

CHARLOTTE FIREFIGHTERS' RETIREMENT SYSTEM

OVERVIEW AND TRUSTEE RESPONSIBILITIES AND DUTIES

The Charlotte Firefighters' Retirement System (CFRS) was created by a Special Act of the North Carolina Legislature in 1947 and is the primary retirement system for all uniformed, Civil Service employees of the Charlotte Fire Department. Charlotte firefighters do not participate in Social Security except as provided by Federal law with respect to Medicare (those employees hired on or after April 1986).

- Employees currently contribute 12.65% of eligible earnings and the City, as the Plan Sponsor, contributes 29.31% of eligible earnings effective 7/1/2025. The City has committed to increase the funding as is working collaboratively with the Board for a comprehensive pension reform package.
- The CFRS Plan Year is July 1 through June 30. As of July 1, 2025, there are approximately 1,160 active member participants, approximately 900 retirees and beneficiaries, and 20 deferred vested participants.
- The value of the CFRS trust fund was approximately \$693 Million as of July 1, 2025.
- The CFRS is audited annually by an independent certified public accounting firm.
- An annual actuarial valuation is also performed by an independent actuarial firm. The System was 68.8% funded as of July 1, 2024. Results for July 1, 2025 are pending finalization.

The CFRS is administered by a Board of Trustees numbering eleven individuals. The composition of the Board provides for equal representation by members, citizens (taxpayers), and the City as the Plan Sponsor.

- Four members are to be residents of Mecklenburg County and are appointed to three (3) year rotating terms by the Senior Resident Judge of the Mecklenburg District Superior Court, currently Judge Carla Archie. The Judge also appoints the Chairperson of the Board with input from the entire Board.
- Three members are officials of the City of Charlotte: The City Manager, Finance Director and Treasurer or their designees as permitted by the Act. Their terms on the Board of Trustees are co-terminus with their positions and they serve until replaced.
- Three members are active firefighter participants elected to rotating three-year terms by the active firefighter members of the Charlotte Fire Department.
- One member is an inactive participant (retiree) who is elected by the retirees for a three-year term. Any appointed or elected member can be appointed or elected to successive terms. There is no term limit provision in the Act.

Pursuant to the Act, Trustees serve without compensation for their service except for reasonable expenses. Each Trustee is also generally permitted to attend two conferences or educational functions annually with the approval of the Board. All related travel and conference expenses are paid by the CFRS in accordance with the Travel Policy.

Upon appointment or election to the Board, Trustees are administered an oath of office to be considered "qualified". All Trustees and Staff must annually review the Ethics Policy and sign an acknowledgment of the policy.

System Overview

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The Board of Trustees has quarterly meetings on the fourth Thursday of the months of July, October, January, and April with the July meeting designated as the Annual Meeting. These regular meetings, which are open to the public, generally begin at 8:00 A.M. and can last approximately 2-4 hours.

In addition, the Board has Disability Hearings to consider disability retirement applications and retirement reviews as necessary. Typically, two or three such hearings may be required during the year but are dependent upon applications received by the Administrator. These hearings can be lengthy and complicated. The Board uses medical professionals and legal counsel for assistance in such cases. The first Thursday of each month is generally held as tentative hearing dates. These hearings are held in closed session and not open to the public.

The Board has two standing committees: Investment Committee and Benefits Committee. Members of these committees are appointed by the Chairperson. These committees usually have five members. The Board Chair does not generally serve on a committee. The two committees have regular monthly meetings. The Benefits Committee meets at 8:00 A.M. (usually lasting 2 hours) on the second THURSDAY of the month and the Investment Committee meets at 8:00 A.M. (usually lasting approximately 2 hours) on the third THURSDAY of the month.

The Board has the authority to hire staff and to engage professional services as needed to administer the CFRS. The staff currently consists of five full-time employees (Administrator, Administrative Officer III (Financial Analyst), Administrative Officer III (Retirement Analyst Sr.), Administrative Officer II (Retirement Analyst Jr.) and Administrative Officer I (Administrative Analyst).

The CFRS maintains insurance, including fiduciary and travel coverage.

The CFRS owns and maintains offices in the Charlotte National Building (CNB) located at 428 East 4th Street (corner of Caldwell St. and 4th St), Suite 205. All meetings are typically held at this location. Parking for meetings is available in the Charlotte Mecklenburg Parking Garage on Davidson Street and parking expenses are paid by the Retirement System.

This summary is intended to provide an overview of the Charlotte Firefighters' Retirement System and the duties and responsibilities of its Board of Trustees. Additional information may be found on the System's website, www.charlottefireretire.com including the CFRS Annual Comprehensive Financial Report, Annual Actuarial Report, The Act (plan provisions) and a listing of current trustees. You may also call Sandy Thiry, the CFRS Administrator at (704) 626-2728 with questions.