

CHARLOTTE FIREFIGHTERS' RETIREMENT SYSTEM

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BENEFITS COMMITTEE MINUTES

September 10, 2020

PRESENT: Melinda Manning - Chair, Lee Thompson, Ryan Pope and, Sheila Simpson

ALSO: Staff - Sandy Thiry, Desiré Dixon, Tony Bass, Ty Phelps and Legal Counsel Lisa Flowers

GUESTS: Active Members FFII Jeff Clark, Chief Charles Horne

CALL TO ORDER

Mrs. Manning called the meeting to order at 8:03 a.m. Due to the gathering restrictions surrounding COVID-19, the Benefits Committee meeting took place via teleconference. Attendance was taken via roll call and all members were in attendance.

I. MEETING MINUTES APPROVAL

Lee Thompson motioned to approve the meeting minutes for August 13, 2020 and Ryan Pope seconded the motion. Motion carried unanimously via roll call with all trustees in attendance.

II. OUTREACH

The Benefits Committee invited active members, Chief Charles Horne and Jeff Clark to speak to the Committee regarding members' concerns.

- A. Chief Charles Horne discussed vacation payout, capping the final average salary, and changing the compensation averaging period from 2 years to 4 years and the impact these changes may have on the current and future members. He also mentioned the LGERS plan options such as COLAs that should be considered when discussing changes to the ACT. The Committee discussed concerns about the cost of living adjustments for retirees and the need for a funding mechanism. Melinda Manning advised that all ideas are considered when discussing the Act Amendments. Chief Horne also expressed the need for broader education to members of how System is designed, structure, valuation process- more than just how the benefit is calculated.
- B. Active Member Jeff Clark expressed the same concern for a longer averaging period and noted that the LGERS and Social Security does pay periodic COLAs. He too was concerned that the ACT changes could affect current and future members. Mr. Clark expressed that there was confusion among members regarding payout of unused sick and vacation time in that members are shuffled between the CFRS, CFD and the City for answers. Lastly, he expressed support for the additional funding the City has made but prefers the City pay the ADEC immediately instead of an incremental approach.

III. CBIZ Study

- A. Compensation Definition – The Benefits Committee revisited their discussions regarding various approaches to what could be considered as Compensation, such as base salary which would exclude overtime. Lisa Flowers mentioned that in her discussion with the ERISA counsel, an option could be to average overtime over a longer period than the two

highest years- a hybrid approach. Another concept that was resurrected was taking base salary plus some percentage of pay above it, or in essence, capping pay. The Committee discussed further what would be considered base salary as well as changes the City has been making regarding the hiring process. Sheila Simpson explained it is too early to know the impact. The question still remains – what is the City’s goal? Sandy Thiry, Lisa Flowers and Sheila Simpson will research what’s included or excluded as salary and what are considered eligible wages.

IV. NEW BUSINESS

No new business was presented during the September Benefits Committee Meeting.

Lee Thompson motioned to adjourn at 9:43 a.m. and Ryan Pope seconded the motion. Motion carried unanimously via roll call with all trustees in attendance.

Next Regular Meeting is scheduled for Thursday, October 8, 2020 at 8:00 a.m.

cc: Vanessa Heffron -Chair
John Carr – Vice Chair
Lisa Flowers – Sr. City Attorney