening), increases (or decreases) in cost can be anticipated.



## Table 14 - Risks Associated with Measuring the Accrued Liability and Required Contribution (Continued)

### Plan Maturity Measures

Risks facing a pension plan evolve over time. A young plan with virtually no investments and paying few benefits may experience little investment risk. An older plan with a large number of retirees and beneficiaries and a significant trust may be much more exposed to investment risk. Generally accepted plan maturity measures include the following:

	January 1, 2024	January 1, 2022
Ratio of net cash flows to market value of assets	-7%	-6%
Duration of the actuarial accrued liability	8.1	7.9

### Ratio of Net Cash Flow to Market Value of Assets

A positive net cash flow means contributions exceed benefits and expenses. A negative cash flow means existing funds are being used to make payments. A certain amount of negative net cash flow is generally expected to occur when benefits are prefunded through a qualified trust. Large negative net cash flows as a percent of assets may indicate a super-mature plan or a need for additional contributions (see Table 8).

### Duration of Actuarial Accrued Liability

The duration of the actuarial accrued liability may be used to approximate the sensitivity to a 1% change in the assumed rate of return. For example, duration of 10 indicates that the liability would increase approximately 10% if the assumed rate of return were lowered 1%.

### Additional Risk Assessment

Additional risk assessment is outside the scope of the annual actuarial valuation. Additional assessment may include scenario tests, sensitivity tests, stochastic modeling, stress tests, and a comparison of the present value of accrued benefits at low-risk discount rates with the actuarial accrued liability.



## Table 14 - Risks Associated with Measuring the Accrued Liability and Required Contribution (Continued)

### Low-Default-Risk Obligation Measure

#### Introduction

In December 2021, the Actuarial Standards Board (ASB) adopted a revision to Actuarial Standard of Practice (ASOP) No. 4, Measuring Pension Obligations and Determining Pension Plan Costs or Contributions. The revised ASOP No. 4 requires the calculation and disclosure of a liability referred to by the ASOP as the “Low-Default-Risk Obligation Measure” (LDROM). The rationale that the ASB cited for the calculation and disclosure of the LDROM was included in the Transmittal Memorandum of ASOP No. 4 and is presented below (emphasis added):

“The ASB believes that the calculation and disclosure of this measure provides **appropriate, useful information for the intended user regarding the funded status of a pension plan**. The calculation and disclosure of this additional measure is **not intended to suggest that this is the “right” liability measure** for a pension plan. However, the ASB does believe that **this additional disclosure provides a more complete assessment of a plan’s funded status and provides additional information regarding the security of benefits that members have earned as of the measurement date.**”

#### Comparing the Accrued Liabilities and the LDROM

One of the fundamental financial objectives of a pension plan is to finance each member’s retirement benefits over the period from the member’s date of hire until the member’s projected date of retirement (entry age actuarial cost method) as a level percentage of payroll. To fulfill this objective, the discount rate that is used to value the accrued liabilities is set equal to the **expected return** on the diversified portfolio of assets (referred to sometimes as the investment return assumption). The current investment return assumption is 4.50%.

The LDROM is meant to approximately represent the lump sum cost to a plan to purchase low-default-risk fixed income securities whose resulting cash flows essentially replicate in timing and amount the benefits earned (or the costs accrued) as of the measurement date. The LDROM is very dependent upon market interest rates at the time of the LDROM measurement. The lower the market interest rates, the higher the LDROM, and vice versa. As of January 1, 2024, the current investment return assumption of 4.50% could be considered a reasonable rate for the LDROM. This results in no difference between the valuation accrued liabilities and the LDROM.



## Table 15 - Summary for Actuarial Assumptions, Methods, and Changes

The calculations set forth in this report are based on the following assumptions:

1. Investment Return Rate 4.50% per annum (net of investment expenses), compounded annually
  
2. Post-Retirement Mortality
  - a) Healthy Retirees, Beneficiaries, and Disabled Retirees (retired after January 1, 1980) Pub-2010 Public Safety Healthy Annuitant Mortality Tables for males and females, amount-weighted, projected with the ultimate values of the MP-2020 projection scale.

<u>Age</u>	<u>Annual Rate Per 1,000 (for 2024)</u>	
	<u>Males</u>	<u>Females</u>
50	1.587	1.232
55	2.530	2.133
60	4.200	3.687
65	7.325	6.402
70	13.167	11.160
75	23.967	19.464
80	43.709	33.936

- b) Disabled Retirees (retired before January 1, 1980) Post-Retirement Mortality Rates Set-Forward Three Years

<u>Age</u>	<u>Annual Rate Per 1,000 (for 2024)</u>	
	<u>Males</u>	<u>Females</u>
50	2.092	1.711
55	3.406	2.960
60	5.820	5.109
65	10.326	8.880
70	18.743	15.484
75	34.153	27.012
80	62.176	47.101



## Table 15 - Summary for Actuarial Assumptions, Methods, and Changes (Continued)

- |                                     |   |
|-------------------------------------|---|
| 3. Administrative Expenses          | An explicit administrative expense equal to the average of the actual expenses for the two prior years.   |
| 4. Benefit Escalation               | 3.00%-3.50% (for Full Rank Escalation, 3.50% is the assumed annual increase for all benefits)**   |
| 5. Changes in Actuarial Assumptions | The global assumption set for plans administered by FPPA was changed in the 2022 Experience Study and effective as of January 1, 2023. This is the first valuation for this plan with the new assumptions. The mortality assumptions were updated to use the Pub-2010 Public Safety Mortality tables projected with the ultimate rates of the MP-2020 projection scale. |
| 6. Changes in Actuarial Methods     | None.   |
| 7. Asset Valuation Method           |   |

The asset valuation method is based on a comparison of expected and actual asset values. The actuarial value of assets is equal to the market value of assets less a five-year phase in of the Excess (Shortfall) between expected investment return and actual income determined as follows:

- At the beginning of each plan year, an expected actuarial asset value is calculated as the sum of the previous year's actuarial value increased with a year's interest at the Plan valuation rate plus net cash flow (excluding expenses) adjusted for interest (at the same rate) to the end of the previous plan year.
- The difference between the expected actuarial asset value and the actual market value is the investment gain or (loss) for the previous plan year.
- If the current year's difference is the opposite sign of any of the prior year's deferred Excesses\ (ShortFalls), then the prior year's bases (starting with the oldest) are reduced dollar for dollar along with the current year's base. Any remaining bases are then recognized over five years (20% per year) from their initial creation.

8. Contributions Requirement

Please see Table 1 for a description of the current policy regarding the development of the Required Contribution.

9. Annual Salary of First Grade Firefighter

The salary for a first grade Firefighter provided by the employer was \$105,343.



## Table 16 - Summary of Benefit Provisions

A. Eligibility

Members included are active employees hired prior to April 8, 1978, electing to remain covered under the provisions of the City's current plan.

B. Compensation

Basic salary for Firefighters.

C. Contribution Rate

The district contribution is made based upon the last actuarial study. For 2023 and 2024 the former Cherry Hills F.P.D. service area is contributing \$216,735 to this fund.

D. Normal Retirement Benefit

A Firefighter's Normal Retirement Date shall be the date on which he has attained 50 years of age and completed 20 years of service. Any Firefighter who elects to retire on or after his Normal Retirement Date shall be eligible for a monthly pension equal to one half of his monthly salary at the date of his retirement. For each year a member continues working past eligibility for normal retirement, a member's benefit will increase by 2.5% of his final monthly salary to a total maximum benefit of 70%. the benefit applies to all current and future retirees, payable beginning January 1, 2001.

E. Termination Benefit

1. Vested Retirement Benefit

None

2. Severance Benefit

Any Firefighter who has at least 10 years of service is eligible to receive a vested benefit, payable monthly, commencing when the member attains age 50. The benefit shall be equal to 2.5% for each year of credited service, up to a maximum of 20 years, multiplied by his final monthly salary as of the date of his termination.

F. Death and Disability Benefits

1. Pre-Retirement Death and Disability Benefit

None

2. Post-Retirement Death and Disability Benefit

If a retired Firefighter dies, the surviving spouse shall receive, until death or remarriage, a monthly pension equal to one third of the salary of a first grade Firefighter at the time of death.



## Table 16 - Summary of Benefit Provisions (Continued)

3. Post-Withdrawal Death Benefit

If a terminated Firefighter who is eligible to receive or is receiving a vested benefit dies, the surviving spouse shall receive, until death or remarriage, a monthly pension equal to one third of the salary of a first grade Firefighter at the time of termination, payable on the date the Firefighter would have reached age 50.

G. Cost-of-Living Adjustment (COLA)

As adopted by the district, benefits are increased in proportion to increases in pay for the rank at retirement. The current law has limited the increase to 3% for benefits earned after January 1, 1980 (limited rank escalation). This benefit was implemented effective January 1, 1993.

H. Deferred Retirement Option Plan (DROP)

None

I. Supplemental Retirement Benefit

None

J. Stabilization Reserve Account (SRA)

None

K. Plan Amendments

None



## Table 17 - Definition of Terms

1. Actuarial Cost Method

A method for determining the actuarial present value of future benefits and allocating such value to time periods in the form of a normal cost and an actuarial accrued liability.

2. Present Value of Future Benefits

This is computed by projecting the total future benefit cash flow from the Plan, using actuarial assumptions, and then discounting the cash flow to the valuation date.

3. Normal Cost

Computed differently under different actuarial cost methods, the normal cost generally represents the value of the portion of the participant's anticipated retirement, termination, and/or death and disability benefits accrued during a year. Once all active members are retired, the Normal Cost is \$0.

4. Actuarial Accrued Liability

Computed differently under different actuarial cost methods. Generally actuarial accrued liability represents the value of the portion of the participant's anticipated retirement, termination, and/or death and disability benefits accrued as of the valuation date.

5. Entry Age Actuarial Cost Method

A method under which a participant's actuarial present value of future benefits is allocated on a level basis over the earnings of the participant between his/her entry into the Plan and his/her assumed exit.

6. Unfunded Actuarial Accrued Liability

The difference between total actuarial present value of future benefits over the sum of the tangible assets of the Plan and the actuarial present value of the members' future normal costs. The Plan is underfunded if the difference is positive and overfunded if the difference is negative.

7. Actuarial Value of Assets

The value of cash, investments, and other property belonging to the Plan, as valued by the actuary for purposes of the actuarial valuation.



## Table 17 - Definition of Terms (Continued)

8. Actuarial Gain or Loss

From one valuation to the next, if the experience of the plan differs from that anticipated by the actuarial assumptions, an actuarial gain or loss occurs. For example, an actuarial gain would occur if the assets in the trust had a yield of 12% based on actuarial value, while the assumed yield on the actuarial value of assets was 4.50%.

9. Required Contribution

Actuarially determined contribution that satisfies Board and Statutory requirements.



**Fire and Police Pension Association  
 Direct Expense Allocation Summary  
 Cherry Hills FPD Old Hire Plan 505-4  
 For the Six Months Ending June 30, 2024**

Type of Expense	2024 Budget	Year-to-Date Expenses	Payment of 2024 Expenses
Actuarial Expenses	\$2,704.24	\$1,126.75	
Audit Expenses	\$169.46	\$169.46	
Other Asset Allocation Study Expenses			
<b>Total Direct Allocated Expenses &amp; Payments</b>	<b>\$2,873.70</b>	<b>\$1,296.21</b>	

*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.**

**Cherry Hills Fire (505-4)  
2024 Old Hire Contributions**

Contributions Received by FPPA in:	Employer Contributions
January	\$0.00
February	\$0.00
March	\$0.00
April	\$0.00
May	\$0.00
June	\$0.00
July	\$0.00
August	\$0.00
September	\$0.00
October	\$0.00
November	\$0.00
December	\$0.00
Adjustment	\$0.00
<b>Total</b>	<b>\$0.00</b>

**Employer Required Contribution per 1/1/2022 Actuarial Study      \$216,735**

Actual Employer Contribution      \$0.00  
 Annual Required Employer Contribution      \$216,735.00  
**Employer Difference Over/(Under)      (\$216,735.00)**

**Percentage of Required Contribution Received      0.00%**  
**The Annual Required Contribution Amount is due to FPPA before 12/31/2024**

**Fire and Police Pension Association  
Cherry Hills FPD Old Hire Plan 505-4  
For the Six Months Ending June 30, 2024**

Beginning Balance	\$2,064,117.33
Plan Direct Inflows and Outflows	
Member Contributions	
Employer Contributions	
Contributions from the SWDD Plan	
Refunds	
Affiliations/(Disaffiliations)	
Plan Transfers	
Net Benefits	(\$173,094.94)
Plan Directed Expenses	
State Funding	
Plan Direct Inflows and Outflows Sub-Total	(\$173,094.94)
Allocated Income and Expense	
Interest	\$12,672.26
Dividends	\$2,439.49
Other Income	\$233.63
Net Change Accrued Income	\$909.93
Unrealized Gain/Loss	\$15,369.46
Realized Gain/Loss	\$25,365.96
Defined Contribution Earnings (Net)	
Investment Expenses	(\$4,153.83)
Direct Expense Allocation	(\$1,296.21)
Other Expenses	(\$1,494.82)
Allocated Income and Expense Sub-Total	\$50,045.87
Ending Balance	\$1,941,068.26

**MEMORANDUM**

**To:** Affiliated Volunteer Pension Plan Employers - Long Term Pool  
**From:** Peggy Job, Senior Accountant  
**Re:** Year Ended December 31, 2024  
 Allocation Report, Annual Contributions Received & Direct Expense Allocation Summary  
**Date:** February 14, 2025

**Allocation Report**

**Investment Performance**

Your plan assets are commingled for investment purposes in the Members' Benefit Investment Fund – Long Term Pool ("Pool"). Returns for the Pool are as follows (returns for periods longer than one year are annualized):

YE 2024	Quarter	Year to Date	1 Year	3 Years	5 Years
Total Pool Net of Investment Expense*	0.19%	10.03%	10.03%	3.70%	7.84%

\*FPPA Administrative Expenses are not included in the Total Pool Net of Investment Expense percentages.

The table below summarizes expenses as a percentage of net assets for the Pool:

Year	FPPA Administrative Expense*	Investment Management Expense	Total Expense Ratio
2024	0.15%	0.75%	0.90%
2023	0.17%	0.83%	1.00%
2022	0.14%	0.80%	0.94%
2021	0.12%	0.81%	0.93%
2020	0.13%	0.79%	0.92%

**How to Calculate Your Plan Specific Expense Ratio**

Your Allocation Report may reflect expenses specific to your plan such as actuarial expense and legal fees as well as expenses you directed FPPA to pay from your plan assets. These expenses are reflected in the line items *Plan Directed Expenses* and *Direct Expense Allocation*. As such, your plan's administrative expenses may differ from the Pool. In order to calculate your plan's administrative expense ratio, you will need to add the line items *Plan Directed Expenses*, *Direct Expense Allocation* and *Allocated Fees & Expenses* and divide by the *Ending Balance*.

**Allocation Methodology**

*Investment Expenses* and *Allocated Fees & Expenses* are separately allocated and separately reported in the Allocation Report. The *Investment Expenses* are allocated to each plan based on the plan's proportion of total assets. The *Allocated Fees & Expenses* are allocated based on the plan's proportion of total membership, including active, inactive and retired members as of December 31 of the prior year as defined by the guidelines within the Annual Comprehensive Financial Report. Member counts may be adjusted during the year for plan affiliation, disaffiliation, or reentry.

**Review of the Report**

Review the items *Member Contributions*, *Employer Contributions*, *Refunds*, *Affiliations*, *Net Benefits*, *Plan Directed Expenses* and *State Funding* and confirm that these amounts are correct year-to-date. **If any amount is not correct, please send a written response to FPPA by March 31, 2025. If FPPA does not receive a response March 31, 2025, you are confirming that these report items are correct.**

### ***Annual Contributions Received***

FPPA provides a schedule of your 2024 contributions received by FPPA year to date. This schedule compares contributions received in the current year to the actuarial required contributions for 2024. **Please be aware that this report shows contributions based on the date received by FPPA and does not consider if contributions relate to a prior year.**

### ***Direct Expense Allocation Summary***

#### **Direct Expense Allocation**

FPPA provides a summary of expenses directly allocated to your plan, payments received related to these expenses and the related annual budgeted amounts. These costs are identified as direct plan expenses and are charged directly to the plan as a reduction of plan assets. They are reflected in the *Direct Expense Allocation* row of your Allocation Report. You may contact me to request a detailed summary of these allocated expenses.

The direct expense allocation is comprised of costs for audit and actuarial services. The audit services relate to the SOC 1 Type 2 report over the operating effectiveness of FPPA's controls for processing data and transactions related to your plan. The SOC 1 Type 2 report has been provided since 2014 to assist employers in reporting in accordance with Governmental Accounting Standards Board Statement No. 68 (GASB 68), *Accounting and Financial Reporting for Pensions*. Actuarial services include the biennial funding valuation report (issued in odd years for Volunteer Firefighter plans and even years for Old Hire plans) and the annual GASB 68 report. Actuarial services are provided by Gabriel Roeder Smith & Co. Audit services are provided by Eide Bailly LLP.

#### **Payment of Settlor Expenses**

Please discuss these direct plan expenses with your legal counsel to determine if they are a "settlor" expense. The Department of Labor believes that the employer should bear the cost of settlor expenses. If you agree, you should reimburse the plan for these expenses. This payment is in addition to any employer contributions made to the plan or as determined by the actuary (the actuarially determined contribution).

To reimburse the plan for these costs, please send payment via ACH or wire to FPPA. These payments need to be identified separately from your actuarial required contribution in order to net out the expense. Please contact FPPA for ACH or wire Instructions.

If you have any questions regarding your allocation report or the direct allocated plan expenses, please call me at 303-770-3772 in Metro Denver or 800-332-3772 or email me at [pjob@fppaco.org](mailto:pjob@fppaco.org).

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**Allocation Report Descriptions**

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***This report provides the beginning of year plan balance, year-to-date totals, and an ending plan balance as of the report date***

<p><b>Beginning Balance</b></p> <p><b>Plan Direct Inflows and Outflows</b></p> <p>Member Contributions</p> <p>Employer Contributions</p> <p>Contributions from the SWDD Plan</p> <p>Refunds</p> <p>Affiliations/(Disaffiliations)</p> <p>Net Benefits</p> <p>Plan Directed Expenses</p> <p>State Funding</p> <p><b>Plan Direct Inflows and Outflows Sub-Total</b></p> <p><b>Allocated Income and Expense</b></p> <p>Interest*</p> <p>Dividends*</p> <p>Other Income*</p> <p>Net Change Accrued Income*</p> <p>Unrealized Gain/Loss*</p> <p>Realized Gain/Loss*</p> <p>Defined Contribution Earnings (Net)</p> <p>Investment Expenses</p> <p>Direct Expense Allocation</p> <p>Other Expenses</p> <p><b>Allocated Income and Expense Sub-Total</b></p> <p><b>Ending Balance</b></p>	<p>Plan assets at the beginning of the year</p> <p>Member Contributions made to the plan</p> <p>Employer Contributions made to the plan</p> <p>Contributions received for a member on disability rolling to a normal retirement</p> <p>Member withdrawal of funds from the plan</p> <p>Plan affiliation or disaffiliation or idle funds distribution (typically a Volunteer Fire Plan matter)</p> <p>Benefits paid to retired members</p> <p>Payments from plan assets directed by the department Examples: legal, actuarial, and insurance expense</p> <p>State funding for volunteer plans</p> <p>Sub-Total of the above activity</p> <p>Interest on investments</p> <p>Dividends on investments</p> <p>Other investment income</p> <p>Change in accrued earnings for interest and dividends</p> <p>Unrealized Gain/Loss on investments</p> <p>Realized Gain/Loss on investments</p> <p>Not applicable for Defined Benefit plans</p> <p>Allocated share of FPPA investment expense</p> <p>Expenses directly allocated to the plan Examples: actuarial and audit fees</p> <p>Allocated share of FPPA administrative expense</p> <p>Sub-Total of the above activity</p> <p>Plan assets at period end</p>
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*\* Allocated from the Fire & Police Members' Benefit Investment Fund – Long Term Pool.*

**Fire and Police Pension Association  
Parker FPD Volunteers 591-5  
For the Twelve Months Ending December 31, 2024**

Beginning Balance	\$218,563.66
Plan Direct Inflows and Outflows	
Member Contributions	
Employer Contributions	\$87,599.00
Contributions from the SWDD Plan	
Refunds	
Affiliations/(Disaffiliations)	
Plan Transfers	
Net Benefits	(\$104,380.00)
Plan Directed Expenses	
State Funding	
Plan Direct Inflows and Outflows Sub-Total	(\$16,781.00)
Allocated Income and Expense	
Interest	\$3,105.25
Dividends	\$362.15
Other Income	\$37.56
Net Change Accrued Income	\$948.00
Unrealized Gain/Loss	\$5,956.40
Realized Gain/Loss	\$1,587.99
Defined Contribution Earnings (Net)	
Investment Expenses	(\$856.00)
Direct Expense Allocation	(\$510.98)
Other Expenses	(\$5,628.73)
Allocated Income and Expense Sub-Total	\$5,001.64
Ending Balance	\$206,784.30

# Fire and Police Pension Association

## Volunteer Fire Pension Plan Contributions PARKER FPD => SOUTH METRO FIRE RESCUE 591-5

For the Reporting Period: 01/01/2024 through 12/31/2024

Deposit Date	Employer Contributions	State Matching Funds	Total Remittance
12/13/2024	\$87,599.00	\$0.00	\$87,599.00
<b>Total Remittance</b>			\$87,599.00
<b>Calculated Contribution per the 01/01/2023 Actuarial Study</b>			\$87,599.00
<b>Difference Over/(Under)</b>			\$0.00

*Note: The Calculated Contribution amount is due to FPPA before 12/31/2024*

**Fire and Police Pension Association  
 Direct Expense Allocation Summary  
 Parker FPD Volunteers 591-5  
 For the Twelve Months Ending December 31, 2024**

Type of Expense	2024 Budget	Year-to-Date Expenses	Payment of 2024 Expenses
Actuarial Expenses	\$341.52	\$341.52	
Audit Expenses	\$169.46	\$169.46	
Other Asset Allocation Study Expenses			
<b>Total Direct Allocated Expenses &amp; Payments</b>	<b>\$510.98</b>	<b>\$510.98</b>	

*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  
 Direct Expense Allocation Summary  
 Parker FPD Volunteers 591-5  
 For the Six Months Ending June 30, 2024**

<b>Type of Expense</b>	<b>2024 Budget</b>	<b>Year-to-Date Expenses</b>	<b>Payment of 2024 Expenses</b>
Actuarial Expenses	\$341.52	\$142.30	
Audit Expenses	\$169.46	\$169.46	
Other Asset Allocation Study Expenses			
<b>Total Direct Allocated Expenses &amp; Payments</b>	<b>\$510.98</b>	<b>\$311.76</b>	

*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

## Volunteer Fire Pension Plan Contributions PARKER FPD => SOUTH METRO FIRE RESCUE 591-5

For the Reporting Period: 01/01/2024 through 06/30/2024

Deposit Date	Employer Contributions	State Matching Funds	Total Remittance
No deposits received for the reporting period			

Total Remittance	\$0.00
Calculated Contribution per the 01/01/2023 Actuarial Study	\$87,599.00
Difference Over/(Under)	\$(87,599.00)

*Note: The Calculated Contribution amount is due to FPPA before 12/31/2024*

**Fire and Police Pension Association  
Parker FPD Volunteers 591-5  
For the Six Months Ending June 30, 2024**

Beginning Balance	\$218,563.66
Plan Direct Inflows and Outflows	
Member Contributions	
Employer Contributions	
Contributions from the SWDD Plan	
Refunds	
Affiliations/(Disaffiliations)	
Plan Transfers	
Net Benefits	(\$52,420.00)
Plan Directed Expenses	
State Funding	
Plan Direct Inflows and Outflows Sub-Total	(\$52,420.00)
Allocated Income and Expense	
Interest	\$1,197.44
Dividends	\$253.78
Other Income	(\$6.52)
Net Change Accrued Income	\$493.30
Unrealized Gain/Loss	\$5,294.15
Realized Gain/Loss	\$1,055.81
Defined Contribution Earnings (Net)	
Investment Expenses	(\$507.29)
Direct Expense Allocation	(\$311.76)
Other Expenses	(\$2,690.67)
Allocated Income and Expense Sub-Total	\$4,778.24
Ending Balance	\$170,921.90

## MEMORANDUM

**To:** Affiliated Volunteer Fire Pension Plan Employers  
Sent via email to the Volunteer Fire Plans GASB Contact

**From:** Fire & Police Pension Association

**Re:** Volunteer Fire Pension Plan Annual GASB 68 Report

**Date:** December 2024

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Your volunteer fire pension plan is affiliated with the Fire & Police Pension Association ("FPPA") for the purpose of administering the plan and managing the funds of the plan for investment. This memo will outline the required annual reports provided by FPPA for your volunteer fire pension plan.

Your city/district is required to implement the Governmental Accounting Standards Board Statement No. 68, *Accounting and Financial Reporting for Pensions* ("GASB 68") into your annual financial statements. Information on GASB 68 can be found on FPPA's website at <https://www.fppaco.org/GASB/Overview2.html> or you may contact your auditor.

### **GASB 68 Report**

The ***GASB Statement No. 68 Employer Reporting Accounting Schedules for the Measurement Period Ending December 31, 2023 and Employer Reporting Period Ending December 31, 2024*** for your volunteer fire pension plan is now available to download from the FPPA Employer Portal.

Login to the FPPA Employer Portal and the report will be located under the 'Documents' button and is labeled as **2024 Volunteer GASB 68 Report**. We have also included this memo for download and it is labeled as **2024 Vol GASB 68 Memo**. <https://ep.fppaco.org/ASPENPMVVM/ACCOUNT/wfmLoginE>

This report is used to satisfy the GASB 68 reporting requirements within your December 31, 2024 financial statements/audit.

### **SOC 1 Type 2 Report**

The American Institute of Certified Public Accountants (AICPA) provided guidance to your auditors to ensure the GASB 68 report is accurate and certifiable. The AICPA recommended that FPPA issue a Statement on Standards for Attestation Engagements, Reporting on Controls at a Service Organization (SOC 1 Type 2) report on the allocation of inflows (i.e., contributions, investment income, etc.) and outflows (i.e., benefit payments, administrative expenses, etc.) and on the census data controlled by the plan.

A SOC report is a report on the controls at a service organization. Type 2 is a report on policies and procedures placed in operation, and test the operating effectiveness for a period of time. The purpose of the report is to give you and your auditor a greater level of assurance as to the accounting of your volunteer fire pension plan assets.

The ***SOC 1 Type 2 Report for the Period January 1 through December 31, 2023*** is available to download from the FPPA Employer Portal.

Login to the FPPA Employer Portal and the report will be located under the 'Documents' button and is labeled as ***2024 SOC1 T2 Report***.

<https://ep.fppaco.org/ASPENPMVVM/ACCOUNT/wfmLoginE>

## **Fiduciary Net Position Schedule**

FPPA included a Fiduciary Net Position by Participating Employer schedule as part of the 2023 Annual Report. You can locate this information under the Other Supplementary Schedules within the Financial Section starting on page 85 of the Annual Report. This was opined upon by FPPA's external auditors and both the schedule and opinion can be found in the Annual Report on FPPA's website at:

<https://www.fppaco.org/PDF/annual-reports/2023-Annual-Report-FPPA.pdf>.

## **Implementation**

To assist you in implementing GASB 68 into your financial statements, FPPA has developed the following materials. All documents are located within the "Employers Guide to GASB" section located on FPPA's website at:

<https://www.fppaco.org/GASB/LR2.html>

- 1) Implementation Guide;
- 2) Journal Entry Templates;
- 3) Video Presentations – about how to read the GASB 68 Report.

We recommend that you work with your auditor to discuss any GASB 68 detailed implementation questions since they issue an opinion on your financial statements. Your auditor will be able to assist you as you work through the calculations and journal entries associated with the implementation of GASB 68. If you have general questions regarding the reports located in the FPPA Employer Portal, please contact Peggy Job at [pjob@FPPAco.org](mailto:pjob@FPPAco.org) or 720-479-2345.

**MEMORANDUM**

**To:** Affiliated Volunteer Pension Plan Employers - Long Term Pool  
**From:** Peggy Job, Senior Accountant  
**Re:** Year Ended December 31, 2024  
 Allocation Report, Annual Contributions Received & Direct Expense Allocation Summary  
**Date:** February 14, 2025

**Allocation Report**

**Investment Performance**

Your plan assets are commingled for investment purposes in the Members’ Benefit Investment Fund – Long Term Pool (“Pool”). Returns for the Pool are as follows (returns for periods longer than one year are annualized):

YE 2024	Quarter	Year to Date	1 Year	3 Years	5 Years
Total Pool Net of Investment Expense*	0.19%	10.03%	10.03%	3.70%	7.84%

\*FPPA Administrative Expenses are not included in the Total Pool Net of Investment Expense percentages.

The table below summarizes expenses as a percentage of net assets for the Pool:

Year	FPPA Administrative Expense*	Investment Management Expense	Total Expense Ratio
2024	0.15%	0.75%	0.90%
2023	0.17%	0.83%	1.00%
2022	0.14%	0.80%	0.94%
2021	0.12%	0.81%	0.93%
2020	0.13%	0.79%	0.92%

**How to Calculate Your Plan Specific Expense Ratio**

Your Allocation Report may reflect expenses specific to your plan such as actuarial expense and legal fees as well as expenses you directed FPPA to pay from your plan assets. These expenses are reflected in the line items *Plan Directed Expenses* and *Direct Expense Allocation*. As such, your plan’s administrative expenses may differ from the Pool. In order to calculate your plan’s administrative expense ratio, you will need to add the line items *Plan Directed Expenses*, *Direct Expense Allocation* and *Allocated Fees & Expenses* and divide by the *Ending Balance*.

**Allocation Methodology**

*Investment Expenses* and *Allocated Fees & Expenses* are separately allocated and separately reported in the Allocation Report. The *Investment Expenses* are allocated to each plan based on the plan’s proportion of total assets. The *Allocated Fees & Expenses* are allocated based on the plan’s proportion of total membership, including active, inactive and retired members as of December 31 of the prior year as defined by the guidelines within the Annual Comprehensive Financial Report. Member counts may be adjusted during the year for plan affiliation, disaffiliation, or reentry.

**Review of the Report**

Review the items *Member Contributions*, *Employer Contributions*, *Refunds*, *Affiliations*, *Net Benefits*, *Plan Directed Expenses* and *State Funding* and confirm that these amounts are correct year-to-date. **If any amount is not correct, please send a written response to FPPA by March 31, 2025. If FPPA does not receive a response March 31, 2025, you are confirming that these report items are correct.**

### ***Annual Contributions Received***

FPPA provides a schedule of your 2024 contributions received by FPPA year to date. This schedule compares contributions received in the current year to the actuarial required contributions for 2024. **Please be aware that this report shows contributions based on the date received by FPPA and does not consider if contributions relate to a prior year.**

### ***Direct Expense Allocation Summary***

#### **Direct Expense Allocation**

FPPA provides a summary of expenses directly allocated to your plan, payments received related to these expenses and the related annual budgeted amounts. These costs are identified as direct plan expenses and are charged directly to the plan as a reduction of plan assets. They are reflected in the *Direct Expense Allocation* row of your Allocation Report. You may contact me to request a detailed summary of these allocated expenses.

The direct expense allocation is comprised of costs for audit and actuarial services. The audit services relate to the SOC 1 Type 2 report over the operating effectiveness of FPPA's controls for processing data and transactions related to your plan. The SOC 1 Type 2 report has been provided since 2014 to assist employers in reporting in accordance with Governmental Accounting Standards Board Statement No. 68 (GASB 68), *Accounting and Financial Reporting for Pensions*. Actuarial services include the biennial funding valuation report (issued in odd years for Volunteer Firefighter plans and even years for Old Hire plans) and the annual GASB 68 report. Actuarial services are provided by Gabriel Roeder Smith & Co. Audit services are provided by Eide Bailly LLP.

#### **Payment of Settlor Expenses**

Please discuss these direct plan expenses with your legal counsel to determine if they are a "settlor" expense. The Department of Labor believes that the employer should bear the cost of settlor expenses. If you agree, you should reimburse the plan for these expenses. This payment is in addition to any employer contributions made to the plan or as determined by the actuary (the actuarially determined contribution).

To reimburse the plan for these costs, please send payment via ACH or wire to FPPA. These payments need to be identified separately from your actuarial required contribution in order to net out the expense. Please contact FPPA for ACH or wire Instructions.

If you have any questions regarding your allocation report or the direct allocated plan expenses, please call me at 303-770-3772 in Metro Denver or 800-332-3772 or email me at [pjob@fppaco.org](mailto:pjob@fppaco.org).

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**Allocation Report Descriptions**

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*This report provides the beginning of year plan balance, year-to-date totals, and an ending plan balance as of the report date*

<b>Beginning Balance</b>	Plan assets at the beginning of the year
<b>Plan Direct Inflows and Outflows</b>	
Member Contributions	Member Contributions made to the plan
Employer Contributions	Employer Contributions made to the plan
Contributions from the SWDD Plan	Contributions received for a member on disability rolling to a normal retirement
Refunds	Member withdrawal of funds from the plan
Affiliations/(Disaffiliations)	Plan affiliation or disaffiliation or idle funds distribution (typically a Volunteer Fire Plan matter)
Net Benefits	Benefits paid to retired members
Plan Directed Expenses	Payments from plan assets directed by the department Examples: legal, actuarial, and insurance expense
State Funding	State funding for volunteer plans
<b>Plan Direct Inflows and Outflows Sub-Total</b>	Sub-Total of the above activity
<b>Allocated Income and Expense</b>	
Interest*	Interest on investments
Dividends*	Dividends on investments
Other Income*	Other investment income
Net Change Accrued Income*	Change in accrued earnings for interest and dividends
Unrealized Gain/Loss*	Unrealized Gain/Loss on investments
Realized Gain/Loss*	Realized Gain/Loss on investments
Defined Contribution Earnings (Net)	Not applicable for Defined Benefit plans
Investment Expenses	Allocated share of FPPA investment expense
Direct Expense Allocation	Expenses directly allocated to the plan Examples: actuarial and audit fees
Other Expenses	Allocated share of FPPA administrative expense
<b>Allocated Income and Expense Sub-Total</b>	Sub-Total of the above activity
<b>Ending Balance</b>	Plan assets at period end

*\* Allocated from the Fire & Police Members' Benefit Investment Fund – Long Term Pool.*

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**Fire and Police Pension Association  
South Metro Fire Rescue Volunteers 540-5  
For the Twelve Months Ending December 31, 2024**

Beginning Balance	\$239,444.64
Plan Direct Inflows and Outflows	
Member Contributions	
Employer Contributions	\$41,127.00
Contributions from the SWDD Plan	
Refunds	
Affiliations/(Disaffiliations)	
Plan Transfers	
Net Benefits	(\$64,440.00)
Plan Directed Expenses	
State Funding	
Plan Direct Inflows and Outflows Sub-Total	<u>(\$23,313.00)</u>
Allocated Income and Expense	
Interest	\$1,474.31
Dividends	\$1,067.12
Other Income	\$497.21
Net Change Accrued Income	(\$35.72)
Unrealized Gain/Loss	\$9,645.91
Realized Gain/Loss	\$8,789.58
Defined Contribution Earnings (Net)	
Investment Expenses	(\$1,640.81)
Direct Expense Allocation	(\$510.98)
Other Expenses	(\$3,752.45)
Allocated Income and Expense Sub-Total	<u>\$15,534.17</u>
Ending Balance	<u><u>\$231,665.81</u></u>

# Fire and Police Pension Association

## Volunteer Fire Pension Plan Contributions SOUTH METRO FIRE RESCUE FPD 540-5

For the Reporting Period: 01/01/2024 through 12/31/2024

<b>Deposit Date</b>	<b>Employer Contributions</b>	<b>State Matching Funds</b>	<b>Total Remittance</b>
12/13/2024	\$41,127.00	\$0.00	\$41,127.00
<b>Total Remittance</b>			\$41,127.00
<b>Calculated Contribution per the 01/01/2023 Actuarial Study</b>			\$43,067.00
<b>Difference Over/(Under)</b>			<b>\$(1,940.00)</b>

*Note: The Calculated Contribution amount is due to FPPA before 12/31/2024*

**Fire and Police Pension Association  
 Direct Expense Allocation Summary  
 South Metro Fire Rescue Volunteers 540-5  
 For the Twelve Months Ending December 31, 2024**

<b>Type of Expense</b>	<b>2024 Budget</b>	<b>Year-to-Date Expenses</b>	<b>Payment of 2024 Expenses</b>
Actuarial Expenses	\$341.52	\$341.52	
Audit Expenses	\$169.46	\$169.46	
Other Asset Allocation Study Expenses			
<b>Total Direct Allocated Expenses &amp; Payments</b>	<b>\$510.98</b>	<b>\$510.98</b>	

*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.**

**MEMORANDUM**

**To:** Affiliated FPPA Old Hire Pension Plan and Affiliated Volunteer Pension Plan Employers-Short Term Pool  
**From:** Peggy Job, Senior Accountant  
**Re:** Three months ending March 31, 2025  
 Allocation Report, Annual Contributions Received & Direct Expense Allocation Summary  
**Date:** April 17, 2025

**Allocation Report**

**Investment Pool**

Your plan assets are commingled for investment purposes in the Members’ Benefit Investment Fund – Short-Term (“Pool”).

**Investment Performance**

Returns for the Pool are as follows:

Q1-2025	Quarter	Year to Date	1 Year	3 Years	5 Years
Total Pool Net of Investment Expense*	1.94%	1.94%	5.80%	1.91%	2.02%

\*FPPA Administrative Expenses are not included in the Total Pool Net of Investment Expense percentages.

The table below summarizes expenses as a percentage of net assets for the Pool as of December 31. For 2019, the expenses are summarized as a blended percentage of net assets for the Members’ Benefit Investment Fund through June 30, 2019 and the Pool effective July 1, 2019 through December 31, 2019:

Year	FPPA Administrative Expense*	Investment Management Expense	Total Expense Ratio
Q1-2025	0.07%	0.15%	0.22%
2024	0.16%	0.45%	0.61%
2023	0.18%	0.40%	0.58%
2022	0.16%	0.34%	0.51%
2021	0.13%	0.52%	0.65%
2020	0.12%	0.30%	0.42%

**How to Calculate Your Plan Specific Expense Ratio**

Your Allocation Report may reflect expenses specific to your plan such as actuarial expense and legal fees as well as expenses you directed FPPA to pay from your plan assets. These expenses are reflected in the line items *Plan Directed Expenses* and *Direct Expense Allocation*. As such, your plan’s administrative expenses may differ from the Pool. In order to calculate your plan’s administrative expense ratio, you will need to add the line items *Plan Directed Expenses*, *Direct Expense Allocation* and *Allocated Fees & Expenses* and divide by the *Ending Balance*.

**Allocation Methodology**

*Investment Expenses* and *Allocated Fees & Expenses* are separately allocated and separately reported in the Allocation Report. The *Investment Expenses* are allocated to each plan based on the plan’s proportion of total assets. The *Allocated Fees & Expenses* are allocated based on the plan’s proportion of total membership, including active, inactive and retired members as of December 31 of the prior year as defined by the guidelines within the Annual Comprehensive Financial Report. Member counts may be adjusted during the year for plan affiliation, disaffiliation, or reentry.

### **Review of the Report**

Review the items *Member Contributions, Employer Contributions, Refunds, Affiliations, Net Benefits, Plan Directed Expenses and State Funding* and confirm that these amounts are correct year-to-date. **If any amount is not correct, please send a written response to FPPA by May 31, 2025. If FPPA does not receive a response May 31, 2025 you are confirming that these report items are correct.**

### ***Annual Contributions Received***

FPPA provides a schedule of your 2025 contributions received by FPPA year to date. This schedule compares contributions received in the current year to the actuarial required contributions for 2025. **Please be aware that this report shows contributions based on the date received by FPPA and does not consider if contributions relate to a prior year.** All required contributions were due to FPPA before December 31, 2025 to be included in this report.

### ***Direct Expense Allocation Summary***

#### **Direct Expense Allocation**

FPPA provides a summary of expenses directly allocated to your plan, payments received related to these expenses and the related annual budgeted amounts. These costs are identified as direct plan expenses and are charged directly to the plan as a reduction of plan assets. They are reflected in the *Direct Expense Allocation* row of your Allocation Report. You may contact me to request a detailed summary of these allocated expenses.

The direct expense allocation is comprised of costs for audit and actuarial services. The audit services relate to the SOC 1 Type 2 report over the operating effectiveness of FPPA's controls for processing data and transactions related to your plan. The SOC 1 Type 2 report has been provided since 2014 to assist employers in reporting in accordance with Governmental Accounting Standards Board Statement No. 68 (GASB 68), *Accounting and Financial Reporting for Pensions*. Actuarial services include the biennial funding valuation report (issued in odd years for Volunteer Firefighter plans and even years for Old Hire plans) and the annual GASB 68 report. Actuarial services are provided by Gabriel Roeder Smith & Co. Audit services are provided by Eide Bailly LLP.

The Colorado Revised Statutes allow FPPA to allocate expenses that are directly related to the administration of the local affiliated plans from those plan's assets. For additional information, please see C.R.S. 31-31-701(7)(a)(VI).

#### **Payment of Settlor Expenses**

Please discuss these direct plan expenses with your legal counsel to determine if they are a "settlor" expense. The Department of Labor believes that the employer should bear the cost of settlor expenses. If you agree, you should reimburse the plan for these expenses. This payment is in addition to any employer contributions made to the plan or as determined by the actuary (the actuarially determined contribution).

To reimburse the plan for these costs, please send payment via ACH or wire to FPPA. These payments need to be identified separately from your actuarial required contribution in order to net out the expense. Please contact FPPA for ACH or wire Instructions.

If you have any questions regarding your allocation report or the direct allocated plan expenses, please call me at 303-770-3772 in Metro Denver or 800-332-3772 or email me at [pjob@fppaco.org](mailto:pjob@fppaco.org).

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**Allocation Report Descriptions**

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*This report provides the beginning of year plan balance, year-to-date totals, and an ending plan balance as of the report date*

<b>Beginning Balance</b>	Plan assets at the beginning of the year
<b>Plan Direct Inflows and Outflows</b>	
Member Contributions	Member Contributions made to the plan
Employer Contributions	Employer Contributions made to the plan
Contributions from the SWDD Plan	Contributions received for a member on disability rolling to a normal retirement
Refunds	Member withdrawal of funds from the plan
Affiliations	Plan affiliation or disaffiliation or idle funds distributions (typically a Volunteer Fire Plan matter)
Net Benefits	Benefits paid to retired members
Plan Directed Expenses	Payments from plan assets directed by the department Examples: legal, actuarial, and insurance expense
State Funding	State funding for volunteer plans
<b>Plan Direct Inflows and Outflows Sub-Total</b>	Sub-Total of the above activity
<b>Allocated Income and Expense</b>	
Interest*	Interest on investments
Dividends*	Dividends on investments
Other Income*	Other investment income
Net Change Accrued Income*	Change in accrued earnings for interest and dividends
Unrealized Gain/Loss*	Unrealized Gain/Loss on investments
Realized Gain/Loss*	Realized Gain/Loss on investments
Defined Contribution Earnings (Net)	Not applicable for Defined Benefit plans
Investment Expenses	Allocated share of FPPA investment expense
Direct Expense Allocation	Expenses directly allocated to the plan Examples: actuarial and audit fees
Other Expenses	Allocated share of FPPA administrative expense
<b>Allocated Income and Expense Sub-Total</b>	Sub-Total of the above activity
<b>Ending Balance</b>	Plan assets at period end

\* Allocated from the Fire & Police Members' Benefit Investment Fund – Short-Term Pool

**Fire and Police Pension Association  
Cherry Hills FPD Old Hire Plan 505-4  
For the Three Months Ending March 31, 2025**

Beginning Balance	\$2,039,713.31
<b>Plan Direct Inflows and Outflows</b>	
Member Contributions	
Employer Contributions	
Contributions from the SWDD Plan	
Refunds	
Affiliations/(Disaffiliations)	
Plan Transfers	
Net Benefits	(\$82,002.03)
Plan Directed Expenses	
State Funding	
Plan Direct Inflows and Outflows Sub-Total	(\$82,002.03)
<b>Allocated Income and Expense</b>	
Interest	\$15,242.96
Dividends	\$740.08
Other Income	\$238.50
Net Change Accrued Income	\$271.61
Unrealized Gain/Loss	\$7,881.28
Realized Gain/Loss	\$14,126.65
Defined Contribution Earnings (Net)	
Investment Expenses	(\$3,117.25)
Direct Expense Allocation	(\$296.72)
Other Expenses	(\$722.23)
Allocated Income and Expense Sub-Total	\$34,364.88
Ending Balance	\$1,992,076.16

**FIRE AND POLICE PENSION ASSOCIATION  
OLD HIRE CONTRIBUTION SUMMARY  
0348\_CHERRY HILLS FPD  
3/31/2025**

Contribution Amounts Received:	
January	\$0.00
February	0.00
March	0.00
April	0.00
May	0.00
June	0.00
July	0.00
August	0.00
September	0.00
October	0.00
November	0.00
December	0.00
<b>Total Contributions Paid</b>	<b>\$0.00</b>

**Required Contribution per 1/1/2024 actuarial valuation/implemented supplemental study:** \$216,735.00

**Difference Over (Under) between Required Amount and Receipts:** (\$216,735.00)

**The Annual Required Contribution Amount must be received and posted by 12/31/2025**

**Fire and Police Pension Association  
 Direct Expense Allocation Summary  
 Cherry Hills FPD Old Hire Plan 505-4  
 For the Three Months Ending March 31, 2025**

<b>Type of Expense</b>	<b>2025 Budget</b>	<b>Year-to-Date Expenses</b>	<b>Payment of 2025 Expenses</b>
Actuarial Expenses	\$693.72	\$115.62	
Audit Expenses	\$168.40	\$181.10	
Other Asset Allocation Study Expenses			
<b>Total Direct Allocated Expenses &amp; Payments</b>	<b>\$862.12</b>	<b>\$296.72</b>	

*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.**

**MEMORANDUM**

**To:** Affiliated Volunteer Pension Plan Employers- Long Term Pool  
**From:** Peggy Job, Senior Accountant  
**Re:** Three months ending March 31, 2025  
 Allocation Report, Annual Contributions Received & Direct Expense Allocation Summary  
**Date:** April 17, 2025

**Allocation Report**

**Investment Performance**

Your plan assets are commingled for investment purposes in the Members’ Benefit Investment Fund – Long Term Pool (“Pool”). Returns for the Pool are as follows (returns for periods longer than one year are annualized):

Q1-2025	Quarter	Year to Date	1 Year	3 Years	5 Years
Total Pool Net of Investment Expense*	0.50%	0.50%	6.52%	5.31%	10.00%

\*FPPA Administrative Expenses are not included in the Total Pool Net of Investment Expense percentages.

The table below summarizes expenses as a percentage of net assets for the Pool:

Year	FPPA Administrative Expense*	Investment Management Expense	Total Expense Ratio
Q1-2025	0.04%	0.14%	0.18%
2024	0.15%	0.75%	0.90%
2023	0.17%	0.83%	1.00%
2022	0.14%	0.80%	0.94%
2021	0.12%	0.81%	0.93%
2020	0.13%	0.79%	0.92%

**How to Calculate Your Plan Specific Expense Ratio**

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**Allocation Methodology**

*Investment Expenses* and *Allocated Fees & Expenses* are separately allocated and separately reported in the Allocation Report. The *Investment Expenses* are allocated to each plan based on the plan’s proportion of total assets. The *Allocated Fees & Expenses* are allocated based on the plan’s proportion of total membership, including active, inactive and retired members as of December 31 of the prior year as defined by the guidelines within the Annual Comprehensive Financial Report. Member counts may be adjusted during the year for plan affiliation, disaffiliation, or reentry.

**Review of the Report**

Review the items *Member Contributions*, *Employer Contributions*, *Refunds*, *Affiliations*, *Net Benefits*, *Plan Directed Expenses* and *State Funding* and confirm that these amounts are correct year-to-date. **If any amount is not correct, please send a written response to FPPA by May 31, 2025. If FPPA does not receive a response May 31, 2025, you are confirming that these report items are correct.**

### ***Annual Contributions Received***

FPPA provides a schedule of your 2025 contributions received by FPPA year to date. This schedule compares contributions received in the current year to the actuarial required contributions for 2025. **Please be aware that this report shows contributions based on the date received by FPPA and does not consider if contributions relate to a prior year.**

### ***Direct Expense Allocation Summary***

#### **Direct Expense Allocation**

FPPA provides a summary of expenses directly allocated to your plan, payments received related to these expenses and the related annual budgeted amounts. These costs are identified as direct plan expenses and are charged directly to the plan as a reduction of plan assets. They are reflected in the *Direct Expense Allocation* row of your Allocation Report. You may contact me to request a detailed summary of these allocated expenses.

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If you have any questions regarding your allocation report or the direct allocated plan expenses, please call me at 303-770-3772 in Metro Denver or 800-332-3772 or email me at [pjob@fppaco.org](mailto:pjob@fppaco.org).

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**Allocation Report Descriptions**

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*This report provides the beginning of year plan balance, year-to-date totals, and an ending plan balance as of the report date*

<p><b>Beginning Balance</b></p> <p><b>Plan Direct Inflows and Outflows</b></p> <p>Member Contributions</p> <p>Employer Contributions</p> <p>Contributions from the SWDD Plan</p> <p>Refunds</p> <p>Affiliations/(Disaffiliations)</p> <p>Net Benefits</p> <p>Plan Directed Expenses</p> <p>State Funding</p> <p><b>Plan Direct Inflows and Outflows Sub-Total</b></p> <p><b>Allocated Income and Expense</b></p> <p>Interest*</p> <p>Dividends*</p> <p>Other Income*</p> <p>Net Change Accrued Income*</p> <p>Unrealized Gain/Loss*</p> <p>Realized Gain/Loss*</p> <p>Defined Contribution Earnings (Net)</p> <p>Investment Expenses</p> <p>Direct Expense Allocation</p> <p>Other Expenses</p> <p><b>Allocated Income and Expense Sub-Total</b></p> <p><b>Ending Balance</b></p>	<p>Plan assets at the beginning of the year</p> <p>Member Contributions made to the plan</p> <p>Employer Contributions made to the plan</p> <p>Contributions received for a member on disability rolling to a normal retirement</p> <p>Member withdrawal of funds from the plan</p> <p>Plan affiliation or disaffiliation or idle funds distribution (typically a Volunteer Fire Plan matter)</p> <p>Benefits paid to retired members</p> <p>Payments from plan assets directed by the department Examples: legal, actuarial, and insurance expense</p> <p>State funding for volunteer plans</p> <p>Sub-Total of the above activity</p> <p>Interest on investments</p> <p>Dividends on investments</p> <p>Other investment income</p> <p>Change in accrued earnings for interest and dividends</p> <p>Unrealized Gain/Loss on investments</p> <p>Realized Gain/Loss on investments</p> <p>Not applicable for Defined Benefit plans</p> <p>Allocated share of FPPA investment expense</p> <p>Expenses directly allocated to the plan Examples: actuarial and audit fees</p> <p>Allocated share of FPPA administrative expense</p> <p>Sub-Total of the above activity</p> <p>Plan assets at period end</p>
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*\* Allocated from the Fire & Police Members' Benefit Investment Fund – Long Term Pool.*

**Fire and Police Pension Association  
South Metro Fire Rescue Volunteers 540-5  
For the Three Months Ending March 31, 2025**

Beginning Balance	\$231,665.81
Plan Direct Inflows and Outflows	
Member Contributions	
Employer Contributions	
Contributions from the SWDD Plan	
Refunds	
Affiliations/(Disaffiliations)	
Plan Transfers	
Net Benefits	(\$15,630.00)
Plan Directed Expenses	
State Funding	
Plan Direct Inflows and Outflows Sub-Total	(\$15,630.00)
Allocated Income and Expense	
Interest	\$405.10
Dividends	\$208.98
Other Income	\$217.68
Net Change Accrued Income	\$61.31
Unrealized Gain/Loss	(\$5,267.13)
Realized Gain/Loss	\$5,844.65
Defined Contribution Earnings (Net)	
Investment Expenses	(\$317.61)
Direct Expense Allocation	(\$394.74)
Other Expenses	(\$993.08)
Allocated Income and Expense Sub-Total	(\$234.84)
Ending Balance	\$215,800.97

# Fire and Police Pension Association

## Volunteer Fire Pension Plan Contributions SOUTH METRO FIRE RESCUE FPD 540-5

For the Reporting Period: 01/01/2025 through 03/31/2025

Deposit Date	Employer Contributions	State Matching Funds	Total Remittance
No deposits received for the reporting period			

Total Remittance	\$0.00
Calculated Contribution per the 01/01/2023 Actuarial Study	\$43,067.00
Difference Over/(Under)	\$(43,067.00)

*Note: The Calculated Contribution amount is due to FPPA before 12/31/2025*

**Fire and Police Pension Association  
 Direct Expense Allocation Summary  
 South Metro Fire Rescue Volunteers 540-5  
 For the Three Months Ending March 31, 2025**

<b>Type of Expense</b>	<b>2025 Budget</b>	<b>Year-to-Date Expenses</b>	<b>Payment of 2025 Expenses</b>
Actuarial Expenses	\$1,511.88	\$213.60	
Audit Expenses	\$168.40	\$181.14	
Other Asset Allocation Study Expenses			
<b>Total Direct Allocated Expenses &amp; Payments</b>	<b>\$1,680.28</b>	<b>\$394.74</b>	

*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.**

**MEMORANDUM**

**To:** Affiliated FPPA Old Hire Pension Plan and Affiliated Volunteer Pension Plan Employers-Short Term Pool  
**From:** Peggy Job, Senior Accountant  
**Re:** Three months ending March 31, 2025  
 Allocation Report, Annual Contributions Received & Direct Expense Allocation Summary  
**Date:** April 17, 2025

**Allocation Report**

**Investment Pool**

Your plan assets are commingled for investment purposes in the Members’ Benefit Investment Fund – Short-Term (“Pool”).

**Investment Performance**

Returns for the Pool are as follows:

Q1-2025	Quarter	Year to Date	1 Year	3 Years	5 Years
Total Pool Net of Investment Expense*	1.94%	1.94%	5.80%	1.91%	2.02%

\*FPPA Administrative Expenses are not included in the Total Pool Net of Investment Expense percentages.

The table below summarizes expenses as a percentage of net assets for the Pool as of December 31. For 2019, the expenses are summarized as a blended percentage of net assets for the Members’ Benefit Investment Fund through June 30, 2019 and the Pool effective July 1, 2019 through December 31, 2019:

Year	FPPA Administrative Expense*	Investment Management Expense	Total Expense Ratio
Q1-2025	0.07%	0.15%	0.22%
2024	0.16%	0.45%	0.61%
2023	0.18%	0.40%	0.58%
2022	0.16%	0.34%	0.51%
2021	0.13%	0.52%	0.65%
2020	0.12%	0.30%	0.42%

**How to Calculate Your Plan Specific Expense Ratio**

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**Allocation Methodology**

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### **Review of the Report**

Review the items *Member Contributions, Employer Contributions, Refunds, Affiliations, Net Benefits, Plan Directed Expenses and State Funding* and confirm that these amounts are correct year-to-date. **If any amount is not correct, please send a written response to FPPA by May 31, 2025. If FPPA does not receive a response May 31, 2025 you are confirming that these report items are correct.**

### ***Annual Contributions Received***

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### ***Direct Expense Allocation Summary***

#### **Direct Expense Allocation**

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**Allocation Report Descriptions**

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*This report provides the beginning of year plan balance, year-to-date totals, and an ending plan balance as of the report date*

<p><b>Beginning Balance</b></p> <p><b>Plan Direct Inflows and Outflows</b></p> <p>Member Contributions</p> <p>Employer Contributions</p> <p>Contributions from the SWDD Plan</p> <p>Refunds</p> <p>Affiliations</p> <p>Net Benefits</p> <p>Plan Directed Expenses</p> <p>State Funding</p> <p><b>Plan Direct Inflows and Outflows Sub-Total</b></p> <p><b>Allocated Income and Expense</b></p> <p>Interest*</p> <p>Dividends*</p> <p>Other Income*</p> <p>Net Change Accrued Income*</p> <p>Unrealized Gain/Loss*</p> <p>Realized Gain/Loss*</p> <p>Defined Contribution Earnings (Net)</p> <p>Investment Expenses</p> <p>Direct Expense Allocation</p> <p>Other Expenses</p> <p><b>Allocated Income and Expense Sub-Total</b></p> <p><b>Ending Balance</b></p>	<p>Plan assets at the beginning of the year</p> <p>Member Contributions made to the plan</p> <p>Employer Contributions made to the plan</p> <p>Contributions received for a member on disability rolling to a normal retirement</p> <p>Member withdrawal of funds from the plan</p> <p>Plan affiliation or disaffiliation or idle funds distributions (typically a Volunteer Fire Plan matter)</p> <p>Benefits paid to retired members</p> <p>Payments from plan assets directed by the department Examples: legal, actuarial, and insurance expense</p> <p>State funding for volunteer plans</p> <p>Sub-Total of the above activity</p> <p>Interest on investments</p> <p>Dividends on investments</p> <p>Other investment income</p> <p>Change in accrued earnings for interest and dividends</p> <p>Unrealized Gain/Loss on investments</p> <p>Realized Gain/Loss on investments</p> <p>Not applicable for Defined Benefit plans</p> <p>Allocated share of FPPA investment expense</p> <p>Expenses directly allocated to the plan Examples: actuarial and audit fees</p> <p>Allocated share of FPPA administrative expense</p> <p>Sub-Total of the above activity</p> <p>Plan assets at period end</p>
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\* Allocated from the Fire & Police Members' Benefit Investment Fund – Short-Term Pool

**Fire and Police Pension Association  
Parker FPD Volunteers 591-5  
For the Three Months Ending March 31, 2025**

Beginning Balance	\$206,784.30
Plan Direct Inflows and Outflows	
Member Contributions	
Employer Contributions	
Contributions from the SWDD Plan	
Refunds	
Affiliations/(Disaffiliations)	
Plan Transfers	
Net Benefits	(\$25,980.00)
Plan Directed Expenses	
State Funding	
Plan Direct Inflows and Outflows Sub-Total	<u>(\$25,980.00)</u>
Allocated Income and Expense	
Interest	\$1,451.21
Dividends	\$69.67
Other Income	\$22.60
Net Change Accrued Income	\$24.67
Unrealized Gain/Loss	\$782.77
Realized Gain/Loss	\$1,393.30
Defined Contribution Earnings (Net)	
Investment Expenses	(\$293.82)
Direct Expense Allocation	(\$394.74)
Other Expenses	(\$1,534.75)
Allocated Income and Expense Sub-Total	<u>\$1,520.91</u>
Ending Balance	<u><u>\$182,325.21</u></u>

# Fire and Police Pension Association

Volunteer Fire Pension Plan Contributions  
PARKER FPD => SOUTH METRO FIRE RESCUE 591-5

For the Reporting Period: 01/01/2025 through 03/31/2025

Deposit Date	Employer Contributions	State Matching Funds	Total Remittance
No deposits received for the reporting period			

Total Remittance			\$0.00
Calculated Contribution per the 01/01/2023 Actuarial Study			\$87,599.00
Difference Over/(Under)			\$(87,599.00)

*Note: The Calculated Contribution amount is due to FPPA before 12/31/2025*

**Fire and Police Pension Association  
 Direct Expense Allocation Summary  
 Parker FPD Volunteers 591-5  
 For the Three Months Ending March 31, 2025**

<b>Type of Expense</b>	<b>2025 Budget</b>	<b>Year-to-Date Expenses</b>	<b>Payment of 2025 Expenses</b>
Actuarial Expenses	\$1,261.92	\$213.60	
Audit Expenses	\$168.40	\$181.14	
Other Asset Allocation Study Expenses			
<b>Total Direct Allocated Expenses &amp; Payments</b>	<b>\$1,430.32</b>	<b>\$394.74</b>	

*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.**

# BOARD OF DIRECTORS AGENDA ITEM STAFF REPORT



**Meeting Date:** 5/5/2025

**Agenda Item Type:** Action Item

**Agenda Item:** 2025 SMFR Volunteer Pension Board of Trustees  
Election Schedule

**Submitted By:** Chief Dell'Orfano

**Approved:** Chief Curtis

## **SUMMARY:**

According to the bylaws, the Board of Trustees is composed of the SMFR District board and two "Member Trustees". The Member Trustees serve staggered, two-year terms and each year one of the two positions is up for election. The bylaws outline the methodology for the election process, but the board needs to approve the schedule and details of receiving nominations and conducting the mail ballot election. For 2025, Jack Gilliland's position is up for election and staff proposes to follow the same process as 2024 with the schedule that is attached to this agenda item.

## **BACKGROUND:**

Click or tap here to enter text.

## **FINANCIAL IMPACT:**

Click or tap here to enter text.

## **STRATEGIC INITIATIVE:**

Click or tap here to enter text.

## **RECOMMENDED ACTION/MOTION:**

Staff recommends approval of the process and schedule.

## **ALTERNATIVE OPTIONS:**

Click or tap here to enter text.

## **ATTACHMENTS:**

<b>Date</b>	<b>Process</b>
May 5, 2025	Board approval of process for election of 2025 seat (Jack Gilliland)
May 30, 2025	Send notice announcing election and accepting nominations for board members
June 13, 2025	Nominations due by mail, e-mail, or phone
July 7, 2025	Send ballots for election
July 25, 2025	ballots due by mail or e-mail
August 4, 2025	Volunteer Pension Board Meeting; successful board member sworn in