

# CHARLOTTE FIREFIGHTERS' RETIREMENT SYSTEM

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## BENEFITS COMMITTEE MINUTES

March 13, 2025

**PRESENT:** Melinda Manning – Chair, Kim Heffernan, Sheila Simpson and Ryan Pope  
(arrived at 8:15 a.m.)

**ABSENT:** Kevin Gordon

**OTHER:** Staff - Sandy Thiry, Ty Phelps, Michelle Maxwell, Desiré Dixon

### OFFICIAL CALL TO ORDER

Melinda Manning called the meeting to order at 8:06 a.m.

#### I. MEETING MINUTES

Kim Heffernan motioned to approve the February 13, 2025 BC meeting minutes and Sheila Simpson seconded the motion. The motion carried unanimously.

#### II. NOTEWORTHY NEWS

Due to the Social Security Fairness Act, individuals affected by the Windfall Elimination Provision (WEP) and Government Pension Offset (GPO), are starting to receive retroactive payments with lump-sum adjustments dating back to January 2024 and will receive an increase to their monthly benefits starting in April 2025.

The Department of Labor's updates to the Voluntary Fiduciary Correction Program for 2025 provides employers and plan administrators with more efficient ways to voluntarily correct compliance issues in retirement, health and other employment benefit plans. The update which became effective March 17, 2025 adds a self-correction tool to fix delays in sending participant contributions to retirement plans.

#### III. WORKPLAN

The Committee will continue to review and make updates to the workplan as needed.

#### IV. Policies & Regulations

Converting unused sick time to service was discussed. Research determined there was no formal documentation in the minutes going back to 1947 of how the methodology was derived. From review of the Board minutes and final calculations it appears that the conversion of unused sick time was used to determine service. The original benefit formula was 50% of Final Average Salary and did not use credited service in determining the benefit, only for determining service for retirement eligibility.

Sandy Thiry surveyed administrators of other pension systems that use disability application service companies. It was determined that with background research and an RFP to the two most utilized companies identified in the research that the Board could move forward with understanding costs and services.

#### V. BENEFIT PAYMENTS

A subsequent attempt to breach retiree data occurred but was thwarted by USBank. The retiree portal remains shut down to all access for CFRS retirees for security reasons until further notice.

#### VI. NEW BUSINESS

Lisa Flowers, City Attorney, discussed House Bill 215 which Representative Mike Clampitt introduced to the General Assembly of North Carolina. This bill is moving quickly through the Pension Committee

before it will go to the local government for approval. House Bill 215 adds regulations to the Act that may protect participants of the Charlotte Firefighters Retirement System from financial harm by including cyber security and data protection requirements. Lisa made suggested edits to improve terminology and understanding, manage reasonable expectations, and best practices. Trying to manage Cyber Security and fraud is a constant topic within the pension community as many of the members are older and assumed to be an easier target. Legal staff and the Administrator will continue doing research and provide results when additional information is available.

Kim Heffernan motioned to adjourn at 9:19 a.m. and Ryan Pope seconded the motion.  
The motion carried unanimously.

The next meeting is scheduled for Thursday, April 10, 2025 at 8:00 a.m.