

CHARLOTTE FIREFIGHTERS' RETIREMENT SYSTEM

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BENEFITS COMMITTEE MINUTES

October 3, 2024

PRESENT: Melinda Manning - Chair, Kim Heffernan, Ryan Pope, Sheila Simpson

ABSENT: Kevin Gordon

OTHER: Staff - Sandy Thiry, Ty Phelps, Tony Bass, Michelle Maxwell,
Lisa Flowers – legal counsel

GUESTS: Joseph Hager, Chief David Farnum, Kenneth Martone, Lance Reagan

OFFICIAL CALL TO ORDER

Melinda Manning called the meeting to order at 8:09 a.m.

I. MEETING MINUTES APPROVAL

Kim Heffernan motioned to approve the September 12, 2024 meeting minutes as presented. Sheila Simpson seconded the motion. The motion carried unanimously.

II. FUNDING INITIATIVE

The Committee reviewed the pension reform matrix. It was announced as a reminder that all the suggestions being reviewed are for future members only, except for the extension of unused sick time to service. The extension of service is based on a policy adopted by the Board per Section 8 of the Act. The rollover of unused vacation to the sick accrual accumulator in the City's payroll provides an enhancement to service time above and beyond what only the sick days accumulated provided prior to the City's policy change regarding unused vacation. The rollover of vacation into sick time allows members to reach retirement eligibility sooner and incur additional service time that does not have contributions tied to it, resulting in additional plan costs. More research was requested by the Committee to understand the impact of this policy.

The Committee discussed the drafted edits to various sections of the Act, including the definition of Compensation, Accumulated sick leave, and Member and City contributions. Legal and staff will refine language in the contribution sections to be consistent with actuarial terms. The Committee will continue to review the drafted language for Compensation exclusions.

The Committee is aware of the various rumors and concerns within the fire department about unused sick time and the need for communication to members if and when the Board would change its policy as well as making pension reform recommendations to the City for legislative approval. The conversion of unused sick time to service policy of the Board does not impact what the City pays out or what has been accrued by a member.

The next regular meeting is scheduled for Thursday, October 10, 2024 at 8:00 a.m.