

# CHARLOTTE FIREFIGHTERS' RETIREMENT SYSTEM

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## BENEFITS COMMITTEE MINUTES

November 12, 2020

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

**OTHER:** Staff - Sandy Thiry, Desire' Dixon, Tony Bass, and Legal Counsel Lisa Flowers

### OFFICIAL CALL TO ORDER

Melinda Manning called the meeting to order at 8:06 a.m. Attendance was taken via roll call with all members present.

### I. MEETING MINUTES APPROVAL

Lee Thompson motioned to approve the minutes for the October 8, 2020 meeting and Renee Metzler seconded the motion. Roll call vote was taken with all present members and the motion carried unanimously.

### II. FUNDING REQUEST/ACT AMENDMENT UPDATE

Melinda Manning, Vanessa Heffron and Sandy Thiry presented the CFRS' Funding Request to the City's Budget Committee on October 27, 2020 and received positive feedback. The request was approved by the City's Budget Committee to move forward and it be reviewed again by full City Council during their December 2020 Meeting. Sandy Thiry will provide updates as they are received.

### III. BENEFITS COMMITTEE CHARTER REVIEW

- A. The Benefits Committee reviewed the drafted version of the Charter edits and determined that reference to a Funding Policy should be included in the Charter.
- B. The Committee discussed including the meeting section from the Investment Committee Charter regarding the administrator's attendance and meeting notifications so both charters are aligned. They also discussed as part of their authority and responsibility of establishing certain policies, to create a policy regarding COLAs or bonuses. The policy would not replace the Act and Board's authority but rather work in conjunction with administering the Act's provisions.
- C. The draft edits will be updated to remove any reference of "TBD" in section # 3 and sub bullets in Section 5 and 6 will be corrected. Counsel and staff will review for any additional grammatical edits and will provide the Committee with an updated version of the Charter which will be reviewed during the next Committee meeting.

Sheila Simpson motioned to accept the Benefits Committee Charter with language updates as written with the inclusion of reference to COLAs and Bonus policy and the minor edits discussed with formatting. Renee Metzler seconded the motion and roll call vote was taken with all committee members and the motion carried unanimously.

#### **IV. CBIZ STUDY/ACT AMENDMENTS**

- A. Compensation Definition – The Committee continued their discussion regarding possible options the City could review in order to control their costs and what impact any change could have. They reviewed the current benefits with staying status quo. If remain status quo the cost of the plan continues to escalate. The risk becomes whether or not the City wants to continue to sponsor the plan and the ability to pay for the benefits. Since the plan formula uses a multiplier, years of service and final average salary, limited options the Board can suggest include changing the final average salary period to 3 or 4 years, changing the definition of compensation, or limiting compensation for final average salary and changing the benefit multiplier. An increase to employee contributions is also a possibility however, it would not be the first viable option for recommendation. It would be important to analyze the effect of the City's increased employer contributions first. Additional conversation relating to base salary, legal issues, hire-backs, and the impact of base pay versus a 4 year average was also addressed. Sandy Thiry mentioned a third party survey reflected the firefighter's contribution rate is on the higher side of the survey results. She will continue to research to find updated survey and data that may aid in the Committee's discussion. CBIZ will be consulted to see if they can offer additional insight based on the information and analysis they have done so far.

#### **V. POLICIES**

Melinda Manning and Sandy Thiry will continue to review sample Funding Policies to assist with the efforts to create one.

#### **VI. NEW BUSINESS**

Sheila Simpson and Sandy Thiry will work on an educational training session.

Ryan Pope motioned to adjourn at 9:40 a.m. and Renee Metzler seconded the motion. Roll call vote was taken with all present trustees and motion carried unanimously.

Next Regular Meeting is scheduled for Thursday, December 10, 2020 at 8:00 a.m.

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