

NEW ORLEANS FIRE FIGHTER'S PENSION AND RELIEF FUND

Martin Gaal
Board President

Thomas F. Meagher, III.
Secretary-Treasurer

SUBJECT:

**Board of Trustees Regular Meeting
Fire Fighter's Pension & Relief Fund**

TIME, DATE AND PLACE:

**January 14, 2014
3520 General DeGaulle
Suite 3001
New Orleans, Louisiana 70130**

Board President Martin Gaal called the meeting to order. The following members of the Board of Trustees were present: Martin Gaal, Thomas Meagher, Angelo Marchese, Tim McConnell and Norman Foster.

Total as follows: Five (5) members present, one member absent, one vacancy. A quorum being present, the meeting was called to order at 11:10 am.

Also present,

**Pam Meyer
Louis Robein, Board attorney
Paul Mitchell
Kenny Prevost, firefighter
J. Petruska, retired firefighter
Derrick Francis, mayor's office
Ernest Pollock, firefighter**

REVIEW AND ACCEPT MINUTES

MOTION: Moved by Meagher and seconded by Marchese to approve the minutes for the December 2014 meeting.

Motion passed.

NO OBJECTIONS

COMMUNICATIONS

LATEC conference: Board members were provided an agenda of the conference to be held in New Orleans for the period Feb 11-13, 2015. All Board members are registered.

REFUND OF CONTRIBUTIONS

None

CHANGE OF BENEFICIARY

Edward F. Nichues, Jr. and David Diket have requested changes to their beneficiary forms.

DROP WITHDRAWAL

David K. Spilberger has a DROP period ending February 5, 2015.

NEW APPLICATIONS:

Norman Foster presented two charts which were titled Annual and Cumulative. The charts reflect Norman's interpretation of RS 11:3384 which provides for a retirement benefit equal to 2 ½% of average compensation based on the five highest consecutive years of employment, multiplied by the number of years of creditable service. If a member continues to remain a member of the system beyond 12 years of service and the member attains the age of 50 the retirement benefit beyond twelve years of service and after age fifty shall be an amount equal to 3 1/3% percent of the average annual compensation for each year or a portion of a year. If a member continues service beyond 30 years the retirement benefit for each year or portion of a year beyond twelve years of service shall be equal to 3 1/3% of the average annual compensation for each year or a portion of a year.

The Board has applied retirement benefits differently. Members, reaching 30 years of service, have received a retirement benefit of 3 1/3% for each year of service. Members with less than 30 years of service have received a retirement benefit of 3 1/3% for each year after 12 years of service. Discussion followed on why the differences exist and when they began. Foster and McConnell indicated that they did not know that they were approving benefits not in conformity with Norman's reading of the statutes. Both expressed a desire to have a copy of the benefit calculations included in the applicant's file for review during future Board meetings.

David K. Spilberger-New Fund Fire Operator- age 62 with 21 years of service is applying for a Regular Service Pension effective February 6, 2015.

Foster requested to review the member's pension benefit % and was provided same. Upon his review, Foster noted that this member's benefit agreed to formulas posted on the schedules he provided to members of the Board earlier during the meeting.

MOTION: Moved by Marchese and seconded by Meagher to approve a Regular Service Pension effective February 6, 2015 in accordance with the calculation presented to the Board.

Motion passed.

NO OBJECTIONS

MOTION: Moved by Gaal and seconded by Marchese to go into executive session to review medical documentation and reserve privacy rights to members for Service Connected Disability Pension applications and pending applications.

Motion passed.

NO OBJECTIONS

MOTION: Moved by Marchese and seconded by Meagher to come out of executive session to review medical documentation and reserve privacy rights to members for Service Connected Disability Pension applications and pending applications.

Motion passed.

NO OBJECTIONS

Ernest W. Pollock, Jr. : New Fund Fire Operator, age 56 with 33 years of service is submitting an application for a 50% Service Connected Disability Pension effective January 14, 2015.

Foster requested to defer any decisions on retirement applications until Board members could absorb what had been discussed in executive session. Foster also requested an explanation and review of the member's pension benefit % and was provided same. He was informed that the member would receive a benefit of 3 1/3% for all years of service, resulting in a benefit of 100% because he attained 30 years of service. Foster indicated that benefit was not calculated in accordance with his interpretation of RS 11:3384 or 11:3376. Members discussed the reasons for the variance which date back to a 2008 policy decision voted on and agreed to by Board members at that time.

MOTION: Moved by Meagher and seconded by Gaal to approve a 50% Service Connected Disability Pension in accordance with R.S. 11:3384, based on medical evidence, effective January 14, 2015. Meagher, Gaal and Marchese voted for. McConnell and Foster opposed the motion.

Motion failed.

Foster and McConnell noted that their objection to the motion does not indicate they are opposed to a disability but, results from not having a calculation of benefits included in the motion and their interpretation of the Statutes which provides for pension benefits. Both believe the statute provide that a member retiring with 30 years of service is entitled to a benefit calculated at 2 ½% for the first 12 years of service and 3 1/3% for all years beyond 12 years of service, despite prior decisions to the contrary. The following motion results from their interpretation. Foster questioned that if E. Pollack is already on DROP can he simply retire at the amount calculated when he went on DROP or does the Board need a new motion? Meagher confirmed that a motion on the disability must be taken.

MOTION: Moved by Foster and seconded by McConnell to approve a 50% Service Connected Disability Pension effective January 14, 2015 calculated in accordance with RS 11: 3376 B and F. based upon the following formula: 12 years at 2.5% and the remaining years at 3.334%. McConnell and Foster voted for. Meagher, Gaal and Marchese voted against.

Motion failed.

Discussion followed on separating the disability portion of the motion and the calculation portion of the motion. Foster and McConnell felt both actions should remain in the same motion. Gaal, Meagher and Marchese felt otherwise. Mr. Meagher submitted the following motions.

MOTION: Moved by Meagher and seconded by Gaal to approve a 50% Service Connected Disability, which is supported by medical records of the members file.

MOTION: Moved by Meagher and seconded by Gaal to approve a regular retirement benefit as allowed under R.S. 11:3384 as interpreted by Board practice which would result in a 100% benefit for 30 years of service.

Foster moved for a substitute motion as follows;

MOTION: Moved by Foster and seconded by McConnell to approve a 50% Service Connected Disability Pension effective January 14, 2015 calculated in accordance with R.S. 11:3376B or to alternatively approve a retirement pension according to R.S. 11:3384 based upon the following formula: 12 years at 2.5% and the remaining years at 3.334% . McConnell and Foster for. Meagher, Gaal and Marchese opposed.
Motion failed.

The board moved to the original motion by Meagher:

MOTION: to approve a 50% Service Connected Disability, which is supported by medical records of the member's file. Meagher, Gaal and Marchese voted for. Foster and McConnell opposed.
Motion failed.

Meagher's second motion followed. This motion would allow the member to receive a regular retirement without the benefit of 50% Service Connected Disability election. Meagher felt that the member could also appeal the Disability decision.

MOTION: Moved by Meagher seconded by Gaal to approve a normal retirement benefit as allowed under RS 11:3384 as interpreted by Board practice which would result in a 100% benefit for 30 years of service subject to right of appeal. Meagher, Marchese and Gaal voted for. McConnell and Foster against.
Motion passed.

MOTION: Moved by McConnell and seconded by Foster that any motion to grant any benefit include the benefit calculation in the motion.

Meagher offered a substitute motion.

MOTION: Moved by Meagher and seconded by Gaal that the Board accept all previous calculations up to January 14, 2015.

McConnell noted that Meagher should abstain from the vote due to his current participation in DROP.

Motion failed. Gaal and Marchese voted for. McConnell and Foster voted against.
Meagher abstained.

The vote on the original motion:

Motion passed. Meagher, Marchese, Foster and McConnell voted for. Gaal voted against.

Kenneth G. Prevost- New Fund Firefighter, age 63 with 34 years of service is submitting an application for a 50% Service Connected Disability Pension effective January 14, 2015.

MOTION: Moved by Meagher and seconded by Gaal to approve a 50% Service Connected Disability Pension effective January 14, 2015.

Foster offered a substitute motion which tied the disability election and pension benefit calculation together in the same motion.

MOTION: Moved by Foster and seconded by McConnell to approve a 50% Service Connected Disability Pension effective January 14, 2015 calculated in accordance with R.S. 11: 3376 B and F and to approve a retirement pension according to R.S. 11:3384 based on the following formula, 2.5% for the first 12 years and 3.334% for the remaining years. McConnell and Foster for. Meagher, Gaal and Marchese voted against. Motion failed.

Meagher moved to vote on the original motion.

Meagher, Gaal and Marchese voted for. McConnell and Foster voted against the motion. Motion failed.

K. Prevost was present at the meeting and was asked if he wanted to make the same choice of taking a regular pension that E. Pollack has chosen. Mr. Prevost declined the offer.

Board members recognized that deadlocked decisions benefited no one. Discussions on resolving the differences should be handled in executive session. Motions to defer action on Haydel and Prevost followed.

MOTION: Moved by Foster and seconded by McConnell to defer action on disability applications of Prevost and Haydel.

Motion passed.

NO OBJECTIONS

NOTE: For the record, Mr. Pollock, upon hearing that action on Prevost and Haydel was deferred he declined to accept the benefits approved today without the disability and hopes the Board would defer action on his application. His decision was provided in writing to the Secretary Treasurer after the meeting.

DROP APPLICATIONS:

None

REPORTS OF DEATHS

Pensioners:

Walter S. Hrivnak- died on December 6, 2014 at age 82 with wife and no minor children. He entered the department on January 19, 1959 and retired with 21 years of service. He retired on January 19, 1980 and spent 34 years on pension.

Thomas J. Lattie – died on December 10, 2014 at age 100 with no widow and no minor children. He entered the department on July 20, 1941 and retired after 22 years of service. He retired on March 19, 1963 and spent 51 years on pension.

Roland P. Hymel, Jr. died on December 13, 2014 at age 74 with a widow and no minor children. He entered the department on September 5, 1973 and retired with 25 years of service on December 28, 1987. He spent 27 years on pension.

Edward F. Nichues, Jr. died on December 13, 2014 with no widow and no minor children. He entered the department on October 5, 1960 and retired on December 28, 1987 after 27 years of service. He spent 27 years on pension.

Roy A. Heck- died on January 2, 2015 at age 74 leaving a widow and no minor children. He entered the department on August 2, 1971 and retired on December 27, 1997 after 26 years of service. He spent 18 years on pension.

Widows:

Adele C. Eberhardt- died on November 26, 2014 at age 95. She became eligible for benefits on January 1, 1996 and received benefits for 18 years.

Betty W. Breaux died on December 15, 2014 at age 75. She became eligible for benefits on February 12, 1989 and received benefits for 25 years.

MOTION: Moved by Gaal and seconded by Marchese to remove the above noted deceased members and widows from the pension rolls.

Motion passed.

NO OBJECTIONS

WIDOW'S APPLICATIONS

Mrs. Patricia Hrivnak: Application for non-duty death benefits effective January 1, 2015.

MOTION: Moved by Foster and seconded by McConnell to approve a non-duty death benefit for Mrs. Hrivnak effective January 1, 2015.

Motion passed.

NO OBJECTIONS

APPLICATIONS PENDING

Mrs. Kathleen Thomas: Mrs. Thomas' application for a Line of Duty Death benefit was reviewed during the November meeting. Action on the application was deferred until additional medical information could be obtained.

MOTION: Moved by Meagher and seconded by Gaal to approve a line of duty death benefit for Mrs. Thomas. Meagher, Gaal and Marchese voted for. Foster opposed, McConnell abstained.

Motion failed. (It was understood that five votes are needed for a line of duty decision).

OLD BUSINESS:

None

NEW BUSINESS:

Personnel matters/retirement: Meagher requested that the Board approve a request for Fund employees to join the New Orleans Employees retirement system. The Fund employs four persons total each of who are not members of a retirement plan.

MOTION: Moved by Foster and seconded by Marchese to allow Fund employees to seek application to the NOMERS.

Motion passed.

NO OBJECTIONS

Patrick Shubert is requesting that his service credits be transferred to the State Firefighters' Retirement System. The dollar value of the service to be transferred as determined by our actuary amounts to \$27,390.00 if transferred by January 31, 2015.

MOTION: Moved by Foster and seconded by Meagher to approve the transfer of service credits to FRS on behalf of Mr. Shubert.

Motion passed.

NO OBJECTIONS

LEGAL:

MOTION: Moved by Meagher and seconded by Gaal to go into executive session to discuss strategy and negotiations with respect to actual litigation and legislation.

Motion passed.

NO OBJECTIONS

MOTION: Moved by Meagher and seconded by Marchese to come out of executive session entered into to discuss strategy and negotiations with respect to actual litigation and legislation.

Mischler et al v State of Louisiana et al: New lawsuits have been filed in local courts. Hearing is delayed because proper notice was not provided to all parties. Next hearing date is Feb 6, 2015.

Longevity Litigation: Next hearing is February 4, 2015. At the December hearing the Judge requested that various City officials attend the hearing.

Funding Mandamus: Next hearing set for January 22, 2015.

First America Asia: Mr. Robein provided an update on the litigation.

TIMELY FILING OF APPLICATIONS:

All Members applying for Pension, DROP or PLOP must do so 45 days in advance of the scheduled retirement date. All medical documentation for disability applications must be in the administrative office 45 days prior to the scheduled retirement date. Failure to comply with the Fund's rules will cause a delay in the Board taking action and will probably force an extension beyond the member's desired retirement date.

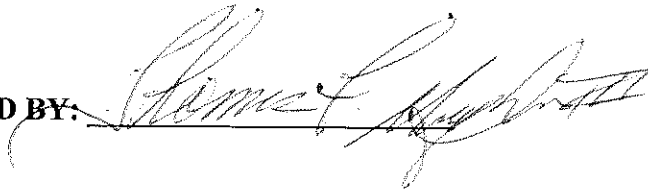
The administrative office will continue to process all paperwork in a friendly, orderly, and timely fashion. We thank all applying members for their continued cooperation. This will enable the Administrative Office and the Board of Trustees to perform their jobs more efficiently.

Members who have recently changed their address or marital status and have not updated their beneficiary form should do so at this time. Please contact the Pension Office during the hours of 10:00 am to 2:00 pm for beneficiary verifications. Your cooperation is appreciated.

ADJOURNMENT

There being no further business, the meeting adjourned at 1:10 pm.

APPROVED BY:



DATE:

7/23/15