

**MINUTES OF VOLUNTEER EMERGENCY  
MEDICAL TECHNICIANS PENSION BOARD MEETING  
AUGUST 20, 2012**

The Volunteer Emergency Medical Technicians (EMT) Pension Board met on Monday, August 20, 2012 in Room 186, Qwest Building, 6101 Yellowstone Rd., in Cheyenne, WY 82002.

**Board Members present:** Mr. Roy Barber, Mr. Gard Ferguson, Ms. RaDawn Ruud and Mr. Britt Wilson.

**Board Members absent:** Ms. Kristine Bacheller and Ms. Sally Waugh

**Wyoming Retirement System Staff present:** Ms. Roxane Hudson, Mr. Ben Brandes, Craig Kautzman, Renee Winfrey and Mr. Harry Wales.

**Others in attendance:** Andy Gienapp (Dept of Health).

Todd Kanaster and Leslie Thompson from Gabriel Roeder and Smith Actuaries attended by phone.

The meeting was called to order by WRS Deputy Director Harry Wales.

**1: Review of Board Meeting minutes from August 22, 2011**

Mr. Wales asked for a motion to approve and accept the minutes.

**MOTION: 08-20-2012-1** Mr. Wilson moved to approve and accept the minutes from August 22, 2011 board meeting as written. Ms. Ruud seconded the motion. Motion carried unanimously.

**2: Review of Financial Reports**

The Financial Statements for the months of July 2011 through June 2012 were presented. Mr. Wales reviewed the June 30, 2012 financial report as that reflects six months of revenue and expenses. At June 30, 2012 the pension plan had \$2,690 in cash with the Treasurer, \$136,707 in investment receivables, securities and short-term investments of \$859,387, for total assets of \$998,784. Liabilities consisted of investment payables of \$146,718 and other payables for \$27,009 for total liabilities of \$173,727. The fund balance and excess revenue over expenses totaled \$825,906, making the total liabilities and fund balance of \$998,784.

Total revenues for the first six months of 2012 totaled \$195,104 consisting of employee contributions of \$12,034 and other revenues of \$143,879. Mr. Wales stated that there is a deposit of funds from the State Auditors to cover the 1/1/2012 unfunded liability (required contribution) of \$148,879 that is included in other revenues. Investment income, which consists of interest and dividends, capital gains, pooled interest and appreciation in investments totaled \$39,191. Together, there was \$195,104 in total revenue for the first six months of 2012. Expenses consisted of \$17,572 of administrative expenses and \$381 in investment fees for total expenses of \$17,953. Excess revenues over expenses totaled \$177,151 for period.

**MOTION: 08-20-2012-2** After several questions by the Board, Mr. Wilson moved to accept the financial reports for July, 2011 through June 2012. Mr. Barber seconded the motion. Motion carried unanimously.

### **3: Review of Membership Report**

Current membership totaled 177 active volunteers, an increase of seven since July 2011. There are 26 departments enrolled in the pension plan, however, only 22 are currently reporting active members.

There continues to be misperception or misinformation regarding the plan. Directors continue to be reluctant to sign up their volunteers because their attitude is such that if they can't participate in the plan, why sign up the volunteers. Mr. Ferguson also stated that there continues to be a misperception that when a volunteer signs up they have to pay for all the years of service prior as a volunteer. He also said that hospitals are reluctant to sign up their volunteers because they think there would be a liability placed on them. Mr. Gienapp also said he continues to hear the same misinformation when he travels around the state. He said some volunteers think because they receive a stipend for making calls that it prohibits them from joining the pension plan. The general consensus from the Board is that there continues to be some resentment building up between the Volunteer EMT's and Volunteer Firemen. Mr. Gienapp said the Board needs to get some promotional material available to send to the Cities, Towns and Counties and to the Directors and volunteers that explain the plan benefits. Mr. Wales stated we now have a handbook of plan benefits that can be used as a learning tool and that the WEB site has much of the same information volunteers need.

**MOTION: 08-20-2012-3** Mr. Barber moved to approve the Membership Report. Ms. Ruud seconded the motion. Motion carried unanimously.

### **4: Actuarial Valuation Presentation as of 1/1/12**

Ms. Thompson and Mr. Kanaster from Gabriel, Roeder & Smith Actuaries joined the meeting by phone. Mr. Kanaster presented the EMT Pension Plan valuation as of January 1, 2012.

Mr. Kanaster began his discussion directing the Board and staff to the Executive Summary on page 1 of the valuation report. Mr. Kanaster pointed out the changes from 2011 to 2012 specifically to the middle of the page about the market value of assets and the actuarial value of assets. He pointed out the decrease in the annual required annual contribution from \$117,234 to \$107,552 at 1/1/2012. Mr. Kanaster did point out the funded ratio increased from 117.8% to 123.2% on an actuarial basis. This was based on a No Cola assumption. On page 2, Mr. Kanaster discussed the required contribution under the maximum 2% cola with that being \$143,879. Mr. Wales interjected that this was the amount that the system requested to be transferred from the "holding" account at the State Auditor's to the pension plan. Also, future transfers out of this account will be based on no cola since the legislature removed cola's from the statutes.

Mr. Kanaster stated that this plan is in good shape still. However, a funding source still has to be found. Several ideas were thrown out such as a bed tax to perhaps getting a half-cent per gallon gas tax allocated to the plan.

With no further questions for Mr. Kanaster or Ms. Thompson, they left the meeting.

## 5. Other:

Various discussions were held for the balance of the meeting prior to when Mr. Gienapp left the meeting. Mr. Gienapp requested that an example of a benefit be placed in the plan handbook. I explained that on pages 6 and 7 of the handbook, an example of an estimate was included using a member with 18 ½ years of service. I mentioned that perhaps it could be better illustrated instead of using narrative to do so. Mr. Gienapp also mentioned again that he had heard from many potential members who want to join the pension plan, however many of the agencies do not want to bother being a sponsor. The discussion continued as to what could be done when ambulance departments choose not to participate. Possible statutory changes may have to be made to remedy this problem.

Ms. Rudd also requested a list of members who will be eligible to purchase five years of service as the plan will be in existence five years in 2013. Ms. Rudd thought if the system could send out notices to the volunteers, that many of them might purchase the prior service. It was requested to have GRS provide a service purchase calculator. Mr. Wales stated that he would make that request to the actuary prior to when the plan has their five year anniversary so we have it in place.

A discussion was held in regards to the funding of the plan, that there may possibly be about four years of the original appropriation left to utilize and then the plan will definitely need a continued funding source. Mr. Gienapp stated the normal cost is around \$142,000 and the employee contributions are not sufficient to cover it and that it is not realistic to believe that more volunteer contributions will meet this cost. It was pointed out the \$1.2 million covers only the existing members' unfunded liability, and would not cover new members going forward.

Prior to Mr. Gienapp having to leave the meeting, again offered his support to offer up licensing fees his department receives from the volunteers that goes to the General Fund. He stated that it would require a statutory change to have perhaps a percentage of this fee to the EMT plan. With that said, Mr. Gienapp left the meeting.

Mr. Wales' mentioned that perhaps through legislation that a portion of the gas tax could be allocated to the EMT plan. What that percent is would be left up for discussion but that this type of funding not only hits the Wyoming residents but also tourists who buy gas in Wyoming.

Renee Winfry, WRS Employer Relations/Financial Section Supervisor along with George Eason, WRS/Deferred Compensation Educator had attended the EMT Trauma conference the previous weekend. Renee was invited to the meeting and gave the Board an update from her and George on their perspective of attending and answering questions from volunteers. Renee said that some members were upset by not being allowed in both the Volunteer Fire and Volunteer EMT pension plans, however the overall tone was better this year than last. Also, it was agreed that WRS would provide handbooks to those instructors that go out and do class training and if George happened to be in the area, he would stop in and give a short presentation about the pension plan.

Mr. Ferguson commended Renee and George for their representation at the conference.

Mr. Ferguson gave an update on his meeting with the Governor. Mr. Ferguson's approach to this meeting was to educate the Governor and his staff on Volunteer EMT duties and in particular the pension plan. Mr. Ferguson relayed to the group the reasons why the Governor cut the funding to the budget but after his meeting, the Governor seemed very impressed and that he understood more about the plan and is very supportive to getting the funding necessary for the plan.

The discussion turned to various means to get a funding source for the plan. Ideas thrown out were the possibility of getting a percentage of the gas tax allocated to the plan. Other possibilities included something similar to the Montana Plan which allocates a certain dollar amount per bed; a small fee (50 cents) from the sales of license plates sold; or a percentage on mineral royalties. The Board and staff will work to seek a legislative sponsor to assist in getting legislation for the 2014 session.

Mr. Wales reminded the Board that according to the e-mail from Todd Kanaster at Gabriel Roeder, System Actuary that the amount needed to fund the plan at 1/1/2012 would cost \$1,269,979 assuming an 8% interest to 7/31/2013. This is the amount needed to pay for all past and future costs associated with the current 172 participants of the plan. Staff included \$1,187,000 using 7.5% interest in the budget that the Governor denied.

On another topic, Mr. Wales mentioned to the board that the statutes state the city, towns, counties or licensed ambulance service shall pay to the fund the amount required, i.e. the contribution amounts. Mr. Brandes said that they are statutorily required to sign up. Mr. Ferguson spoke about getting information out to the EMT's to have agencies sign up. He also mentioned he was to meet with Mr. Gienapp to get a list of agencies that aren't already in the plan. Mr. Brandes mentioned it is an enforcement issue and an educational issue for the board to encourage agencies to participate.

Discussion then centered on the topic of double dipping, and why couldn't volunteer EMT's participate in the volunteer fireman's pension plan. Outside the prohibition by statute, Mr. Brandes said you cannot get two benefits for the same service provided. Mr. Barber stated that some volunteers could respond to fires on certain days and respond as an EMT on other days. Mr. Brandes suggested that the EMT's and volunteer firemen probably should be combined since the volunteer fireman's plan has a funding source and the EMT plan doesn't. Ms. Ruud asked if the volunteers paid into both plans why it would matter. Mr. Brandes replied if they were only responding 100% of their time as an EMT or as a volunteer fireman then it would be considered double dipping. He suggested that an administrative procedure would have to be in place to determine how they are responding.

Mr. Barber asked why a formula is needed to purchase time instead of paying the monthly contributions and interest. Mr. Kautzman responded that it is an actuarial calculation as they are purchasing time versus making up contributions. Mr. Kautzman also asked whether or not there is any insurance that can be used or drawn on to help fund the plan. Mr. Ferguson responded that there is not however when the ambulance is requested that they can bill for their services.

Mr. Wales asked the Board to review the statutes and send potential changes they may have and that he and Mr. Brandes would review them and work on getting them sponsored. Mr. Ferguson stated that they had talked about potential changes several years ago however, Mr. Steward felt it was too early to make any changes at that time. Mr. Brandes suggested that a "clean-up" bill be looked at and that if any substantive issues are made that they be done separately.

Mr. Ferguson mentioned that he was hoping to see the light at the end of the tunnel if the Governor comes through supporting the funding request. Ms. Hudson suggested that Mr. Ferguson send a letter detailing his meeting with the Governor and Mr. Ferguson said he would do a formal letter as such. Mr. Wales suggested that Mr. Ferguson send the letter to the Governor or Ms. Grey at the Governor's office and request a follow up to their meeting and commitment. Ms. Rudd also suggested sending the letter to Mr. Williams so that he could discuss the topic with

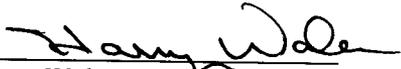
the Governor when the opportunity arose. Mr. Ferguson said he'd write a letter from the Board to the Governor thanking him for his support.

**6: Adjournment:**

The next meeting of the Volunteer Emergency Technicians Pension Board was tentatively set for 8:30 A.M., Monday, August 19, 2013 following the State Trauma Conference.

With no further business to come before the Board, the meeting was adjourned at 10:30.

**MOTION: 08-22-2012-4** Mr. Ferguson moved to adjourn. Mr. Barber seconded the motion. Motion carried unanimously.



Harry Wales, Deputy Director

8-31-12

Date