REGULAR MEETING OF THE BOARD OF DIRECTORS
OF THE LOVELAND RURAL FIRE PROTECTION DISTRICT

The regular meeting of the Board of Directors of the Loveland Rural Fire Protection District was held at Station 1 on Wednesday, January 4th, 2012 at 5:30 P.M.

The following members were present:

Dave Legits, Mike McKenna, Barry Gustafson, Leroy Anderson and Jeff Swanty

Also present were:

- Greg White, Secretary, Loveland Rural Fire Protection District
- Randy Mirowski, Loveland Fire and Rescue Department
- Ned Sparks, Loveland Fire and Rescue Department
- Merlin Green, Loveland Fire and Rescue Department
- Renee Wheeler, Loveland Fire and Rescue Department
- Tim Smith, Loveland Fire and Rescue Department
- Bill Lundquist, Big Thompson Canyon Volunteer Fire Department
- Mary Bahus-Meyer, Full Circle Creative

President Legits called the meeting to order.

The minutes of the December 7th, 2011 regular meeting were presented. Upon motion by Swanty, seconded by Anderson, and unanimously carried, the minutes were approved.

White presented the December 2011 and January 2012 bills. Upon motion by Gustafson, seconded by Anderson, and unanimously carried, the following bills were approved.

### December 2011 Bills

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>City Contract (1)</td>
<td>$43,152.93</td>
</tr>
<tr>
<td>City of Loveland</td>
<td></td>
</tr>
<tr>
<td>Electricity (2a)</td>
<td>66.74</td>
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<tr>
<td>Electricity (2a)</td>
<td>11.22</td>
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<tr>
<td>Poudre Valley REA</td>
<td></td>
</tr>
<tr>
<td>Electricity (2a)</td>
<td>30.00</td>
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<tr>
<td>Schrader Propane</td>
<td></td>
</tr>
<tr>
<td>Propane (2b)</td>
<td>816.00</td>
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<tr>
<td>Qwest</td>
<td></td>
</tr>
<tr>
<td>Miscellaneous (5)</td>
<td>100.00</td>
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<tr>
<td>Qwest</td>
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</tr>
<tr>
<td>Miscellaneous (5)</td>
<td>450.00</td>
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<tr>
<td>Dell</td>
<td></td>
</tr>
<tr>
<td>Office Supplies (11)</td>
<td>965.99</td>
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<tr>
<td>Wireless Advanced Communications</td>
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</tr>
<tr>
<td>Miscellaneous (5)</td>
<td>927.21</td>
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<tr>
<td>Big Thompson Canyon Volunteer Fire Department</td>
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</tr>
<tr>
<td>Canyon Department (7)</td>
<td>4,517.29</td>
</tr>
<tr>
<td>Gregory A. White</td>
<td></td>
</tr>
<tr>
<td>Legal Fees (13a)</td>
<td>2,610.00</td>
</tr>
</tbody>
</table>
Gregory A. White  
Administrative Fee (17b) 1,000.00  
Board Secretary Fee (8a) 300.00  
Donna Holst  
Bookkeeper Fee (8c) 450.00  
Dave Legits  
Board Meeting (8b) 50.00  
Barry Gustafson  
Board Meeting (8b) 50.00  
Mike McKenna  
Board Meeting (8b) 50.00  
Leroy Anderson  
Board Meeting (8b) 50.00  
Jeff Swanty  
Board Meeting (8b) 50.00  

January 2012 Bills  
CIRSA  
Workers Compensation Insurance (8b) 3,478.00  
CIRSA  
Property/Casualty Insurance (8a) 12,489.00  

TOTAL $71,614.38  

White presented the Financial Report. He reported that he had renewed two Certificates of Deposit in late 2011 with Home State Bank and Advantage Bank. Both of these CDs were renewals as no other financial institutions were interested in new public funds. Interest rates on these CDs were approximately .5% above returns on the Colo Trust investments for the District.

Chief Mirowski gave the Chief’s Report. At the Fire Authority Board’s first meeting on December 8, 2011, Jeff Swanty was elected Chairman with the Vice-Chairman being Cecil Gutierrez and Secretary being Roylene Sterkel. The members of the Fire Authority Board and Staff attended the Poudre Fire Authority (PFA) Board meeting in December to observe how the PFA Board conducted its meetings. The observation of this meeting will be helpful in administration of Fire Authority Board meetings. At the January 12, 2012 Authority Board meeting, the agenda will include review and adoption of the By-laws, a presentation by Chief Green on the 2009 International Fire Code, and the discussion of the Model 1 Plan for the Department.

Mirowski reported that the Strategic Plan is proceeding as expected with the completion of the Plan to be done prior to May 2012 as it is scheduled for the Fire Authority Board meeting review at that time.

The City has signed the contract for the new engine with SVI. He reported on the move of SVI from its current location in Loveland to Fort Collins. This move will have little impact on the Department as SVI continues to be in the region. The Department hopes to continue its long-term relationship with SVI.

Mirowski reported to the Board concerning the Consolidated Firemen’s Pension matter. Mirowski presented a report entitled Changing the Legal Landscape for Volunteer and Combination Fire Departments. This report discusses changes in federal and state law with regard to compensation of volunteer firefighters.
including options for retirement pension benefits. Mirowski stated that other area departments are considering the possibility of providing benefits to volunteers through an IRS qualified Length of Service Award Plan (LOSAP). LOSAP plans are defined contribution plans as opposed to the current defined benefit plan of the Consolidated Pension. A LOSAP plan shifts the responsibility from the governmental entity to the individual volunteer firefighter and also are portable. The current defined volunteer benefit plan lacks portability due to the fact that an individual volunteer has to have a minimum of five years of service in a department for that five years to qualify towards a retirement pension. White stated that there needs to be a discussion of the purpose of the volunteer pension among all parties concerned with the volunteer pension including the Fire Authority, Rural Board, City of Loveland and the Consolidated Pension Board. The current volunteer pension is no longer an incentive to attract and retain as individual volunteer firefighters are volunteering with the Department in order to gain experience and do not stay with the Department for any significant length of time. Mirowski confirmed that it was his opinion that the current volunteer pension does not attract or retain volunteer firefighters in the Department. The Board discussed with White and Mirowski the current financial status of the Consolidated Pension, any additional costs associated with a LOSAP, availability of the City’s third party pension administrator to administer a LOSAP, and timing of any possible change in pension benefit plans. This matter will be reviewed at a later date by the individual entities.

Mirowski requested the Board to review the decision by the Consolidated Pension Board at its November 10, 2011, meeting to increase the current retirement pension from $600 to $650 per month effective January 1, 2012. Board members McKenna and Anderson stated that they would not participate in the discussion nor the decision on this matter due to the fact that they were currently receiving volunteer pensions. Renee Wheeler stated that the current funding level, which is the amount necessary to maximize the State Contribution to the Consolidated Pension Plan, is sufficient to support the increase to $650 per month. So long as the State continues to provide funding at its current level for volunteer pension plans, the current contribution levels of the City and the Rural District is not necessary to support the $650 per month retirement benefit and will not need to be increased. Following discussion and upon motion by Swanty, seconded by Gustafson, and unanimously carried, the Board approved the increase of the Consolidated Pension monthly retirement from $600 to $650 per month effective January 1, 2012 with Directors McKenna and Anderson abstaining.

Renee reported that the Consolidated Pension is filing an application for the bi-annual actuarial study of the Old Hire Pension with FPPA. That application will be filed with no plan amendments for the Old Hire Pension. McKenna confirmed that the Old Hire Pension has been fully funded for a long period of time; and there is no anticipation of any need to have any plan amendments as only two survivors are receiving benefits from the Old Hire Plan. Renee will file the application with FPPA.

White introduced Mary Bahus-Meyer of Full Circle Creative of Loveland, which is a firm that specializes in marketing. White stated that he had met with Ms. Bahus-Meyer with regard to providing marketing and consultation for the upcoming mill levy election for the Rural District. Also, Ms. Bahus-Meyer will be presenting a proposal to the Fire Authority for marketing consulting work for the Fire Authority. Following White’s introduction, Ms. Bahus-Meyer requested feedback from those present with regard to how they felt information concerning the upcoming mill levy election should be presented to individual voters. Board members commented on their preferred methods of receiving information. Ms. Bahus-Meyer stated that she will have a proposal ready for the January 12, 2011 Mill Levy Committee meeting for marketing services to the Rural District for the upcoming mill levy election.
White stated that at the regular February 2012 Board meeting the Rural Board will need to make decisions with regard to the actual amount of the mill levy increase and any other necessary matters with regard to the election.

Ned Sparks gave the Operational Division Report. The Department is setting up testing for the now vacant Lieutenant’s position and upcoming vacancy for Engineers. Sparks commented on the incident in the Canyon with regard to the horse being trapped in its trailer following an accident and commended the Department and the Canyon Department on their response to this incident. Sparks noted that neither the horse nor any other parties were injured as a result of Department operations.

Chief Green gave the Community Safety Division Report. The 2009 International Fire Code has received first reading approval by the Loveland City Council. The 2009 IFC, through a local amendment, does not contain requirements for residential sprinklers except in specific circumstances. The 2009 IFC does not change any of the Rural District requirements from the 2006 IFC. Green confirmed that it will be necessary, following City Council approval, for the Rural District also to approve the 2009 IFC. White stated that following Rural Board approval, the Larimer County Commissioners need to approve the 2009 IFC for it to be effective within the Rural District.

Chief Bill Lundquist gave the Canyon Chief’s report. He reported that one pack set is currently not operating. Tim Smith stated that pack sets repair takes at least four weeks with a substantial possibility that the pack set cannot be repaired. BC Smith noted that the cost of a new pack set is $6,500. Lundquist stated that the second session of the Firefighter I Academy will commence in mid-January. Also, the Department has purchased a standby generator for Station No. 8. The Department considered this a necessity as during the last loss of power at Station No. 8 critical functions of the Station were curtailed due to loss of power.

White stated that the Rural District needed to designate its meeting posting places for 2012 pursuant to the applicable provisions of the Colorado Open Meetings Law and the Colorado Special District Act. It is necessary to designate public posting places for all regular and special Board meetings. Upon motion by Gustafson, seconded by Swanty, and unanimously carried, the Board designated the following locations for posting of notice of the regular and special meetings of the District pursuant to the provisions of the applicable Colorado statutes:

1. Big Thompson Canyon Volunteer Fire Department Station No. 8
   1461 Big Thompson Canyon
   Drake, Colorado

2. Drake Post Office
   1601A US Highway 34
   Drake, Colorado

3. Sandy’s
   5649 W US 34
   Loveland, Colorado
There being no further business the meeting adjourned.

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Gregory A. White, Secretary/Assistant Treasurer

ATTEST:

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President