

Volunteer Firefighter, EMT, and Search & Rescue Pension Fund Board Meeting
Svilar's Bar & Steakhouse, Hudson, WY
June 14, 2023

A meeting of the Volunteer Firefighter, EMT, and Search & Rescue Pension Fund Board was held at 7:00 p.m. on Wednesday, June 14, 2023 at Svilar's Bar & Steakhouse, in Hudson, Wyoming.

Board members participating:

Mr. Gene Diedtrich (Chairman) (Newcastle)
Mr. Lanny Applegate (Vice-Chair) (Cheyenne)
Mr. Tracy Brown (Lingle)
Mr. Kim Lee (Riverton)
Mr. Dennis McDonald (Afton)
Mr. Jerry Munger (Wheatland)
Mr. Eric Quinney (Evanston)
Mr. Clint Becker (Douglas)

Wyoming Retirement System (WRS) Staff members participating:

Mr. David Swindell, Executive Director

Others in attendance: Chief Shad Cooper (Sublette County Unified Fire), Ms. Joyce Diedtrich, Mr. William Sherf (Riverton Volunteer Fire Department).

Chairman Diedtrich called the meeting to order at 7:05 p.m.

1) Board Meeting Minutes from March 31, 2023. The Volunteer Firefighter, EMT, and SAR Pension Fund minutes from the March 31, 2023 Volunteer Meeting were considered.

MOTION 06-01-2023 (#1): Mr. Quinney moved to approve the minutes as presented. Mr. Lee seconded. Motion carried unanimously.

2) Review of Financial Reports. The financial statements for the months ending January 31, 2023 were reviewed, noting that plan assets as of January 31, 2023 totaled \$101,404,759.46. Mr. Swindell noted that plan assets peaked on December 31, 2021 at \$108,686,819, hit a low during the 2022 market decline in September, 2022 at \$93,910,643 and had now rebounded back to over \$100 million. The reports do not include the \$9 million appropriation from the recent legislative session, which should arrive in July. Nor is there an update on the fire insurance premium tax revenue, which normally arrives in late May or early June.

MOTION 06-02-2023 (#2): Mr. Quinney moved to approve the financial reports as presented. Mr. Brown seconded. Motion carried unanimously.

Note: Subsequent to the meeting, fire insurance tax revenues did arrive on June 14 and June 15. Board members were notified via email.

Quarter 1, 2023: \$749,422.26 arrived 6/14/2023

Quarter 4, 2022: \$1,391,759.98 arrived 6/15/2023

3) Review of Membership Reports. The membership reports as of June 8, 2023 contained the following highlights:

Active Contributing Members: 2,392

Retirees: 1,412

Survivor pensions: 295

Monthly pension total: \$618,316/71

Smallest monthly pension: \$35.14

Largest monthly pension: \$810.75

Average monthly pension: \$362.22

Participating Departments. The Board reviewed the participating department report, noting 119 participating agencies, with 2,392 members, net of +37 for the quarter.

Service Purchase reports. The Board reviewed the service purchase report for the quarter, which was a negative report during the period of 3/1/2023 thru 6/8/2023 with no service purchases pending nor completed.

Newly refunded and retired report. The Board reviewed the refunded accounts and new retirees for the 3/1/2023 thru 06/08/2023 timeframe. There were 16 refunds and 15 new retirements.

Deceased members by plan report. The report shows seven retirees who passed.

MOTION 06-03-2023 (#3): Mr. Brown moved to approve the membership reports. Mr. McDonald seconded. Motion carried unanimously.

4) Director's Report. Mr. Swindell provided a report to the Board regarding asset returns and operational matters. Highlights included:

- Total fund return as of March 31, 2023 was a gain of 4.02% for the quarter and -1.43% loss over a one year period. Markets have begun to recover from calendar 2022's -6.99/5

loss. December 31, 2022 was a loss of -6.99%. Peer rankings continue to be good, ranking in the 9th percentile amongst peer funds for the one year time frame. More notably, the percentile rank for three years is 17th and over five years it is 3rd. WRS also beat the strategic benchmark over all these time periods.

- WRS has moved! The big move was accomplished over three days (3-5 May). The new address is 2515 Warren Avenue, Suite 450, Cheyenne, WY 82002.
- The budget calendar has been announced.
 - Position requests to HRD by July 31, 2023
 - Budget load due to the state budget department by August 31, 2023
 - Sept/Oct: Governor's office review and agency hearing
 - Mid-Nov: Governor releases proposed budget with Governor recommendations
 - Dec/Jan: Joint Appropriation Committee agency hearings
 - February 12, 2024: Legislative Budget Session convenes
 - March 15, 2024: anticipated adjournment
- Actuarial matters
 - Full report from GRS is included in board member packets
 - Funding ratio as of 1 January 2023 was 82.90% vs the prior year of 81.30%.
 - The market value funding ratio fell from 90.16% to 80.23%. Mr. Swindell noted that the 5 year actuarial smoothing of investment gains/losses was such that despite the market loss in 2022, the actuarial funding ratio still improved a little bit. But the market value numbers displayed the loss. WRS had a big cushion going into 2022 with market value exceeding actuarial value. That cushion has now been lost, with market and actuarial values very close to one another.
 - Table from the GRS report displays the various "ins" and "outs" of the population in various categories. Mr. Swindell felt that it was reflective of the workload in administering the plan.

5) History of the Plan. Vice Chairman Applegate provided an historical timeline of the plan since inception on 04/01/1967. The product was developed in support of the legislation in the previous session and Mr. Applegate felt that it would be useful for Board members to have a copy.

6) Internal Audit Reports.

The board considered recommendations from the WRS internal audit department.

- 10 departments were audited during the January 1, 2022 to December 31, 2022 period
- In general, departments were doing a good job of recording meeting attendance and demonstrating compliance with applicable statutes.
- Five members from four departments were found to have insufficient meeting attendance.

- The audit department recommends that their service credit be adjusted accordingly and the related contributions be returned.
- The audit department further recommends that reporting on the audits of Laramie Co. #10 Volunteer Fire Department and Laramie Co. #1 Volunteer Fire Department be delayed until the Board's September meeting, as both agencies were unable to provide the necessary documentation timely for this audit period.

MOTION 06-04-2023 (#4): Mr. McDonald moved to approve the recommendations of the internal audit department. Mr. Becker seconded. Motion carried unanimously.

Discussion ensued from Chief Shad Cooper of the Sublette County Fire Department regarding feedback from the WRS audit department. His department had been audited but his administrative people never received feedback on the results, good, bad or indifferent. The Board members agree that feedback should be provided; Mr. Swindell said he would address the issue with the internal audit department.

7) Date and Location of September meeting. Chairman Diedtrich led a discussion resulting in confirming Tuesday, September 26, 2023 at approximately noon in Afton, Wyoming. Staff will coordinate with host Chief Dennis McDonald for details and also investigate availability of the state aircraft (if available, would be a one-day out and back trip from Cheyenne with an additional pick-up stop in Riverton). The Board did not see a need to meet in November. The next meeting after the September meeting would be in Riverton in early January 2024, in coordination with the state fire chief's meeting.

MOTION 06-05-2023 (#5): Mr. Quinney moved to approve the proposal for the September meeting in Afton and the meeting after that to be in Riverton in January, 2024. Mr. Becker seconded. Motion carried unanimously.

8) Adjournment. There being no further business Mr. Brown moved to adjourn, and Mr. Becker seconded. The Volunteer Board adjourned at 7:55 p.m.