

BOARD OF TRUSTEES
CHARLOTTE FIREFIGHTERS' RETIREMENT SYSTEM
BENEFITS COMMITTEE CHARTER RESOLUTION

WHEREAS, the Charlotte Firefighters' Retirement System ("System") established pursuant to the provisions of Chapter 926 of North Carolina's 1947 Session Laws, as amended (the "Act"), provides retirement, disability and survivor benefits for the uniformed employees of the Charlotte Fire Department who are subject to the provisions of the Civil Service Act contained in Chapter 333 of the 1969 Session Laws as amended, including the Chief of the fire department where the Chief was subject to the provisions of the Civil Service Act immediately prior to being appointed Fire Chief; and

WHEREAS, Section 27 of the Act vests the general administration, management and responsibility for the proper operation of the System with the Board of Trustees (Board); and

WHEREAS, Section 37 of the Act requires that the Chairperson of the Board appoint a Benefits Committee; and

WHEREAS, Section 41 of the Act authorizes the Board to adopt rules and regulations for the administration of the System consistent with the provisions of the Act; and

WHEREAS, Section 36 of the Act authorizes the Board to use the services of various professionals deemed necessary to assist with the proper operation of the System; and

WHEREAS, on January 27, 2010, the Board adopted the following Benefits Committee Charter giving authority and responsibility for certain duties to the Benefits Committee, a standing committee of the Board, and setting forth the organizational structure and guidelines the Benefits Committee will follow to fulfill its responsibilities, which may be amended from time to time by formal action of the Board; and

WHEREAS, on January 28, 2021 the Board amended the Benefits Committee Charter to add clarity and consistency as well as updates to Sections 3, 5 and 6; and

WHEREAS, the Committee has requested additional revisions to Benefits Committee Charter to better clarify its authority and responsibility and remove redundancies

NOW THEREFORE, BE IT RESOLVED, by the Board of the Charlotte Firefighters' Retirement System, at its regularly assembled meeting of **January 26, 2023**, that it hereby amends the Benefits Committee Charter as set forth below:

CHARTER OF THE BENEFITS COMMITTEE
CHARLOTTE FIREFIGHTERS' RETIREMENT SYSTEM

1. PURPOSE

The Benefits Committee ("Committee") is established by the Act† as a standing committee of the Board of Trustees ("Board") of the Charlotte Firefighters' Retirement System ("System"). The purpose of this Benefits Committee Charter ("Charter") is to outline the role, composition, duties, and authority of the Committee in conducting benefits-related affairs of the System.

2. DEFINITIONS

The following terms as used in this Charter shall have the indicated meaning:

- a) "Act" means the Charlotte Firefighters' Retirement System Act established pursuant to Chapter 926 of the 1947 Session Laws of North Carolina, as amended.
- b) "Board" means the Board of Trustees of the Charlotte Firefighters' Retirement System.
- c) "Committee" means the Benefits Committee.
- d) "Funding Policy" means a document which describes the Funding Objectives, the Measurements of Funding Progress, and the Methods and Assumptions used to determine those measurements, as amended and adopted by the Board.
- e) "System" means the Charlotte Firefighters' Retirement System.

3. COMMITTEE'S ROLE

- (a) The Committee shall assist the Board in discharging its fiduciary responsibility for the review of the benefit structure, funding policy and related assumptions, administrative procedures and various professional services provided to the System such as actuarial, medical and legal services.
- (b) The Committee is charged to oversee and review such services and others as may be necessary from time to time for the exclusive purpose of providing benefits to members, retirees and beneficiaries, and to administer the System in an efficient, consistent and fair manner.
- (c) Committee members, as trustees and fiduciaries, shall:
 - (i) discharge their duties solely in the interest of the Members, Retirees and Beneficiaries, and
 - (ii) act with the same care, skill, prudence and diligence under the circumstances then prevailing, that a prudent person acting in a similar capacity and familiar with those matters would use in the conduct of a similar enterprise with similar aims.

4. COMMITTEE MEMBERSHIP

- (a) The Committee shall consist of five Trustees appointed by the Chairperson of the Board (“Chairperson”).
- (b) The Committee shall annually elect a Committee Chair from among its members.

5. AUTHORITY & RESPONSIBILITY

The Committee shall have the following advisory and administrative duties:

- a) Formulate and propose policies, including but not limited to, funding, elections, service purchases, COLAs and bonuses, and other rules and regulations for the administration of the System and transaction of its business for approval by the Board.
- b) Regularly review the provisions of the Act and established policies. Make recommendations to the Board for revisions as necessary or appropriate.
- c) Recommend strategies as may be required to respond to an over or under funding condition or threats to the System’s financial soundness be they actual or anticipated. Regularly evaluate service providers (e.g., actuarial consultant, medical board, legal and other related services) and recommend retention or replacement. Review all benefit-related fees incurred by, or on behalf of, the System for reasonableness.
- d) Receive reports from the Administrator on statutory changes related to taxes and exemption programs for which participants of the System may be eligible.
- e) Regularly review and assess the adequacy of this Charter and the performance of the Committee and recommend changes where appropriate.
- f) Attend to such other matters as the Board may from time to time determine.

6. COMMITTEE MEETINGS

- (a) Committee meetings shall conform with North Carolina’s Open Meetings laws, G.S. 143-318.9, *et seq.*, as amended.
- (b) The Committee shall generally meet once a month and may convene more or less often as necessary.
- (c) Committee members may attend Committee meetings in-person or by means of a conference telephone or similar communications device allowing all persons participating in the meeting to hear each other at the same time, to the extent permitted by law.
- (d) The Committee Chair (or the Chair’s designee in the event of his or her absence) shall preside at all Committee meetings.
- (e) A majority of the Committee shall constitute a quorum for the transaction of business at any Committee meeting. All Committee members in attendance are eligible to vote.

- (f) The Committee Chair, in consultation with the System Administrator, shall set the agenda for each Committee meeting. Meeting agendas and supplementary material shall be distributed to Committee members in advance of Committee meetings. The System Administrator or designated staff member shall attend and participate in Committee meetings at the pleasure of the Committee.
- (g) The Committee shall keep minutes of its meetings and shall provide regular reports on its activities and recommendations to the Board.

7. OVERSIGHT & REPORTING

The Board shall maintain direction and oversight of the Committee's activities by reviewing regular reports of the Committee's activities at Board meetings. Any Committee action taken, not taken or deferred in accordance with this Charter or Board guidance shall be reported to the Board at the next Board meeting following such action.

† Chapter 926 of the 1947 Session Laws, North Carolina General Assembly, as amended.

Adopted January 2010

Amended 01/27/2021 (Resolutions, Definitions, Duties, Meetings, and formatting)

Amended 4/28/2022 (Resolutions, Authority & Responsibility, Committee Meetings)