

NEW ORLEANS FIREFIGHTERS' PENSION AND RELIEF FUND

Martin Gaal
Board President

Thomas F. Meagher, III
Secretary-Treasurer

SUBJECT:

**Board of Trustees Regular Meeting
Firefighters' Pension & Relief Fund**

TIME, DATE AND PLACE:

**October 3, 2018
3520 General DeGaulle
Suite 3001
New Orleans, Louisiana 70130**

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

Also present

Pam Meyer

Louis Robein, Board Attorney

Paul Mitchell

Dean Felch, active firefighter

A quorum being present, Board Secretary Treasurer called the meeting to order at 1:35 p.m.

Mr. Meagher opened the meeting with the Pledge and a moment of silence for fallen firefighters.

Mr. Meagher noted that Mike Conefry, the fund's actuary was on hand to present the 2017 Actuarial reports for the New Fund and Old Fund. He requested that the Board support his motion to take items out of order and hear Mr. Conefry's presentation.

MOTION: Moved by Meagher and seconded by Marchese to hear the presentation of Mike Conefry at the start of the meeting.

Motion passed.

NO OBJECTIONS

Actuarial presentation: Mike Conefry followed with a presentation on the 12/31/17 Actuarial

valuations of the Old and New System Funds.

OLD Fund: This fund has no active members and an annual payroll of \$15.2 million for 475 retirees and beneficiaries. DROP and PLOP obligations total \$1.3 million and \$1.4 million respectively for current members. The average future life expectancy is 10.09 years for retirees and survivors. The plan is not actuarially funded.

NEW Fund: Conefry noted that the annual payroll totals \$27.762 million for 513 active members (excluding DROP). The average age of active members is 40.2 and average years of service are 13.0 years. Average future working lifetime for active members under retirement age assumption is 14.7 years.

Annual payroll for 823 retired members and beneficiaries total \$28.8 million, including 89 persons on DROP. DROP and PLOP account balances owed retired members total \$26.0 million and \$11.4 million respectively. The current actuarial funding method is Entry Age Normal Cost Method with a 30 year level dollar amortization annual required contribution. The employer contribution rate amounts to 123.9% of active payroll. The funding ration is 10.9%.

Conefry discussed prior period returns, hypothetical market values and answered Board questions before closing his presentation.

COMMUNICATIONS

SPD: Mr. Meagher noted that the Summary Plan Document (SPD) has been printed. He provided copies of the SPD to Board members requesting same. He noted that copies will be sent to each engine house in the near future.

REVIEW AND ACCEPT MINUTES

MOTION: Moved by Meagher and seconded by Marchese to approve the September 2018 Regular Board minutes.

Motion passed.

NO OBJECTIONS

CHANGE OF BENEFICIARY

None

REFUND OF CONTRIBUTIONS

None

R.S. 11:3376 DISABILITY APPLICATIONS

MOTION: Moved by Meagher and seconded by Marchese to go into executive session to discuss medical matters of the disability applicant.

Motion passed.

NO OBJECTIONS

MOTION: Moved by Meagher and seconded by Muse to come out of executive session

Motion passed.

NO OBJECTIONS

Darius Young: New Fund Fire Operator, age 40 with 21 years of service is applying for a 50% Service Connected Disability Pension effective October 3, 2018.

MOTION: Moved by Meagher and seconded by Lavene to approve a 50% Service Connected Disability Pension effective October 3, 2018 calculated in accordance with all conditions of RS 11:3376 which provide for a benefit calculated at 50% of his best year of service or 2.5% of his average 60 month compensation for all years of service before 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 he has beyond 30 years of service the retirement benefit for each year or portion of a year of service shall be 3 1/3%, whichever is greater.

Motion passed.

NO OBJECTIONS

DROP WITHDRAWAL

None

REGULAR RETIREMENT APPLICANTS:

None

DROP APPLICATIONS

Douglas Cardinale: New Fund Fire Captain, age 59 with 30 years of service and is applying to enter DROP.

MOTION: Moved by Meagher and seconded by Marchese to approve the DROP election which provides for benefits to be calculated at 2 ½% of his average 60 month compensation for the first twelve years of service and all years of service until the member has reached 50 years of age; and 3 1/3% of his average 60 month compensation for all years of service and any portion of a year beyond 12 years of service and 50 years of age; If the member has beyond 30 years of service the retirement benefit for each year or portion of a year shall be 3 1/3% of the average 60 month compensation.

Motion passed.

NO OBJECTIONS

Darryl Keene. Mr. Keene, a New Fund Fire Operator, age 60 with years of age with 30 years of service is making an application to enter DROP.

MOTION: Moved by Meagher and seconded by Marchese to approve the DROP election which provides for benefits to be calculated at 2 ½% of his average 60 month compensation for the first twelve years of service and all years of service until the member has reached 50 years of age; and 3 1/3% of his average 60 month compensation for all years of service and any portion of a year beyond 12 years of service and 50 years of age; If the member has beyond 30 years of service the retirement benefit for each year or portion of a year shall be 3 1/3% of the average 60 month compensation.

Motion passed.

NO OBJECTIONS

REPORTS OF DEATHS

Pensioners:

Leland L. Pellegrin, Jr. Mr. Pellegrin died at the age of 78 on September 18, 2018, leaving no widow and no minor children. He entered the department on March 31, 1963 and retired on October 28, 1984 after 21 years of service. He spent 34 years on pension.

Gerald S. Boesch. Mr. Boesch died at the age of 77, on September 23, 2018, leaving a widow and no minor children. He entered the department on May 22, 1965 and retired on December 17, 1984 after 19 years of service. He spent 33 years on pension.

Widows:

Mrs. Jo Ann Manuel (James) Mrs. Manuel died on September 14, 2018 at the age of 73. She spent 19 years on benefits.

Wendy Veazey. Mrs. Veazey died on May 23, 2018 at the age of 55. She spent 10 years on benefits.

MOTION: Moved by Meagher and seconded by Lavene to remove the above noted deceased members from the pension rolls.

Motion passed.

NO OBJECTIONS

WIDOW'S APPLICATIONS

Mrs. Laurie Olivier (Shawn) is applying for a Non Duty Widow's benefits effective September 1, 2018.

MOTION: Moved by Meagher and seconded by Marchese to approve a Non Duty widow's benefit effective September 1, 2018 for Mrs. Olivier.

Motion passed.

NO OBJECTIONS

APPLICATIONS PENDING

Ms. Meyer noted that she received information from Mrs. Numa Jones regarding a 66 2/3% application. No action was taken.

FINANCIAL INFORMATION

Board members were provided with key financial revenue and disbursement figures for the New and Old system for September 2018.

OLD BUSINESS:

SEB payment history request: No update.

Information for life insurance: No update

NEW BUSINESS:

Mr. Meagher noted that all disability recertification have been received.

Louisiana Fund1: Mr. Mitchell noted that the management of Louisiana Fund 1 has requested an extension of the term of the partnership for two years beginning January 1, 2019. Management is also reducing management fees to 1% from 1.5%.

MOTION: Moved by Marchese and second by Lavene to authorize Mr. Meagher or Mitchell to execute the necessary documents which allow for the extension of the term of the Louisiana Fund 1 partnership.

Motion passed

NO OBJECTIONS

LEGAL:

Mr. Robein led the discussion on the following:

- The Lakewood matter depositions are scheduled for October and will be discussed in executive session.

MOTION: Moved by Meagher and seconded by Lavene to go into executive session to discuss legal matters regarding Fletcher and Lakewood.

Motion passed.

NO OBJECTIONS

MOTION: Moved by Meagher and seconded by Lavene to come out of executive session

Motion passed.

NO OBJECTIONS

MOTION: Moved by Lavene and seconded by Marchese that Martin Gaal, Thomas Meagher and or Paul Mitchell, on behalf of the Board and the advice of legal counsel, is authorized to execute and deliver any and all documents, agreements, amendments, instruments necessary to effect the settlement of matters relating to the Summit vs New Orleans Firefighters' Pension and Relief Fund litigation.

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.

APPROVED BY; Thomas F. Meagher Date; 11/14/18