

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:

**August 10, 2016
3520 General DeGaulle
Suite 3001
New Orleans, Louisiana 70130**

The following members of the Board of Trustees were present: Martin Gaal, Thomas Meagher, Angelo Marchese, Tim McConnell, Nick Lavene and Derrick Muse. Norman Foster was absent.

A quorum being present, Board President Martin Gaal called the meeting to order at 11:08 a.m.

Also present,
Pam Meyer
Louis Robein, Board Attorney
Paul Mitchell
Kenny Prevost, retired firefighter
Benny Caruso, firefighter
Keri Caruso, spouse

COMMUNICATIONS

LAPERS Conference: Mr. Meagher noted that the LAPERS conference is scheduled for September 18-21, 2016. Board members and staff are encouraged to attend. Registration forms have been provided to each member. Peggy will handle registration once she receives completed forms.

MOTION: Moved by Meagher and seconded by Gaal to approve attendance to the LAPERS conference by Board members and staff. Motion passed. **NO OBJECTIONS**

MOTION: Moved by Marchese and seconded by Meagher to approve hotel and related expenses for Mr. Gaal to attend the LAPERS conference in New Orleans.

Motion passed. Mr. Gaal abstained.

NO OBJECTIONS

REVIEW AND ACCEPT MINUTES

MOTION: Moved by Marchese and seconded by Meagher to approve the minutes of the July 2016 regular Board minutes.

Motion passed.

NO OBJECTIONS

REFUND OF CONTRIBUTIONS

None

CHANGE OF BENEFICIARY

Lateef Shaheer, Stanley Ho, John H. Wild, Jr., Brian Tabor, Brooks Bertram, and Armand Sider, have submitted current beneficiary forms.

DROP WITHDRAWAL effective August 30, 2016

Barry Caruso is withdrawing from DROP effective August 30, 2016.

MOTION: Moved by Meagher and seconded by Lavene to approve the DROP withdrawal of Mr. Caruso effective August 30, 2016. Motion passed.

NO OBJECTIONS

R.S. 11:3376 DISABILITY APPLICATIONS

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

Motion passed.

NO OBJECTIONS

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

Motion passed.

NO OBJECTIONS

Barry J. Caruso, a New Fund fire captain, age 54 with 33 years of service is applying for a 50% service connected Disability effective August 31, 2016.

MOTION: Moved by Meagher and seconded by Gaal to approve a Service connected disability August 31, 2016 calculated at 3 1/3% for all years of service up to 100% of pensionable salary.

A substitute motion moved by McConnell and seconded by Muse to approve a 50% Service Connected Disability retirement benefit for Mr. Caruso effective August 31, 2016 pursuant to R.S.11: 3376 (B) or to alternatively approve a regular retirement benefit in accordance with all conditions of R.S. 11:3384 calculated as 2 ½% of his average compensation for his first 12 years of service and for all years or portion of a year of service until he has reached 50 years of age; and at 3 1/3% for each year or portion of a year beyond twelve years of service and after 50 years of age. If he has beyond 30 years of service the retirement benefit for each year or portion of a year beyond 12 years of service shall be 3 1/3% up to 100% of the member's average annual compensation.

Substitute motion passed.

NO OBJECTIONS

ALTERNATIVE ELECTION AS PER R.S.11:3376 F (2)

Barry Caruso

MOTION: Moved by Meagher and seconded by Gaal to approve the higher benefit election per RS 11:3376 F (2) for Barry Caruso which provides a benefit of 3 1/3% of his average annual compensation for all years of service up to 100% of his average annual compensation, as outlined in the worksheet provided to members.

McConnell and Muse voted against the motion. Meagher, Marchese Gaal and Lavene voted for the motion. Motion passed.

REGULAR RETIREMENT APPLICANTS:

None

DROP APPLICATIONS:

Stephen Lambert: New Fund Fire Captain, age 53 with 22 years of service is applying for DROP effective August 1, 2016.

MOTION: Moved by Meagher and seconded by Gaal to approve a DROP benefit application calculated at 2 1/2% of his average annual compensation for the first 12 years of service and 3 1/3% of his average annual compensation for each year of service or portion of a year beyond 12 years of service up to 100% of his average annual compensation.

McConnell offered a substitute motion, seconded by Muse, to approve a DROP participation effective August 1, 2016 with a regular service retirement benefit in accordance with all conditions of RS 11:3384 to be calculated at 2 ½% for the first 12

years of service and for all years or portion of a year beyond 12 years of service until the member has reached 50 years of age; and 3 1/3% for all years of service and any portion of a year beyond 12 years of service and 50 years of age; If a member has beyond 30 years of service the retirement benefit for each year or portion of a year beyond 12 years of service shall be 3 1/3% up to 100% of the member's average annual compensation. Muse and McConnell voted for the substitute motion. Meagher, Lavene, Marchese and Gaal voted against the substitute motion.
Substitute motion failed.

A vote on the original motion followed:

**Meagher, Marchese, Gaal and Lavene vote for. McConnell and Muse voted against.
Motion passed.**

Roy L. Simmons, Jr.: New Fund Fire Captain, age 50 with 29 years of service is applying for DROP effective August 1, 2016.

This application was withdrawn.

Lance Wagner: New Fund Fire Operator, age 55 with 30 years of service is applying for DROP effective September 1, 2016

MOTION: Moved by Meagher and seconded by Marchese to approve a DROP benefit application calculated at 3 1/3% of his average annual compensation for each year of service or portion of a year of service up to 100% of his average annual compensation. McConnell offered a substitute motion, seconded by Muse, to approve a DROP participation effective September 1, 2016 with a regular service retirement benefit in accordance with all conditions of RS 11:3384 to be calculated at 2 1/2% for the first 12 years of service and for all years or portion of a year beyond 12 years of service until the member has reached 50 years of age; and 3 1/3% for all years of service and any portion of a year beyond 12 years of service and 50 years of age; If a member has beyond 30 years of service the retirement benefit for each year or portion of a year beyond 12 years of service shall be 3 1/3% up to 100% of the member's average annual compensation. Muse and McConnell voted for the substitute motion. Meagher, Lavene, Marchese and Gaal voted against the substitute motion.
Substitute motion failed.

A vote on the original motion followed:

**Meagher, Marchese, Gaal and Lavene vote for. McConnell and Muse voted against the motion.
Motion passed.**

REPORTS OF DEATHS

Pensioners:

Dennis W. Murphy: Mr. Murphy died on July 19, 2016 at the age of 72. He entered the department on September 24, 1973 and retired after 28 years of service on January 10, 2001. He collected pension benefits for 15 years.

Widow:

Ms. Dorothy Sperber: Ms. Sperber died on March 22, 2016 after 31 years on benefits at the age of 97. Her benefits began on May 1, 1985.

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

Motion passed.

NO OBJECTIONS

WIDOW'S APPLICATIONS

None

APPLICATIONS PENDING

None

FINANCIAL INFORMATION

Board members were provided with key financial revenue and disbursement figures for the New and Old system for July.

OLD BUSINESS:

None

NEW BUSINESS:

Fiduciary Insurance: Based upon conversations with our Fiduciary insurance broker, trustee waiver of recourse coverage amounts to \$50 per trustee. Trustee members are asked to make checks payable to the Fund.

Experian update: Ms. Meyer noted that 2,590 persons were affected by the recent cyber-attack, 467 elected to obtain credit watch coverage at a cost of \$24,288.67.

Pre-tax contributions: Mr. Meagher asked for an update on the status of pre-tax contribution

deductions. McConnell noted that Mr. Foster would be the appropriate party to address this matter.

2015 Funding Shortfall: No discussion on this matter.

LEGAL:

Reconventional demand: Mr. Robein noted that all parties have provided signatures to the settlement agreement prepared in connection with the reconventional demand litigation involving Chartis, the City of New Orleans, current and former Board members. As part of the settlement, legal fees of the City's attorney and the Board's attorney have been satisfied. Former Board members have submitted legal fees of \$5,255.43 for payment as well.

MOTION: Moved by McConnell and seconded by Meagher to approve the payment of former Board members' legal fees incurred as a result of the litigation surrounding the reconventional demand.

Motion passed.

NO OBJECTIONS

Mr. Robein led the discussion on the following:

- Issues concerning the alternative interpretation and SEB offsets are set for hearing in Giarrusso's court on September 13, 2016 at 9:00am. A 75 page affidavit has been filed with the courts.
- HB 56-59 signed June 17, 2016. HB 56 is effective August 15, 2016.
- U.S. Federal district court has ordered the Fletcher defendants case tried in Baton Rouge. Settlement discussions have been held with some of the defendants.
- 95% of the claimants have been paid in the longevity matter. Remaining payees have estate and succession issues which are being resolved.
- The OIG has reduced their request for information to periods beginning January 1, 2013. We have answered the request as a public records matter. Fund has reserved the right to litigate jurisdiction. OIG is aware of sensitivity issue with respect to payroll matters.
- There has been no movement on the Mischler/Tarranto matters.
- In the matter of the Longevity, a second millage vote is expected in December.
- Plaintiffs in the Lakewood matter have filed complaints with the State of Louisiana.

MOTION: Moved by Gaal and seconded by Marchese to go into executive session to discuss legal matters.

Motion passed.

NO OBJECTIONS

MOTION: Moved by Meagher and seconded by Gaal to come out of executive session to discuss legal matters.

Motion passed.

NO OBJECTIONS

Lewis dependent claim: Mr. Robein noted that a dependent of a firefighter who died in the line of duty is seeking past due dependent child benefits. Legal positions were discussed in executive session.

MOTION: Moved by Meagher and seconded by Lavene to approve payment of dependent child benefits subject to the receipt of an application by the applicant.

Motion passed.

NO OBJECTIONS

ADJOURNMENT

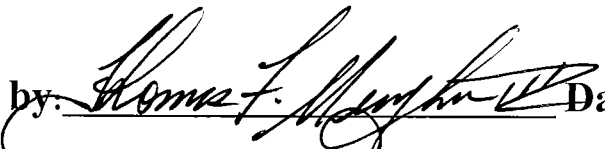
There being no further business the meeting adjourned.

TIMELY FILING OF APPLICATIONS:

All Members applying for retirement, 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. Please contact the Pension Office during the hours of 10:00 am to 2:00 pm for beneficiary verifications. Your cooperation is appreciated.

Approval by:  Date: 09/16/16