CRESTED BUTTE FIRE PROTECTION DISTRICT
VOLUNTEER PENSION BOARD MEETING
District Headquarters Conference Room
300 County Road 317, Crested Butte, CO 81224
Tuesday, September 8, 2026
7:00 PM

7:00 CALL MEETING TO ORDER
1. Review / Changes to Agenda

7:05 CONSENT AGENDA
1. Approval of Previous Minutes

7:10 NEW BUSINESS
1. Review FPPA Reports for Q2
2. Revisit Pension Request from John Dethloff
3. Retroactive Modification of Eligibility Rules

7:35 UNSCHEDULED BUSINESS AND BOARD MEMBER COMMENTS
COMMENTS FROM AUDIENCE

7:45 ADJOURNMENT

Online Meeting Information
https://zoom.us/j/9703495333?pwd=ZUlNRFBCL253UzlxSGNhQ0laS29TQT09 One Tap Mobile +16699009128,,9703495333# US (San Jose)
+1 312 626 6799 US (Chicago) - Meeting ID: 970 349 5333
Password: 5333

CRESTED BUTTE FIRE PROTECTION DISTRICT
MINUTES OF VOLUNTEER PENSION BOARD MEETING
Fire Station 1- 300 County Road 317, Crested Butte, CO 81224
Tuesday, September 9, 2025
Approved:

Attendance

Board Members Present: Jack Dietrich, Ken Lodovico, Matt Halvorson, Brittany Perkins, Andrew Gitin, Beth Schumacher
Staff, Volunteers and Public: Sean Caffrey, Annie Tunkey, John Detloff, Mike Reily

Changes to Agenda

Pension board meeting called to order at 6:27 pm by Board Chairman Ken Lodovico.
There were no changes to the agenda.

Consent Agenda

Approval of minutes from September 9, 2025 regular meeting.
Motion to approve the consent agenda by Gitin, seconded by Halvorson. Motion passes unanimously.

New Business

The Board reviewed the 2025 Year-End Financials, which were included in the meeting packet. Financial highlights included $400,000 in investment earnings and $42,000 in expenses on the FPPA side.

The current and eligible retirees lists were reviewed, as included in the meeting packet.
Motion by Halvorson to certify the current and eligible retirees lists. Schumacher seconded. Motion passed unanimously.

The Board reviewed the pension request submitted by John Detloff. The request letter and supporting documentation, including relevant pension board minutes from prior years, were included in the meeting packet. CEO Caffrey reviewed the applicable FPPA statutory requirements, noting that state law requires a minimum of 10 years of service with at least 36 hours of documented training per year. While the Board has discretion over certain locally established requirements (such as percentage of call participation), there is no flexibility under FPPA regulations regarding the 36-hour training requirement.It was noted that in previous cases where pension benefits were granted retroactively, the required 36 hours of training had been certified. However, individual training records are not retained indefinitely, with record retention limited to eight years, after which records are purged. CEO Caffrey stated that existing documentation reflects nine active years, and that there is no verifiable record confirming the required 36 training hours for a tenth year, which is required for benefit eligibility.

Additional Board discussion reflected concern regarding fairness, consistency, and legal compliance. Board members acknowledged the difficult position created by incomplete historical records.
Motion by Lodovico to table Mr. Detloff's pension request pending further review and a deeper examination of available records. Halvorson seconded. Motion passed unanimously.

The Board reviewed the pension request submitted by Mike Reily. His letter and supporting documentation were included in the meeting packet. Discussion indicated that Mr. Reily had three reserve years during which he met or exceeded the 36-hour training requirement, but did not fully meet locally established on-call response thresholds. Years specifically discussed included 2008, 2012, and 2013. Board consensus indicated that Mr. Reily met FPPA's statutory requirements for the years in question and that those years should be credited, resulting in 21 total active service years.
Motion by Schumacher to approve Mr. Reily's pension request. Halvorson seconded.
Motion passed unanimously.

<u>Unscheduled Business</u>

Director Gitin proposed a motion to amend the District's pension eligibility rules to adopt FPPA state standards, recognizing 36 hours of FPPA-approved annual training as sufficient to qualify members as active, irrespective of local activity or response requirements, provided the member completes a minimum of 10 years of service. Seconded by Perkins. Motion carried.

CEO Caffrey requested clarification regarding whether the adopted change would apply prospectively only or retroactively, noting that applying the rule retroactively would create significant differences between EMS and Fire personnel and could materially impact pension eligibility determinations. He emphasized the importance of establishing a clear timeline to ensure consistency, legal defensibility, and administrative clarity. Director Gitin referenced historical precedent, noting that prior Board actions had effectively altered eligibility standards, citing the Jarolimek case as an example. Gitin stated that under current rules, Jarolimek would not have qualified for pension benefits, as he was not on the roster for two years and was an employee for only six months. Gitin noted that the Board has previously made discretionary determinations based on historical policy standards. CEO Caffrey responded that pension eligibility decisions should be anchored in documented standards and verifiable records, emphasizing that reliable training and service records are more consistently available from 2017 forward. He further noted that current participation requirements include 288 shift hours annually and 36 hours of training, designed to ensure operational readiness and engagement. Director Gitin questioned the long-term role of volunteers within the District. CEO Caffrey explained that the current policy is not to onboard new volunteers except under compelling circumstances, with most new personnel being hired as part-time employees.
Director Dietrich stated that adopting a single FPPA standard, along with a clearly defined implementation date, would provide consistency, reduce administrative complexity, and improve legal defensibility.

Director Halvorson moved to rescind the previously approved motion adopting FPPA standards without a defined implementation timeline. Seconded by Lodovico. Motion passes unanimously.

Director Halvorson moved to adopt FPPA standards effective January 1, 2017, forward, such that members would be considered active for pension credit purposes based solely on completion of 36 hours of FPPA-approved training annually, irrespective of local activity requirements. Seconded by Schumacher.
Chairman Lodovico: Lodovico moved to table the motion pending further review. Seconded by Perkins. Motion to table passed unanimously.

Board members cited the need to:

- Evaluate training and service record availability beginning in 2017,
- Assess the actuarial impact of the proposed policy change, and
- Determine financial sustainability and long-term affordability.

Board directs CEO Caffrey to research the implications of a change in pension eligibility.

Motion to adjourn the volunteer pension board meeting at 7:28 pm by Lodovico, seconded by Dietrich. Motion passes unanimously.

## MEMORANDUM

**To:** Affiliated Volunteer Pension Plan Employers - Long Term Pool

**From:** Peggy Job, Senior Accountant

**Re:** Q2-2026 June 30, 2026

Allocation Report & Annual Contributions Received

**Date:** July 21, 2026

# *Allocation Report*

**Investment Performance**

Your plan assets are commingled for investment purposes in the Members' Benefit Investment Fund – Long Term Pool ("Pool"). Returns for the Pool are as follows (returns for periods longer than one year are annualized):

| 2026 | Quarter | Year to Date | 1 Year | 3 Years | 5 Years |
|---|---|---|---|---|---|
| Total Pool Net of Investment Expense* | 7.69% | 7.24% | 14.93% | 11.26% | 7.32% |

**FPPA Administrative Expenses* are not included in the *Total Pool Net of Investment Expense* percentages.

The table below summarizes expenses as a percentage of net assets for the Pool:

| Year | FPPA Administrative Expense* | Investment Management Expense | Total Expense Ratio |
|---|---|---|---|
| Q2-2026 | 0.09% | 0.35% | 0.44% |
| 2025 | 0.16% | 0.88% | 1.04% |
| 2024 | 0.15% | 0.75% | 0.90% |
| 2023 | 0.17% | 0.83% | 1.00% |
| 2022 | 0.14% | 0.80% | 0.94% |
| 2021 | 0.12% | 0.81% | 0.93% |

**How to Calculate Your Plan Specific Expense Ratio**

Your Allocation Report may reflect expenses specific to your plan such as actuarial expense and legal fees as well as expenses you directed FPPA to pay from your plan assets. These expenses are reflected in the line items *Plan Directed Expenses* and *Direct Expense Allocation*. As such, your plan's administrative expenses may differ from the Pool. In order to calculate your plan's administrative expense ratio, you will need to add the line items *Plan Directed Expenses*, *Direct Expense Allocation* and *Allocated Fees & Expenses* and divide by the *Ending Balance*.

**Allocation Methodology**

*Investment Expenses* and *Allocated Fees & Expenses* are separately allocated and separately reported in the Allocation Report. The *Investment Expenses* are allocated to each plan based on the plan's proportion of total assets. The *Allocated Fees & Expenses* are allocated based on the plan's proportion of total membership, including active, inactive and retired members as of December 31 of the prior year as defined by the guidelines within the Annual Comprehensive Financial Report. Member counts may be adjusted during the year for plan affiliation, disaffiliation, or reentry.

**Review of the Report**

Review the items *Member Contributions, Employer Contributions, Refunds, Affiliations, Net Benefits, Plan Directed Expenses and State Funding* and confirm that these amounts are correct year-to-date. **If any amount is not correct, please send a written response to FPPA by August 15, 2026. If FPPA does not receive a response August 15, 2026, you are confirming that these report items are correct.**

*Annual Contributions Received*

FPPA provides a schedule of your 2026 contributions received by FPPA year to date. This schedule compares contributions received in the current year to the actuarial required contributions for 2026. **Please be aware that this report shows contributions based on the date received by FPPA and does not consider if contributions relate to a prior year.**

If you have any questions regarding your allocation report or the direct allocated plan expenses, please call me at 303-770-3772 in Metro Denver or 800-332-3772 or email me at pjob@fppaco.org.

## *Allocation Report Descriptions*

***This report provides the beginning of year plan balance, year-to-date totals, and an ending plan balance as of the report date***

| | |
|---|---|
| **Beginning Balance** | Plan assets at the beginning of the year |
| **Plan Direct Inflows and Outflows** | |
| Member Contributions | Member Contributions made to the plan |
| Employer Contributions | Employer Contributions made to the plan |
| Contributions from the SWDD Plan | Contributions received for a member on disability rolling to a normal retirement |
| Refunds | Member withdrawal of funds from the plan |
| Affiliations/(Disaffiliations) | Plan affiliation or disaffiliation or idle funds distribution (typically a Volunteer Fire Plan matter) |
| Net Benefits | Benefits paid to retired members |
| Plan Directed Expenses | Payments from plan assets directed by the department Examples: legal, actuarial, and insurance expense |
| State Funding | State funding for volunteer plans |
| **Plan Direct Inflows and Outflows Sub-Total** | Sub-Total of the above activity |
| **Allocated Income and Expense** | |
| Interest* | Interest on investments |
| Dividends* | Dividends on investments |
| Other Income* | Other investment income |
| Net Change Accrued Income* | Change in accrued earnings for interest and dividends |
| Unrealized Gain/Loss* | Unrealized Gain/Loss on investments |
| Realized Gain/Loss* | Realized Gain/Loss on investments |
| Defined Contribution Earnings (Net) | Not applicable for Defined Benefit plans |
| Investment Expenses | Allocated share of FPPA investment expense |
| Direct Expense Allocation | Expenses directly allocated to the plan Examples: actuarial and audit fees |
| Other Expenses | Allocated share of FPPA administrative expense |
| **Allocated Income and Expense Sub-Total** | Sub-Total of the above activity |
| **Ending Balance** | Plan assets at period end |

** Allocated from the Fire & Police Members' Benefit Investment Fund – Long Term Pool.*

# Fire and Police Pension Association

## Volunteer Fire Pension Plan Contributions
## CRESTED BUTTE FPD 772-5

**For the Reporting Period: 01/01/2026 through 06/30/2026**

| Deposit Date | Employer Contributions | State Matching Funds | Total Remittance |
|---|---|---|---|

No deposits received for the reporting period

| | |
|---|---|
| **Total Remittance** | $0.00 |
| **Calculated Contribution per the 01/01/2025 Actuarial Study** | $53,198.00 |
| **Difference Over/(Under)** | **$(53,198.00)** |

***Note: The Calculated Contribution amount is due to FPPA before 12/31/2026***

# Fire and Police Pension Association
# Crested Butte FPD 772-5
# For the Six Months Ending June 30, 2026

| | |
|---|---|
| Beginning Balance | $4,838,197.49 |
| | |
| Plan Direct Inflows and Outflows | |
| Member Contributions | |
| Employer Contributions | |
| Contributions from the SWDD Plan | |
| Refunds | |
| Affiliations/(Disaffiliations) | |
| Plan Transfers | |
| Net Benefits | ($164,988.13) |
| Plan Directed Expenses | |
| State Funding | |
| Plan Direct Inflows and Outflows Sub-Total | ($164,988.13) |
| | |
| Allocated Income and Expense | |
| Interest | $12,483.16 |
| Dividends | $12,179.35 |
| Other Income | $9,728.15 |
| Net Change Accrued Income | ($132.22) |
| Unrealized Gain/Loss | $142,851.33 |
| Realized Gain/Loss | $175,187.53 |
| Defined Contribution Earnings (Net) | |
| Investment Expenses | ($17,011.62) |
| Direct Expense Allocation | ($368.14) |
| Other Expenses | ($11,457.32) |
| Allocated Income and Expense Sub-Total | $323,460.22 |
| | |
| Ending Balance | $4,996,669.58 |

# CRESTED BUTTE FIRE PROTECTION DISTRICT

Emergency Medical Services | Fire | Community Risk Reduction
300 County Road 317 | P.O. Box 1009 Crested Butte, CO 81224
Phone: (970) 349-5333 | Fax: (970) 349-3420
Website: www.cbfpd.org


## Memorandum

**TO:** CBFPD Volunteer Firefighter Pension Fund, Board of Trustees

**FROM:** Sean Caffrey, CEO

**DATE:** September 8, 2026

**RE: Recommendation to Approve John W. Dethloff for 10-Year Volunteer Firefighter Pension (Vested Rights)**

### Purpose

This memorandum documents the basis for staff's recommendation that the Board of Trustees approve John W. Dethloff for Vested Rights under the Volunteer Firefighter Pension Fund at the 10-year active service level and sets out the record supporting that recommendation for the Board's consideration and vote.

### Background

Mr. Dethloff served as a member of the CBFPD Fire Department from May 1993 through 2003. Per the Firemen's Pension Trust minutes of March 8, 2005, the Board of Trustees found that Mr. Dethloff had attained 9 years and 7 months of certified Active Service, 5 months short of the 10-year threshold for vested rights and had not attained reserve status during 2004. The Trustees voted at that meeting to notify Mr. Dethloff that he would need to gain 5 additional months of certifiable status to qualify for a pension benefit. No further certified activity was recorded following that notice, and no additional training records from that period remain on file, consistent with the District's records retention schedule.

Mr. Dethloff submitted written requests to the Board dated November 7, 2025 and February 4, 2026, asking that his 10-year Vested Rights be recognized, citing the Board's treatment of other volunteers' active status in recent determinations. The Board reviewed his request and the supporting historical record at its meeting, and voted to table the request pending further review, noting the lack of a verifiable record of the 36 training hours required for a certified tenth year.

**Subsequent Action**

Following further Board discussion in February 2026, staff worked with Mr. Dethloff to establish current, verifiable qualifying activity for 2026. Mr. Dethloff completed 36 hours of online training through the Fire Safety Research Institute (FSRI), meeting the Bylaws' annual training-hour standard for Active Service under Article II, Section 2.6. Separately, he worked with Training Captain Jay Bettencourt to document and transfer his working knowledge of the Mt. Crested Butte Water & Wastewater System, which the District has determined to be of direct benefit to current operations.

Staff has verified that Mr. Dethloff has been reactivated as a member in the FPPA system for 2026.

**Basis for Recommendation**

Staff's assessment is that the combination of Mr. Dethloff's 2026 FSRI training hours and his operationally beneficial water and wastewater system knowledge transfer satisfies the additional certified activity the Board identified as outstanding in its March 8, 2005 determination, resolving the 5-month shortfall against the 10-year active service requirement for Vested Rights under Article II, Section 2.7 of the Bylaws.

**Recommendation**

Staff recommends that the Board of Trustees:

- Confirm Mr. Dethloff's reactivation in the pension system for the 2026 plan year to include qualifying activity and training; and

- Approve Mr. Dethloff for Vested Rights at the 10-year active service level under Article II, Section 2.7 and Article IX, Section 9.2 of the Bylaws.

Subsequent to action taken on this matter staff will work with John to complete the necessary pension application materials. If approved John will be the 49th individual receiving a pension from the program.

# CRESTED BUTTE FIRE PROTECTION DISTRICT

Emergency Medical Services | Fire | Community Risk Reduction
300 County Road 317 | P.O. Box 1009 Crested Butte, CO 81224
Phone: (970) 349-5333 | Fax: (970) 349-3420
Website: www.cbfpd.org


## Memorandum

**TO:** CBFPD Volunteer Firefighter Pension Fund, Board of Trustees

**FROM:** Sean Caffrey, CEO

**DATE:** September 8, 2026

**RE: Recommendation Against Retroactive Changes to Pension Activity Status Requirements**

### Purpose

This memorandum addresses two related matters before the Board: recent decisions granting pension activity status credit for years of service that did not meet the requirements in force at the time, and the broader proposal to waive activity status requirements retroactively and/or prospectively across the Fund. Management does not support either course of action.

### The Board's Obligation

As Trustees, the Board's first obligation is to act in the best interests of the Fund and the members who depend on it, those drawing a pension today and those still earning years toward one. That means applying the same standard to every member's years of service and protecting the Fund's ability to pay every benefit it has promised. Granting credit a member was not entitled to under the rules of the time, while other members were held to those same rules and received nothing, works against that obligation rather than serving it.

### Recent Retroactive Grants Are Inconsistent with Past Board Decisions

The Board has recently granted activity status credit to members whose service did not satisfy the eligibility standard in force during the years in question. Jarolimek was off the roster for two years and employed by the District during six months of eligibility, disqualifying under the standard then in place. Reily’s reserve years met the state’s 36-hour training minimum but not the response-participation threshold the District enforced at the time. Tibljas was also granted additional service years outside of rules in effect at the time. All of these actions were, in effect, simple waivers of the rules that governed their service, rather than corrections of an error in how those rules were applied. These decisions are not consistent with the standard the Boards of that era set and enforced, and they are difficult to reconcile with the treatment of other members from the same period who were held to that standard and denied. Members who met the requirements as they existed at the time, often at real personal cost, are entitled to see those requirements applied evenly. Crediting others who did not meet them, after the fact, is not a neutral correction. It revises the record retroactively, in a way that is disrespectful to the Boards that made those determinations in good faith and to the members who complied with them.

**The Bylaws' "Interest of Justice" Provision Does Not Support Loosening Requirements After the Fact**

Bylaws Section 3.5 allows the Board of Directors to reconsider a past decision "determined by the Board of Trustees to be against the interest of justice." This is a narrow, case-specific tool for correcting a demonstrated injustice in an individual decision, on that decision's own record. It is not a general license to relax activity status requirements retroactively for members the record shows did not meet them. Fairness and the interest of justice run the other way here: they call for applying one standard evenly to every member's years of service, not for revisiting settled determinations to reach a more generous outcome for some members and not others. Waiving activity status requirements retroactively, or adopting a broader standard than the one previous Boards applied, would also be a substantive amendment to the Bylaws. Under Article X, Section 10.1, amendments require a written instrument executed with the same formality as the Bylaws themselves, not a vote at a single meeting.

**Financial and Legal Exposure**

Any retroactive change of this kind commits the Fund to benefits it did not plan or budget for. Bylaws Section 9.2.B already requires an actuarial review before certain supplemental benefits are approved, and the same discipline should apply here. No retroactive change should be adopted without a current actuarial study of its cost. Absent that review, the Board cannot know whether the Fund can absorb the added liability, which is itself a threat to the Fund's actuarial soundness, and the inconsistent treatment of members under the same nominal standard exposes the District to a legitimate legal challenge from any member who was held to the stricter rule and denied.

**What This Could Cost the Fund**

The Fund's most recent actuarial valuation, as of January 1, 2025, gives a concrete sense of scale. The Fund's current unfunded liability is $217,196, which it is on pace to eliminate within about four years at present contribution levels. Based on that valuation's own figures for existing retirees, each additional year of credited service toward a vested benefit adds roughly $5,400 to $5,500 in accrued liability, so a full, previously unanticipated 10-year vested benefit adds on the order of $50,000 to $55,000, liability that was never funded through contributions during that member's years of service. On that basis, the Board's recent grants together add more than $100,000 to the Fund's unfunded liability, on top of the $217,196 already being amortized. This is a rough approximation, not a substitute for a member-specific actuarial costing, but it illustrates why any retroactive grant should be priced before it is approved.

**Recommendation**

Management does not support retroactively crediting activity status outside the requirements in force at the time, or waiving those requirements retroactively for the Fund as a whole. Staff recommends the Board decline to take further action in this direction, apply the standard set and enforced by prior Boards consistently to all members, and refers any proposed change in eligibility standards to legal counsel and an actuarial review before it is considered further.

**CRESTED BUTTE FIRE PROTECTION DISTRICT**
**VOLUNTEER FIREFIGHTER PENSION PLAN**
**BYLAWS**

These Bylaws are adopted pursuant to the Volunteer Firefighter Pension Act, § 31-30-1101, et seq., C.R.S. (the "Act"). These Bylaws shall be deemed to be consistent with the Act at all times. All amendments to the Act subsequent to the date hereof will be deemed to be incorporated into and part of these Bylaws. These Bylaws supersede all prior bylaws of the Board of Trustees of the Crested Butte Fire Rescue Fire Protection District Volunteer Firefighter Pension Fund.

## ARTICLE I. PRELIMINARY MATTERS

1.1 Name. The name of this pension fund shall be the "Crested Butte Fire Protection District Volunteer Firefighter Pension Fund" (the "Fund"), for the benefit of the volunteers of the Crested Butte Fire Protection District (the "District").

1.2 Purpose. This Fund embodies a pension plan of the District for the exclusive benefit of volunteer firefighters of the District and their beneficiaries. Whenever in this trust discretionary power is given to any party or wherever interpretation may be necessary, such power shall be exercised or such interpretation shall be made in a nondiscriminatory manner.

1.3 Exclusive Beneficiaries. In no circumstances shall any part of the corpus or income of this Fund be used for or diverted to purposes other than for the exclusive benefit for the volunteer members of the District or their beneficiaries, as determined by the Board of Trustees, in accordance with these Bylaws and the law.

1.4 Construction of these Bylaws. These Bylaws shall be construed according to the laws of the State of Colorado where it is made and where it shall be performed and enforced.

1.5 Termination by Operation of Law. If the continued existence of these Bylaws beyond a certain period would cause them to fail by operation of law, then they shall continue for the maximum period permitted by law and shall terminate with distribution of all assets as provided by the Act and any other applicable law.

## ARTICLE II. DEFINITIONS

The following terms, as used in these Bylaws, shall have the following meanings:

2.1 "Age" shall mean the age of a Member upon his just preceding birthday.

2.2 "District" shall mean the Crested Butte Fire Protection District. The term "District" shall also be construed generally to include any successor organization or any other organization which, with the consent of the District, shall assume the obligations of these Bylaws with respect to the District's voluntary members. Such assumption shall be in writing and shall be signed upon authority of the District, the Trustees and the organization assuming the obligations of these Bylaws.

2.3 "Trustees" shall mean the Board of Trustees of the District's Volunteer Firefighters Pension Fund.

2.4 "Member" - Any person who was on the rolls of the District as a volunteer firefighter pursuant to §31-30-1102(9), C.R.S. and as evidenced by a certificate from the Secretary of the Board of Directors of the District, or his delegate. Member may refer to an Active Member, Approved Vested Member or Retired Member.

A. "Active Members" – A Member who, during the previous calendar year, met the requirements of these Bylaws for "Active Service."

B. "Approved Vested Members" - A Member who has obtained Vested Rights.

C. "Retired Member" - A Member who has obtained Vested Rights, has reached a minimum age of 50, and has elected to receive pension benefits as approved by the Board of Trustees.

2.5 "Beneficiary" shall mean any Member, estate, trust, or organization entitled to receive any payment or benefit under the provisions of these Bylaws.

2.6 "Active Service" shall mean any calendar year in which a Member maintained a minimum training participation in the District of thirty-six (36) hours, excepting a first or last partial calendar year of service, before retirement, when a Member shall be entitled to a partial year's credit for active service equal to a fraction, the numerator of which is the number of training hours performed during the partial year and the denominator of which is thirty-six (36) and otherwise complied with these Bylaws. Such period shall include approved leaves of absence as set forth in Section 6.4 of these Bylaws.

2.7 "Retirement Date" is the 50th birth date or any later date occurring on or after the Member attains vested rights and elects to retire."Vested Rights" shall mean the accumulation by a Member of 10 years or more of Active Service.

## ARTICLE III. BOARD OF TRUSTEES

3.1 Number and Qualifications. The business and affairs of the Fund shall be managed by the Trustees. The Trustees shall consist of the members of the Board of Directors of the District, and two Trustees elected from the Members (the “Member Trustees”).

3.2 Term of Office. The Board of Trustees of the Fund shall serve terms of office on the Board as follows: the members of the District Board of Directors for terms equal to their elected terms for the District, and the two Member Trustees for two-year terms of office.

3.3 Elections. The initial election of the Member Trustees shall be conducted to elect one Trustee for an initial term of two years and one Trustee for an initial term of one year. Subsequent elections of successors to two-year terms shall maintain these staggered terms, there being an election one year for one Member Trustee and the next year for the other Member Trustee. Elections shall take place annually and completed no later than August 31, based on written notice to Members. Nominations will be accepted in writing prior to the election, followed by a mail ballot election. Unless otherwise provided by the Board of Trustees, notices and mail ballots shall be mailed or emailed to the addresses, as maintained by the FPPA or otherwise maintained by the Board, of each Member and each member of the Volunteer Pension Fund. Schedules and details of receiving nominations of candidates and conducting the mail ballot election shall be approved by the Board of Trustees. The person who obtains the most votes in an election shall be appointed to serve on the Board of Trustees.

3.4 Successor Trustees. In the event any Member Trustee shall resign or shall be unable to fulfill his term of office, the remaining Trustees may appoint a Member to serve the remainder of the term.

3.5 Liability and Indemnity. Members of the Board of Trustees shall be relieved of all individual liability and responsibility for any act or omission made in good faith or on the advice of counsel and shall be indemnified by the District against all legal actions, damages, or claims brought against them for acts or omissions in pursuit of the Fund’s business, unless said act or omission constitutes gross negligence, willful misconduct, or willful breach of fiduciary duty. No member of the Board of Trustees shall be liable or responsible for any act or omission made by a former member of the Board of Trustees. In the interest of justice, however, the Board of Directors may be asked to reconsider a past decision and may vote to correct a past decision determined by the Board of Trustees to be against the interest of justice.

## ARTICLE IV. MEETINGS OF THE BOARD OF TRUSTEES

4.1 Location of Meetings. The location of regular meetings of the Board of Trustees shall be held at the District's Station #2 located at 751 Gothic Road, Mt. Crested Butte, Colorado 81225, unless otherwise designated by the Trustees.

4.2 Regular Meeting. Regular meetings of the Board of Trustees shall be conducted on the same date as the monthly regular Board meeting of the District in February and September at 6:30 p.m.

4.3 Special Meetings. Special meetings of the Board of Trustees may be called at any time by the President or by any two members of the Board of Trustees.

4.4 Notice of Meetings. Sections 4.1 and 4.2 of these Bylaws shall constitute formal notice of regular meetings to the Trustees and no other notice shall be required to be given to the Trustees, other than the permanent posting. Written notice of each special meeting, setting forth the time and place of the meeting, and the intended agenda thereof, shall be given to each Trustee not less than 24 hours prior to the time picked for the meeting. This notice may be given either personally, or by sending a copy of the notice via email or through the United States mail, postage prepaid, to the address of each Trustee appearing on the records of the District. If mailed, such notice shall be deemed to be delivered when deposited in the United States mail, so addressed, with postage thereon prepaid.

4.5 Waiver of Notice. A Trustee may waive in writing notice of a special meeting of the Board either before, at, or after the meeting and his waiver shall be deemed the equivalent of having been given notice. Attendance of a Trustee at any meeting shall constitute waiver of notice of that meeting, unless he attends for the express purpose of objecting to the transaction of business because the meeting has been unlawfully called or convened.

4.6 Quorum. At meetings of the Board of Trustees, a majority of the Trustees shall be necessary to constitute a quorum for the transacting of business. If a quorum is present, the action of the majority of Trustees in attendance shall be the action of the Board.

4.7 Meetings Open to the Public. Whenever a quorum of the Board of Trustees meets, such meetings shall be open to the public pursuant to the requirements of the Colorado Open Meetings Law, § 24-6-401, *et seq*., C.R.S.

## ARTICLE V. OFFICERS

5.1 Election of Officers. The Treasurer of the Board of Trustees shall be the then current Treasurer of the District Board of Directors. The Board of Trustees shall elect from its membership a President and a Secretary by a majority of the Trustees voting at said election. The election of the officers shall be conducted on the same frequency and at the first meeting following the election of District Board officers.

5.2 Vacancy in Office. Any vacancy occurring in any office shall be filled for the unexpired term in the same manner as is provided for the election of full term officers.

5.3 President. The President shall preside at all meetings of the Board of Trustees. Except as otherwise authorized, the President shall sign all contracts, deeds, notes, debentures, warrants, and other instruments on behalf of the Board of Trustees.

5.4 Secretary. The Secretary, or their delegate, shall keep the records of the Board of Trustees; shall act as secretary at meetings of the board and record all votes; shall compose a record of the proceedings of the Board of Trustees in a minute book kept for that purpose which shall be an official record of the Board of Trustees, and shall perform all duties incident to the office. The Secretary shall be custodian of the records and shall have the power to affix such seal to all contracts and instruments authorized to be executed by the Board.

5.5 Treasurer. The Treasurer, or their delegate, shall supervise the financial records of the Fund. The Treasurer shall countersign all checks, drafts, or other documents, as required by the Board of Trustees. Before assuming the duties of their office, the Treasurer shall be bonded, at the expense of the Fund, in such amounts as the Board of Trustees may direct, but for not less than $5,000.00.

5.6 Additional Duties. The officers of the Board of Trustees shall perform such other duties and functions as may from time to time be required by the Board of Trustees, by the Bylaws, or by special exigencies, which shall later be ratified by the Board of Trustees.

## ARTICLE VI. ELIGIBILITY AND PARTICIPATION

6.1 Participation Eligibility. Each Member shall be eligible to participate in the Fund, subject to the requirements of these Bylaws.

6.2 Notice of Bylaws. Each Member shall be notified by the District or by the Board of Trustees of the existence of the Fund and of its provisions. Each Member shall be provided a copy of the Bylaws of the Fund.

6.3 Application. In order to participate in the Fund, Members may be required to execute such application forms as may be prescribed, from time to time, by the District.

6.4 Leaves of Absence. A Member who takes a leave of absence shall not be construed as having terminated their membership, provided such leave of absence was granted in writing by the District and does not exceed 180 days within any 12 consecutive month period. A leave of absence for military service during which the Member's membership rights were protected by law, or as authorized by the District consistent with these Bylaws shall not be construed as termination of membership, provided the Member applies for and receives a leave of absence from the District, and returns to the membership rolls of the District on or prior to the expiration date of such leave of absence or within ninety (90) days of their separation from military service, whichever is later. If the Member does not return to Active Service within these periods, they shall be deemed to have terminated their membership, and forfeited any non-vested rights to benefits. No forfeiture shall be applied to increase the benefits of any other Member of the Fund.

## ARTICLE VII. FUNDS

7.1 General Account. Except as may otherwise be provided or in a separate agreement of the Board of Trustees with a bank or trust company as provided for in Section 10.3, the Board of Trustees shall establish an account to be known as the General Account. Except as otherwise hereinafter provided, all amounts received by the Board of Trustees as contributions or other payments to the Fund shall be placed in the General Account. All benefits payable shall be paid out of the General Account.

7.2 Fund Investment. The Board of Trustees may direct the Treasurer to invest the Fund in a non-insured trust pension plan with a bank or trust company authorized to exercise trust powers in Colorado, but the Trustees shall at all times hold fixed income obligations having a book value or cost of not less than 60% of the Fund balance. The Board of Trustees is otherwise authorized to invest the Fund in accordance with the provisions of §31-30-1113, C.R.S.

7.3 Optional Administration by FPPA. In lieu of the provisions of Sections 7.1 and 7.2 herein, the Board of Trustees may enter into an agreement with the Fire and Police Pension Association, State of Colorado, pursuant to §31-30-1108(1)(d), C.R.S., for the administration and investment of the Fund. Such agreement shall in all other respects be consistent with these Bylaws.

## ARTICLE VIII. INSURANCE

The Trustees may, with the consent in writing of sixty-five percent (65%) of the Members, insure the Members under the following insurance policies in and from companies authorized to do business in Colorado: (1) individual, group, or blanket life, (2) endowment, or annuity insurance, variable annuity insurance, or (3) disability or liability insurance. The Board of Trustees may pay the premiums on these policies from the Fund, as long as such expenditures do not impair the Fund's ability to pay annuities, monthly benefits, and awards. In the event income shall be insufficient to pay premiums, the amount of coverage provided by such insurance policies shall be decreased so that all beneficiaries of the same class shall receive equal benefits. In no event shall the insurance benefits hereunder for any Member exceed 100 times the monthly retirement benefits of such Member. The Board of Trustees must be the beneficiary of any insurance policies under this Article VIII, and the proceeds of any such insurance policies shall be paid to the Board as an addition to the Fund.

## ARTICLE IX. BENEFITS

9.1 Disability Pension.

A. Short-Term Disability Benefits. If a Member is injured while in the line of duty as a volunteer firefighter, the Board of Trustees shall pay a short-term disability monthly annuity for not more than one (1) year in the amount of $400.00.

B. Long-Term Disability Benefits. If a Member is injured while in the line of duty as a volunteer firefighter, the Board of Trustees shall pay a long-term disability monthly annuity for a disability that deprives the volunteer firefighter of an earning capacity and that extends beyond one (1) year in an amount of $800.00

C. All applicants for disability pensions shall be examined by one or more physicians selected for the purpose by the Trustees and may be examined by one or more physicians selected by the applicant, at applicant's expense. All expenses of examinations by the physician or physicians chosen by the Trustees shall be paid by the Board of Trustees out of the Fund.

9.2 Retirement Pension. A Member shall be eligible to receive a pension of $800.00 per month commencing at the age of 50 years, after 20 years Active Service, but no Member shall receive a pension while an Active Member. If any Member shall have served 20 years of Active Service and has not reached 50 years of age, they may, at their request, be relieved from further duty with the District, be certified as an "Approved Vested Member" and retain all rights to his pension at such time as they shall reach 50 years of age.

A. Any Member having ten years or more of certified Active Service has Vested Rights to pension benefits upon reaching the minimum age of 50 years. Any Member having attained Vested Rights and has not reached the age of 50 years may request membership status as an Approved Vested Member and retain all rights to their pension at such time as they shall reach 50 years of age. Any Member having attained the age of 50 years with ten years or more of Active Service will be eligible for pension benefits, pro-rated at 1/20th of the benefits being paid at the time the Member retires for each year of accrued, qualifying service time. Application for retirement and pension benefits along with birth certificate or proof of birthdate shall be submitted and approved by Board of Trustees.

B. Any Member having over twenty years of Active Service will be eligible for supplemental pension benefits, over and above the $800.00 monthly retirement pension provided for above, in a monthly amount equal to $40.00 for each year of Active Service in excess of 20 years, if an actuarial review indicates a supplemental monthly pension payment is actuarially sound.

9.3 Survivor Benefits. So long as the Fund is actuarially sound, on the death of any Retired Member receiving or eligible to receive pension benefits, his surviving spouse shall receive a monthly annuity of $400.00, which is fifty percent of the pension applicable at the time of the Member's death, plus $20.00 for each year of Active Service for which the Retired Member was eligible for supplemental pension benefits under section 9.3(B) herein. The surviving spouse shall receive the same until he/she shall die or remarry, and no dissolution of a subsequent marriage will reinstate the benefits of the surviving spouse.

9.4 Funeral Benefits. When an Active or Retired Member dies, the Board shall pay a funeral benefit to assist in the property burial of the deceased firefighter in the amount of $1600.00 This benefit shall be paid to any person who pays the necessary funeral expenses.

## ARTICLE X. AMENDMENT AND TERMINATION OF FUND

10.1 Amendments. The Board of Trustees may amend these Bylaws and the Fund at any time or from time to time, by an instrument in writing executed with the same formality as these Bylaws, provided, that no such amendment shall:

A. Increase the duties or liabilities of the Board of Trustees without their written consent.

B. Deprive any participant or any beneficiary of any of the values to which they are entitled under these Bylaws with respect to contributions previously made.

C. Provide for the use of funds or assets held under this Fund other than for the benefit of participants and their beneficiaries and no funds contributed to this Fund or assets of this Fund ever revert to or be used or enjoyed by the District, except as expressly permitted by the Act.

D. Deprive any Member of any accrued values to which they are entitled at the time of execution of such separate agreement.

10.2 Termination. The Board of Trustees may terminate the Fund pursuant to the terms of the Act, provided, however, that no such termination shall:

A. Deprive any member or any beneficiary of a right vested by reason of these Bylaws.

B. Result in payment to the District of any funds or assets of the Fund, except as expressly permitted by the Act.

10.3 Delegation of Trustee's Powers. The Board of Trustees may enter into a separate agreement with any bank or trust company which is authorized to exercise trust powers in the State of Colorado, whereby such bank or trust company may become Co-trustee or sole trustee of the Fund. Such agreement shall be upon such terms and conditions as the Board of Trustees shall deem necessary and proper, but it may not:

A. Relieve the Board of Trustees of their responsibilities under these Bylaws.

B. Deprive anyone who is now a Member, or who may become a Member, or anyone who is now, or who may become a Member of the Fund, of any rights which the Member or their beneficiaries have or may have under these Bylaws.

C. Remove general management and control of the Fund from the Board of Trustees, except in conformance with Section 7 of these Bylaws.

D. Be contrary to the laws of the State of Colorado.

10.4 Termination Upon Dissolution of District. These Bylaws shall terminate if the District should be legally dissolved or declared bankrupt, or insolvent, provided, upon agreement with the Trustees, a successor organization may be substituted for the District and for the purposes of these Bylaws.

10.5 Consolidation. In the event of any merger, consolidation with or transfer of assets or liabilities to any other plan, each member in the Fund shall, if the Fund is then terminated, be vested with rights and benefits immediately after the merger, consolidation or transfer, which is equal to or greater than the rights and benefits they were entitled to immediately before the merger, consolidation or transfer.

## ARTICLE XI. DUTIES OF TRUSTEES

11.1 Resignation - Succession. Any Trustee may resign in writing, addressed to the District, provided, if such trustee shall be a member of the Board of Directors of the District, they shall, at the same time, tender their resignation as a Director of the District. No successor Trustee shall be obligated to examine the accounts, records, and act of any previous Trustee, or any allocation of funds, or shall such Successor Trustee or Trustees, in any way or manner, be responsible for any act or omission to act on the part of any previous Trustee.

11.2 Trustee Membership. No Trustee shall be precluded from becoming a Member under the Fund, subject to the requirements for eligibility and applicable conflict of interest principles.

11.3 Administrative Expenses. The Board of Trustees shall have authority to pay the expenses of administration of the Fund, including any taxes which may be imposed upon the corpus or income, legal expenses and such compensation as may be agreed upon for agents and employees of the Board of Trustees

11.4 Inspection of Records. A member or beneficiary may inspect the Board of Trustee's records as they relate to their own participation, at all reasonable times following a written request for such inspection.

11.5 Liability - Indemnity. Except for gross negligence, willful misconduct, or willful breach of any duty required by law, no Trustee shall ever incur any liability for any act or failure to act pursuant hereto. The Trustees shall be protected in acting upon any document believed by them to be genuine and to have been executed or delivered by the party purporting to have executed or delivered same. The Trustees shall be relieved of all responsibility for anything done or not done in good faith or advice of counsel, and shall be indemnified against all legal actions, damages, or claims of whatever manner brought against them for acts or conduct in the pursuit of the Fund's business, except as limited above.

11.6 Adjudication of Actions of Trustees. The Board of Trustees shall have the right to judicial adjudication of their actions. In the event that dispute shall arise as to any act to be performed by the Board of Trustees, the Board of Trustees may postpone performance until adjudication of such dispute in a court of competent jurisdiction, or until they have been indemnified against loss to their satisfaction.

11.7 Interpretation of Bylaws. In the event of any ambiguity in any provision of these Bylaws, the Board of Trustees shall have the power to construe these Bylaws, and their reasonable interpretation and construction of the same, consistent with the language used, the spirit and intent of the Bylaws, and consistent with the law. Such determination, as documented in a resolution of the Board of Trustees, shall be final and conclusive.

## ARTICLE XII. MISCELLANEOUS

12.1 Not Employment Contract. These Bylaws shall not be construed as creating any contract of employment between the District and its members.

12.2 Alienation Prohibited. Except as it may be necessary on termination of membership or dissolution of the Fund and these Bylaws, except for assignments for child support purposes as provided by law and except for writs of garnishment which are the result of a judgment taken for arrearages for child support or for child support debt, none of the moneys, funds, annuities, individual accounts, or other benefits of the Fund shall be assignable either in law or equity or be subject to execution, levy, attachment garnishment, or other legal process.

12.3 Insurer Not Responsible. No insurer which may issue any policy upon the application of the Board of Trustees shall be required to take or permit any action contrary to the provisions of such policy, or be bound to allow any benefit or privilege to any person interested in any policy it has issued which is not provided in such policy, or be responsible for the validity of these Bylaws, or be required to look into the terms of these Bylaws or questions any act of the Trustees hereunder, or be required to see that any action of the Board of Trustees is authorized by these Bylaws.

12.4 Adjudication and Severability. In all controversies relating to the provisions of these Bylaws and their application, the Act, as amended, shall control, and any adjudication by a tribunal with jurisdiction over the parties and subject matter, upon exhaustion of all right of appeal, concerning the application of such statutes to these Bylaws shall become a part and incorporated in these Bylaws, effect the date such decision is rendered. If any section or paragraph of any section of these Bylaws shall be declared illegal or unenforceable, the remaining articles and paragraphs shall, nevertheless, continue, each paragraph being severable from each other paragraph and Section, unless to do so would be materially inconsistent with the spirit and intent of the creation of the Fund

ADOPTED this 9th Day of July, 2019.

CRESTED BUTTE FIRE PROTECTION DISTRICT

By: ______________________________
Paul A. Hird, Chairman

ATTEST:

By:________________________________
W. Eric Tunkey, Secretary