

EL PASO COUNTY
BOARD OF RETIREMENT

EL PASO COUNTY RETIREMENT PLAN
2880 INTERNATIONAL CIR., SUITE N030
COLORADO SPRINGS, CO 80910
TELEPHONE (719) 520-7490
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CHRIS LONG, CHAIR
MIKE VARNET, VICE CHAIR
RAY BERNIER
MARK LOWDERMAN
RYAN CHACON
NIKKI SIMMONS
VICTORIA BENNETT

Minutes

Retirement Board Meeting
Monday July 26 – 8:30 AM
RDC Hearing Room
2880 International Circle
Colorado Springs, CO 80910

Members Present: Chris Long Mark Lowderman, Ray Bernier, Mike Varnet, Ryan Chacon

Members Absent: None

Associate Members Present: Nikki Simmons, Victoria Bennett

Associate Members Absent: None

Call to Order 8:39 a.m.

1. Public Comment

NO PUBLIC COMMENTS

2. Executive Director's Report

UNOFFICIAL FUNDING RATIO 69%

THE OFFICE HAS DIGITIZED OLD DOCUMENTS AND IS WORKING ON CREATING E-DOCUMENTS FOR FORMS THAT MEMBERS COMPLETE.

REVIEW OF PLAN FINANCIALS HAS BEGUN TO ENSURE DUE DILIGENCE.

CYBER SECURITY INSURANCE IS NOW REQUIRING MFA AND WILL ONLY COVER US FOR AN ADDITIONAL 2 MONTHS, UNTIL THE END OF SEPTEMBER, UNLESS WE GET MFA. WE HAVE CONTACTED COUNTY IT SECURITY AND HAVE BEEN INFORMED IMPLEMENTING MFA IS IN PROGRESS FOR THE COUNTY AS A WHOLE.

3. Master Plan Document review

THE PLAN DOCUMENT HAD GONE THROUGH CHANGES OVER THE YEARS AND TO OUR KNOWLEDGE HAS NOT BEEN REVIEWED IN ITS ENTIRETY SINCE ITS INCEPTION IN 1967. OUR REVIEW WAS EXTREMELY DETAILED TO ENSURE CLARITY AND REMOVE ALL POSSIBLE AMBIGUITY THAT COMES FROM AN OLD LIVING DOCUMENT. MOST "CHANGES" WERE MINOR, CLERICAL, CLARIFICATIONS THAT DO NOT IMPACT THE ECONOMICS OF THE PLAN OR THE MEMBERS. SOME WERE OPERATIONALLY NEEDED CHANGES THAT MAY IMPACT MEMBERS MORE DIRECTLY BUT ARE STRONGLY RECOMMENDED. THESE CHANGES ARE:

"Financial Security for the Golden Years"

- a) Service Purchases:
 - i. Service purchases priced using actuarial assumptions in latest Actuarial Valuation Report
 - ii. Eliminate option to buy service on credit with installment payments
- b) Disability Retirement: benefit payments to commence at Normal Social Security Retirement Age
- c) Beneficiary Designations: drop requirement that these forms need notarization or witnesses
- d) Termination of Non-Vested Members: interest accrual on undistributed funds ends after 90 days
- e) Miscellaneous: a new article that generally adds language to the Plan regarding interpretive principles. Among other things, authorizes Plan to eventually stop searching for missing members & beneficiaries after following IRS guidance regarding reasonable actions to be taken, at which point funds are forfeited.

THE OFFICE IS AVAILABLE TO HELP BOARD MEMBERS REVIEW ANY AND ALL OF THESE RECOMMENDED CHANGES, SHOULD THEY NEED IT. THESE CHANGES CAN BE VOTED ON NEXT BOARD MEETING.

4. Discussion of possible Plan Changes

THESE CHANGES ARE NOT AS CLEAR CUT AND REQUIRE MORE BOARD DISCUSSION AS THEY ARE MORE MATERIAL.

- a) Disability Retirement requiring a Member be Vested
 CURRENTLY DISABILITY BENEFIT PENSION BENEFIT CAN BEGIN AS SOON AS A MEMBER BEGINS WITH THE COUNTY, HOWEVER SHOULD VESTING BE REQUIRED FOR MEMBERS TO RECEIVE THIS BENEFIT INSTEAD?
 A POSSIBILITY WOULD BE TO DIFFERENTIATE BETWEEN WORK RELATED AND NON-WORKRELATED DISABILITY RETIREMENTS.
 MORE INFORMATION IS NEEDED FOR FURTHER DISCUSSION AT THE NEXT MEETING.

- b) Expanding Service Purchases
 CURRENTLY, OUR PLAN ONLY ALLOWS FOR NON-QUALIFIED SERVICE TO BE PURCHASED, BUT NO AIRTIME. OTHER PENSIONS, SUCH AS COPERA, ALLOW QUALIFIED SERVICE AND AIRTIME.
 THE BOARD WAS IN AGREEMENT THAT AIRTIME WOULD BE SOMETHING THEY WOULD LIKE AVAILABLE FOR MEMBERS TO PURCHASE.
 NIKKI SIMMONS STATED IN THE PERSPECTIVE OF TREATING MEMBERS THE SAME, IF AIRTIME PURCHASES IS ALLOWED, ADDING QUALIFIED SERVICE ON TOP OF THAT WOULD THEN CREATE A NEW INEQUITY FOR SOME MEMBERS.
 THE BOARD WAS IN AGREEMENT THAT QUALIFIED SERVICE PURCHASES WOULD NOT BE NECESSARY.
 CURRENTLY, THE PLAN REQUIRES VESTING FOR PURCHASING SERVICE.
 THE BOARD WAS IN AGREEMENT TO REDUCE THE REQUIRED TIME NEEDED TO PURCHASE TO 5 YEARS, PROVIDED THE MEMBER BUYS INTO VESTING.
 A RESOLUTION WILL BE DRAFTED FOR THESE CHANGES.

5. Chairman's Report

THERE WILL BE RESEARCH DONE ON THE RULES REGARDING ASSOCIATE BOARD MEMBERS AND THE LIMITS TO THEM. THIS IS TO TRY TO PROVIDE A LIASON AND REPRESENTATION FOR EACH EMPLOYER ON THE BOARD THROUGH THESE ASSOCIATE MEMBERS.

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6. Board Packet - Ratification by Consent **ACTION ITEMS**

- a) Ratification of the May 17, 2021 Board Meeting Minutes.
- b) Approval of Termination Refunds, New Retirees, and Purchases of Service
- c) Approval of Cash Disbursements for April, May, and June 2021.
- d) Approval of Financial Statements for April, May, and June 2021.

MIKE VARNET NOTED A TYPO IN THE MEETING MINUTES THAT WILL BE CORRECTED.
MIKE VARNET MOVED TO APPROVE THE AGENDA PACKET. RAY BERNIER SECONDED THE
MOTION. THE MOTION CARRIED 5 - 0. THE AGENDA PACKET ITEMS ARE APPROVED.

7. New Business

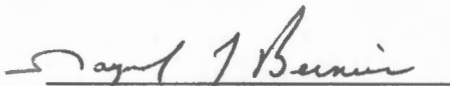
NO NEW BUSINESS

8. Next Meeting

THE NEXT BOARD MEETING WILL BE HELD AUGUST 23 AT 8:00 A.M.

9. Adjournment

MEETING AJOURNED AT 10:08 A.M.


Ray Bernier, Secretary


Christopher Del Valle, Recording Secretary

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