



BENEFITS COMMITTEE REPORT

CHARLOTTE FIREFIGHTERS' RETIREMENT SYSTEM

JANUARY 23, 2025

TO: The Board of Trustees

FROM: Melinda Manning, Chair Kevin Gordon Kim Heffernan Ryan Pope Sheila Simpson

November 14, 2024 – Canceled

December 12, 2024 – Canceled

January 9, 2025 – Work Plan; Noteworthy News; Polices & Regulations

Summary of meetings since the October 24, 2024 Board Meeting:

DISCUSSION:

1. Noteworthy News

- a. The Social Security Fairness Act was approved by the Senate by a vote of 76-20, which repeals the Windfall Elimination (WEP) and the Government Pension Offset (GPO). The bill was presented to the President on December 27, 2024 and he signed on January 5, 2025. Challenges of implementing the Act include recalculation of benefits paid after December 2023 and how to pay the retroactive benefit portion.
- b. NASRA Annual Public Fund Survey has been published. Summary of Findings include that the aggregate funding level in FY2023 for plans surveyed was 76.4%, up from 76.1% in FY2022 and that the aggregate actuarial value of assets grew in FY23.
- c. A retiree's access to USBank experienced fraudulent activity.

2. Committee's Work Plan

- a. The Committee continues to utilize the Work Plan to remain focused on the various projects and policy reviews. See Exhibit 1 attached.

3. Policies & Regulations

- a. The Business Continuity Plan and the Securities Litigation Policy are under review with legal counsel. Staff continues to work with legal counsel regarding updating vendor contracts. Some contracts impact the Business Continuity Plan.
- b. Disability Regulations review was resurrected. Staff raised awareness that there are companies that process and manage disability applications. Outsourcing the application and disability determination process could save the System money and provide efficiency to the application process. Staff to continue to do further research.
- c. The Board's policy of converting unused sick time converted to Service was discussed. There is an inflationary component within the formula which results in more than 228 days given as a year of service. The Committee would like the Board to review this policy.

4. Funding Initiative

- b. The Staff and legal counsel worked together to draft communication to the City. The package was delivered to the mayor and City Manager earlier this month.



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Exhibit 1 - Work Plan

Benefits Committee 2025 Work Plan (in progress)						
Funding	Assigned to	CY24	1Q 2025	2Q 2025	3Q 2025	4Q 2025
Monitor Legislation Progress	Counsel, Staff					
COLA (3% pd to ret/ben DOR<1/3/2000)	paid 7/15/2022					
Benefit provisions						
Education						
MySuccess Learning Modules						
"CFRS Overview"	launched 2/11/2021					
"CFRS Benefit Calculation"	launched 3/29/2021					
"CFRS Disability Pension Benefit Calculator"	launched 9/14/2021					
"CFRS Pension Tracking" (annual val process)	launched 2/21/2022					
"CFRS Pension Benefits"	launched 4/22/2022					
Retiree- Cyber Security education	Staff					
Governance						
Committee Charter	amended 1/26/2023					
Policies						
Board Operations Policy (New)	Committee, Legal					
Business Continuity Plan (New)	Staff, legal					
Communications Policy (New)	adopted 4/27/2023					
Ethics Policy	amended 1/26/2023					
Funding Policy	adopted 10/28/2021					
Securities Litigation Policy	Committee, Legal					
Surveillance Policy	amended 1/26/2023					
Travel Policy	amended 4/27/2023					
Processes						
Citizen Trustee Searches						
Regulations						
Disability Regulations	amended by City Council 7/1/2015					
Election Regulations	amended 7/25/2019					
System Administration Sustainability						
Experience Study						
Professional Services						
Hired Legal Counsel/DBL-ERISA(Review)	Committee					
Hired Legal Counsel/Policies	Board selected 4/28/22					
Actuarial Service Provider (Review)	Committee					
Medical Board Contract	adopted 11/15/2021					
Other						
Citizen Trustee Searches (New)	Staff					
CFRS History timeline*	Staff					

Legend:
 In progress
 Completed
 Pending further action by Board
 Impending

* Researched issues/events - for historical reference only



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