

# NEW ORLEANS FIRE FIGHTER'S PENSION AND RELIEF FUND

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**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:**

**September 14, 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, Norman Foster and Derrick Muse.**

**Also present,**  
**Pam Meyer**  
**Louis Robein, Board Attorney**  
**Mike Conefry, Actuary**  
**Paul Mitchell**  
**Jon Breth, Bogdahn Group**  
**Robert Tarca, Board Attorney**  
**Nicholas Felton, President Local 632**  
**Kenny Prevost, retired firefighter**  
**J. Segretto, firefighter**  
**K. Noya, firefighter**  
**M. Shubert, firefighter**

**A quorum being present, Board President Martin Gaal called the meeting to order at 9:00 a.m. Mr. Meagher lead the pledge of allegiance and a moment of silence for fallen first responders.**

Meagher noted that Robert Tarca and Jon Breth were on hand to discuss matters surrounding the Stevens Garage investment. The nature of the discussions could lead to potential litigation. Additionally, public discussion of sale negotiations could lead to a compromise in the value

sought for the investment.

Additionally Mike Conefry, Fund actuary, was on hand to present the actuarial report for the year ended December 31, 2015.

**MOTION: Motion by Mr. Meagher and seconded by Mr. Gaal to take the Stevens Garage and Actuarial report items out of order. Motion Passed** **NO OBJECTIONS**

**MOTION: Moved by Meagher and seconded by Lavene to go into executive session to discuss potential action regarding Stephens Garage.**  
**Motion passed.** **NO OBJECTIONS**

**MOTION: Moved by Meagher and seconded by Marchese to come out of executive session. Motion passed.** **NO OBJECTIONS**

**MOTION: Moved by Lavene and seconded by Marchese to authorize the Secretary Treasurer to continue negotiations regarding Stevens Garage.**  
**Motion passed.** **NO OBJECTIONS**

Mr. Meagher continued with the agenda, until the actuary was seated.

### **COMMUNICATIONS**

None

### **REVIEW AND ACCEPT MINUTES**

**MOTION: Moved by Meagher and seconded by Lavene to approve the minutes of the August 2016 regular Board minutes with a correction reflecting that Martin Gaal abstained on the vote to approve his expenses related to the LAPERS conference.**  
**Motion passed.** **NO OBJECTIONS**

### **REFUND OF CONTRIBUTIONS**

Mr. Darrow Reaux resigned and is seeking a refund of contributions.

**MOTION: Moved by Meagher and seconded by Lavene to approve the refund of contributions to Mr. Reaux.**  
**Motion passed.** **NO OBJECTIONS**

Mr. Conefry, Fund actuary, began his presentation on the Actuarial report for the New System for the year ended December 31, 2015. He provided members with a summary of key statistics from the report. His report noted average age of members, average service, and average future working lifetime. Conefry noted that the current actuarial funding method has been changed, effective with the January 1, 2015 actuarial valuation last year, from aggregate level cost method to entry age normal cost method (EAN) with a 30 year level dollar amortization of the unfunded actuarial liability (UAAL). The total annual contribution is \$38.6 million or 142.45% of payroll. The required employer contribution is \$35.9 million and the Fund is 11.9% funded based on the actuarial value of assets (\$50,267,773) divided by projected benefit obligations of \$422,449,000.

McConnell inquired about any changes to the actuarial report. Mr. Conefry noted that there were no changes in the report since last year, nor in the way he has prepared the illustrative schedules (showing age and duration since retirement) of retirees in the Appendix of the New Fund report for the last five years. McConnell noted that there were changes to schedules in the Old Fund report that he would like to discuss. Mr. Meagher noted that he would prefer that questions regarding the reports be provided to him in advance so that they could be addressed properly. Mr. Conefry would be happy to return and answer all questions.

**MOTION: Moved by Meagher and seconded by Lavene to accept the New Fund Actuarial report prepared by Mr. Conefry for the year ended December 31, 2015.**

Foster felt that the motion was premature. McConnell noted the motion should be delayed as all questions regarding the report have not been addressed. Meagher noted that it didn't appear those questions would result in an adjustment to the reports. He noted that it was important to have the report accepted before the budget process ended. Members then voted on the matter.

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

The Secretary Treasurer then moved to the normal order of business.

### **CHANGE OF BENEFICIARY**

Bert Gilmore and John Oustalet, Jr. have submitted current beneficiary forms.

### **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**

**Joseph D. Segretto** a New Fund fire operator, age 61 with 28 years of service is applying for a 50% service connected Disability effective September 1, 2015.

**MOTION: Moved by Meagher and seconded by Gaal to approve a 50% Service connected disability effective September 1, 2015 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 up to 100% of his average annual compensation.**

**Motion failed. Meagher voted for. All other members voted against the motion.**

**Moved by Lavene and seconded by Meagher to approve a 50% Service connected disability effective September 14, 2016 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 up to 100% of his average annual compensation.**

**A substitute motion moved by McConnell and seconded by Foster to approve a 50% Service Connected Disability retirement benefit for Mr. Segretto effective September 14, 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 to be calculated as 2 1/2% of the member's average annual compensation for the member's first 12 years of service and for all years or portion of a year of service until the member has reached 50 years of age; and at 3 1/3% for each year or portion of a year beyond 12 years of service and after 50 years of age. If the member has beyond 30 years of service the retirement benefit for each year or portion of a year beyond 12 years of service the retirement benefit for each year shall be 3 1/3% up to 100% of the member's average annual compensation.**

**Substitute motion passed.**

**NO OBJECTIONS**

Meagher, Marchese, Gaal and Lavene noted they voted to support the disability election.

**Keith Noya:** New Fund Fire Captain, age 54 with 32 years of service is applying for a 50% Service Connected Disability effective December 12, 2015.

**MOTION: Moved by Meagher and seconded by Gaal to approve a 50% Service connected disability effective December 12, 2015 calculated at 3 1/3% of his average annual compensation for each year of service or portion of a year up to 100% of his average**

annual compensation.

A substitute motion moved by McConnell and seconded by Foster to approve a 50% Service Connected Disability retirement benefit for Mr. Noya effective September 14, 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 to be calculated as 2 ½% the member's average annual compensation for the member's first 12 years of service and for all years or portion of a year of service until the member has reached 50 years of age; and at 3 1/3% for each year or portion of a year beyond 12 years of service and after 50 years of age. If the 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.

The substitute motion passed.

**NO OBJECTIONS**

Meagher, Marchese, Gaal and Lavene noted they voted to support the disability election.

Mark Shubert: New Fund Fire Captain, age 57 with 34 years of service is applying for a 50% Service Connected Disability effective July 12, 2015.

**MOTION**: Moved by Meagher and seconded by Gaal to approve a 50% Service connected disability effective July 12, 2015 calculated as 3 1/3% of his average annual compensation for each year of service or portion of a year up to 100% of his average annual compensation.

A substitute motion moved by McConnell and seconded by Foster to approve a 50% Service Connected Disability retirement benefit for Mr. Shubert effective September 14, 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 to be calculated as 2 ½% of the member's average annual compensation for the member's first 12 years of service and for all years or portion of a year of service until the member 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 the 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.

Substitute motion passed.

**NO OBJECTIONS**

Meagher, Marchese, Gaal and Lavene noted they voted to support the disability election.

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

Joseph Segretto is applying for the higher benefit per RS 11:3376F (2)

**MOTION**: Moved by Meagher and seconded by Lavene to approve the Higher benefit election per RS 11:3376 F(2) for Joseph Segretto which provides a benefit of 2 ½% of his

average compensation for the first twelve years of service and 3 1/3% for each year of service beyond 12 years of service as outlined in the worksheet provided to trustees. McConnell, Muse and Foster voted against the motion. Meagher, Marchese, Gaal and Lavene voted for the motion. Motion passed.

Keith Noya is making application for the higher benefit:

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

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

Mark Shubert is making application for the higher benefit:

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

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

### DROP WITHDRAWAL

Mark Shubert is withdrawing from DROP effective September 13, 2016.

**MOTION:** Moved by Meagher and seconded by Lavene to approve the DROP withdrawal of Mr. Shubert effective September 13, 2016. Motion passed. NO OBJECTIONS

Keith Noya is withdrawing from DROP effective September 13, 2016.

**MOTION:** Moved by Meagher and seconded by Lavene to approve the DROP withdrawal of Mr. Noya effective September 13, 2016. Motion passed. NO OBJECTIONS

Joseph Segretto is withdrawing from DROP effective September 13, 2016.

**MOTION:** Moved by Meagher and seconded by Lavene to approve the DROP withdrawal of Mr. Segretto effective September 13, 2016. Motion passed. NO OBJECTIONS

**REGULAR RETIREMENT APPLICANTS:**

None

**DROP APPLICATIONS:**

None

**REPORTS OF DEATHS**

**Pensioners:**

William Ziegler-died 7/29/2016- No widow and no minor children. Ent. Dept. 4/19/1971-26 years of service. Retired: 4/20/1997-19 years on pension. Age: 69

Gerald J. Burtchaell-died 8/2/2016-With widow and no minor children. Ent. Dept. 8/5/1962-21 years of service. Retired: 8/1/1983-33 years on pension. Age: 78

Glenn H. Montreuil-died 8/2/2016-With widow and no minor childrent. Ent. Dept. 5/10/1971-18 years of service. Retired: 1/17/1989-27 years on pension. Age: 68

Patrick D. Flanagan-died 8/4/2016-With widow and no minor children. Ent. Dept. 11/30/1972-17 years of service. Retired: 7/17/1990-26 years on pension. Age: 69

Alfred Baptiste-died 8/14/2016-With widow and no minor children. Ent. Dept. 2/17/1982-21 years of service. Retired: 10/8/2003-13 years on pension. Age: 62

**Widows:**

Shirley T. Manint-died 7/23/2016-Benefit: 2/1/2011-5 years on benefits. Age: 74

Juno G. McLaffon-died 8/8/2016-Benefit: 8/1/1996-20 years on benefits. Age: 80

Glory Forstall-died 7/26/2016-Benefit: 1/1/1972-44 years on benefits. Age: 95

Dorothy Funck-died 9/4/2016-Benefit: 3/1/2003-13 years on benefits. Age: 88

**MOTION: Moved by Meagher and seconded by Lavene to remove the above noted**

deceased members and widows from the pension rolls.

Motion passed.

NO OBJECTIONS

**WIDOW'S APPLICATIONS**

Mrs. Juanita Flanagan is applying for a Non Duty Death benefit effective September 1, 2016.

**MOTION:** Moved by Meagher and seconded by Marchese to approve a Non-Duty Death Benefit effective September 1, 2016 for Mrs. Flanagan.

Motion passed.

NO OBJECTIONS

Mrs. Mary Sue Burtchaell is applying for a Non Duty Death benefit effective September 1, 2016.

**MOTION:** Moved by Meagher and seconded by Gaal to approve a Non-Duty Death Benefit effective September 1, 2016 for Mrs. Burtchaell.

Motion passed.

NO OBJECTIONS

Mrs. Lynda B. Murphy is applying for a Non Duty Death benefit effective August 1, 2016.

**MOTION:** Moved by Meagher and seconded by Marchese to approve a Non-Duty Death Benefit effective August 1, 2016 for Mrs. Murphy.

Motion passed.

NO OBJECTIONS

**APPLICATIONS PENDING**

None

**FINANCIAL INFORMATION**

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

**OLD BUSINESS:**

Fireman's wakes and funerals: Members concluded that a trustee or staff will be permitted to be reimbursed for mileage to member funerals. No additional motions were necessary.

Coordination and communication will be handled by Fund staff.

**NEW BUSINESS:**



**NCPERS Conference:** Trustees were informed about an NCPERS Public Safety conference held in Las Vegas during October.

**MOTION:** Moved by Meagher and seconded by Gaal to approve attendance to the conference for trustees and staff.

**Motion passed.**

**NO OBJECTIONS**

**Pre-tax contributions:** Foster noted that pre-tax contributions were effective on the most recent ended pay period. Meagher thanked Mr. Felton for his efforts in Baton Rouge on this matter and all involved in this effort.

**New Hires:** Mr. Meagher noted that the Fund should determine if current retirement benefit statutes clearly outline pension benefit treatment of rehires. He noted that since the accrual rates have changed, the Board should take the appropriate action now to confirm how these new members and potential rehires will accrue benefits.

Foster felt the matter should be addressed by a subcommittee. Nick Felton provided information on Civil Service rules and deemed the matter requires attention. No subcommittee was designated at this time.

**Disability Recertification:** Meagher noted that disabled members have to certify their disability for five years following retirement. The Fund has received all but one certification to date. He expects that the final candidate will submit her medical certification by month end.

## **LEGAL:**

Mr. Robein led the discussion on the following:

- Issues concerning the alternative interpretation and SEB offsets were made during a hearing in Giarrusso's court on September 13, 2016 at 9:00am. Judgment briefs are due in court on September 28, 2016.
- There has been no movement on the Mischler/Tarranto matters.
- In the matter of the Longevity payments, a second millage vote is scheduled for December 10, 2016. The CEA expires at December 31, 2016 unless extended by the City Council.
- Plaintiffs in the Lakewood matter have filed complaints with the State of Louisiana. Civil District Court hearing set for October 7, 2016.
- With respect to SEB offsets, there have been three disability applicants approved during 2016. Meagher has requested that McConnell provide the amount of SEB payments made to each member, if any. Discussion followed regarding the SEB policy reporting

requirements. McConnell was provided a copy of the SEB policy. He agreed to provide SEB information to the Fund.

- We are aware of the letter issued by the Office of the Inspector General of the City of New Orleans, dated August 26, 2016, regarding disability retirement. The matters “reported” upon by the OIG relate in many respects to workers compensation eligibility and benefit entitlements administered by the City of New Orleans and its third party administrator. The OIG did not review any member files for the period outlined in its letter. Board members should be aware that sharing of member’s health documents could violate Federal Law. The OIG refuses to meet with the Board of Trustees under conditions mandated by the Open Meetings Law therefore the Fund has not been able to discuss inaccuracies in the letter with the OIG, including but not limited to false actuarial reports, improper benefit payments, workmen’s compensation costs and disability benefit approvals.

### 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.**

APPROVED BY  DATE 12/14/16