

**REGULAR MEETING  
BOARD OF TRUSTEES  
ARVADA FPD VOLUNTEER FIREFIGHTER PENSION FUND  
7903 Allison Way, Arvada, Colorado  
January 24, 2011**

President Dormish called the January 24, 2011 Pension Board meeting to order at 7:12 p.m.

**ATTENDANCE**

**Board members present:**

Stefon Dormish, President  
Mike Kerr, Vice-President  
Jim Snyder, Secretary  
Ted Terranova, Treasurer  
Matt Kramer, Assistant Secretary-Treasurer  
Chris Ambrosio, Trustee

**Board members absent:**

Doug Schneider, Trustee (excused)

**Also present:**

Fire Chief Jon Greer  
Deputy Chief Mike Piper  
Dino Ross, District Legal Counsel

**ADDITIONS OR DELETIONS TO AGENDA**

None.

**PUBLIC COMMENT**

None.

**APPROVAL OF MINUTES**

Assistant Secretary-Treasurer Kramer moved to approve the minutes of the November 16, 2010 Pension Board meeting as presented. Vice-President Kerr seconded. The motion passed unanimously.

**FINANCE REPORT**

**Approval of Bills**

Secretary Snyder made a motion to pay the bills for November and December 2010. Treasurer Terranova seconded. The motion passed unanimously.

**1<sup>st</sup> National Bank**

Christy Hofer

Ms Hofer reported that the current 190 pensioners receive monthly disbursements of \$83,850.72 each month.

Ms. Hofer presented a breakdown of the pension fund investments as of December 31. The balance of the fund was \$12,999,689 with 3.3% in cash, 21.7% held in equity and the remainder in

fixed assets. Withdrawals for 2010 were in excess of \$1,000,000 but the fund was still ahead at the end of the year with gains of \$224,706.

Total returns for 2010 were 8.9%. The fund is up a total of 6.7% since inception. The cash portion is earning only .07%. Fixed income performed very well through the year. The increase in interest pulled it down, but totals were still at 6.29%. Equity returns were at 19.52%. The S&P 500 was at 15.06%.

Managers are very pleased with the performance of the portfolio, however; the worst fixed income year since plan inception is expected in 2011. Higher interest rates will lower prices of bonds.

Equity holdings for the fund have already been increased this month to very close to the 25% maximum allowed. The economy is expected to be better this year due to increased lending from the banking system. Banks are in much better shape than in late 2008 with reserves available. The main risk will be inflation and there is already significant commodity inflation. China is having much higher inflation, which could affect the global economy.

Retiree Denis Ackerman noted that he thought the Board had increased the maximum threshold to 30%. A review of past minutes showed that the maximum had been raised in August of 2010 to 30%.

Treasurer Terranova asked if it would be advisable for the Board to raise our threshold for equities.

Ms. Hofer told the Board a higher threshold may not be needed. The current maximum percentage in equity may be increased another few percent but not more.

In answer to a question from the Board, Ms. Hofer noted that contributions were received from the District and from the State.

## **OLD BUSINESS**

None.

## **NEW BUSINESS**

### **Update on Actuarial**

Chief Greer told the Board that this would normally be the year to have the actuarial study completed based on the required two-year schedule. However, since the Board requested an additional study in 2010, the schedule was reset and the next study will not be due until 2012

Treasurer Terranova asked if it would be advisable to go ahead with the study this year if the Board does not have the flexibility to increase the equity maximum to 35% with our current numbers.

Chief Greer will contact the actuary and request a determination regarding this matter. He will report back at the March meeting.

**FOR THE GOOD OF THE PENSION BOARD**

Secretary Snyder moved to excuse President Schneider from the meeting. Trustee Ambrosio seconded. The motion passed unanimously.

**MOTION TO ADJOURN**

Treasurer Terranova moved to adjourn the Pension Board meeting. Assistant Secretary-Treasurer Kramer seconded. The motion passed unanimously.

The meeting was adjourned at 7:35 p.m.

---

Jim Snyder, Secretary

cc: Website