

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:

**March 14, 2024
5710 General Haig Street
New Orleans, Louisiana 70124**

This meeting was available via Webex.

The following members of the Board of Trustees were present: Thomas Meagher, Alcide Tervalon, Martin Gaal, Stephen Roy, Roman Nelson, and Krsak. White attended remotely.

Also present:

Louis Robein, Board Attorney

Paul Mitchell

Pam Meyer

Teresa Kehoe

Mark Porche (remotely)

A quorum being present, the Board Secretary Treasurer called the meeting to order at 11:05 a.m.

COMMUNICATIONS

Meagher noted that NCPERS is hosting its annual conference during May in Seattle and its Police and Fire conference in Palm Springs late in the year. He suggested members review their calendars and consider attending either conference.

MOTION: Moved by Meagher and seconded by White to allow members and staff to register and attend the upcoming NCPERS conferences.

Motion passed.

NO OBJECTIONS

REVIEW AND ACCEPT MINUTES

Meagher noted that the February 2024 minutes require approval. There was no January 2024 meeting due to lack of an agenda.

MOTION: Moved by Meagher and seconded by Krsak to accept the minutes of the February 2023 meeting.

Motion passed.

NO OBJECTIONS

REFUND OF CONTRIBUTIONS

None

CHANGE OF BENEFICIARY

None

DROP WITHDRAWAL

None

R.S. 11:3376 DISABILITY APPLICATIONS

Paul F. Martory, III, New Fund Fire Captain, age eligible with 30 years of service is applying for a Service-Connected Disability Pension effective March 14, 2024.

MOTION: Moved by Meagher and seconded by Krsak to approve a Service Connected Disability Pension application for Mr. Martory effective March 14, 2024, which provides that benefits are calculated at 2 ½% of the member's 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 pensionable 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 30 years or more of service the retirement benefit for each year or portion of a year shall be 3 1/3% of the average 60 month pensionable compensation up to 100% of pensionable salary.

Motion passed.

NO OBJECTIONS

Michael P. Smith, New Fund Fire Operator, age eligible with 30 years of service is applying for a Service-Connected Disability Pension effective March 14, 2024.

MOTION: Moved by Meagher and seconded by Gaal to approve a Service Connected

Disability Pension application for Mr. Smith effective March 14, 2024, which provides that benefits are calculated at 2 ½% of the member's 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 pensionable 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 30 years or more of service the retirement benefit for each year or portion of a year shall be 3 1/3% of the average 60 month pensionable compensation up to 100% of pensionable salary.

Motion passed.

NO OBJECTIONS

REGULAR PENSION APPLICATIONS:

None

PLOP APPROVALS

None

REVERSE DROP

None

DROP APPLICATIONS

None

WIDOW'S APPLICATIONS

Mrs. Deborah Sauter is applying for a Non- Line of Duty widows benefit effective February 1, 2024.

MOTION: Moved by Meagher and seconded by Krsak to approve a Non-Line of Duty widow's benefit for Mrs. effective January 1, 2024.

Motion passed.

NO OBJECTIONS

APPLICATIONS PENDING

None

REPORTS OF DEATHS

Members

Troy A. Lacour died on February 16, 2024, leaving a widow and no minor children. Hen entered the department on August 18, 1997, resigned on June 10, 2008 and was rehired on July 7, 2019. He was an active member when he passed away.

Joseph F. Koster, Jr. died on February 7, 2024 at the age of 77, leaving no widow or minor children. He entered the department on May 5, 1967 and retired on June 17, 1981 after of 25 years of service. He spent 42 years on pension.

Michael J. McCann died on February 9, 2024 at the age of 77, leaving a widow and no minor children. He entered the department on January 17, 1972 and retired on January 20, 1997 after 25 years of service. He spent 27 years on pension.

Gary J. Rogers died on February 2, 2024 at the age of 86, leaving a widow and no minor children. He entered the department on March 29, 1971 and retired on October 3, 2001 with 30 years of service. He spent 22 years on pension.

Carl Jacobs died on February 27, 2024 at the age of 80, leaving a widow and no minor children. He entered the department on May 4, 1980 and retired on June 6, 2007 after 27 years of service. He spent 16 years on pension.

Authur J. Turner, Jr. died on March 1, 2024 at the age of 81, leaving a widow and no minor children. He entered the department on September 13, 1971 and retired on September 18, 1980 after nine years of service. He spent 44 years on pension.

Ralph Maronge died on March 6, 2024 at the age of 76, laving a widow and no minor children. He entered the department on June 24, 1967 and retired on August 16, 1998 after 31 years of service. He spent 25 years on pension.

Widows:

Carol Ann St. Germain died on January 31, 2024 at the age of 83. Her benefits began on May 1, 2009. She enjoyed benefits for 14 years.

MOTION: Moved by Gaal and seconded by Meagher to remove the above noted pensioners from the rolls.

Motion passed.

NO OBJECTIONS

FINANCIAL INFORMATION

Board members were provided with key financial revenue and disbursement figures for the New and Old Systems for February 2024.

OLD BUSINESS:

SEB payment history request: No update provided

Information for life insurance: No update provided

CEA Agreement

Members of Local 632 and City officials have discussed allowing the payment of a single additional payment to retired members similar to the agreement made with NOMERS retirees. This payment requires a change in the CEA adopted by the City, Pension fund and Local 632. Mr. Robein has presented the Board with a Memorandum of Understanding (MOU) which addresses this change. The document is being reviewed by City Hall attorneys and is being routed through the approval process. A final document is expected shortly.

NEW BUSINESS

2024 Budget

Mitchell provided the board with a proposed 2024 Budget. Highlights of the presentation noted that actuarial required payments total \$55,257,000, and increase of about \$5 million over prior year. Estimated benefit payments and DROP/PLOP withdrawals of \$40 million and \$7 million respectively reflect an increase of over \$2 million over prior year. Mitchell expects to begin distributing DROP and PLOP assets held for retired members which is the basis for this increase. Investment income of \$2.5 million only reflects interest income on fixed assets. Any gains or losses from asset sales or the equity market will offset this total. There were no major adjustment to investment expenses compared to prior year. Administrative expenses reflect no major changes from prior year as well.

Expense Committee

Meagher requested that Board members remain after this meeting to review expense reimbursements and credit card charges for the 2023 calendar year. A report by the review committee will be presented to the Board at the next meeting.

Actuary

Mitchell reminded the Board that Aon has replaced Mike Conefry as the Fund's actuary. Additionally, Widsom and Rudd did issue an Actuarial audit report and Actuarial study. Both reports will be provided to board members electronically. The reports noted that Mr. Conefry may not have followed the actuarial requirements mandated by the CEA. The reports were provided to Aon, who will provide us with actuarial calculations as mandated by the CEA as well as a calculation Aon may deem reasonable.

LEGAL:

Robein discussed current State legislation which requires access to meetings via electronic means to meet ADA requirements. The Board currently makes all meetings available via WEB ex. Robein noted that actual attendance by Board members is required to vote on any matter. The Fund's administrative rules have been submitted to the State Legislature to reflect this legislation.

ADJOURNMENT

There being no further business the meeting adjourned.

TIMELY FILING OF APPLICATIONS:

All Members applying for retirement 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. Nugent III Date: 4/10/2024

**FIREFIGHTER'S PENSION AND RELIEF FUND
2024 Budget**

	2017 actual	2018 actual	2019 actual	2020 actual	2021 actual	2022 actual	2023 unaudited	2024 Budget
Contributions								
Members	3,011,193	3,052,370	3,123,545	3,089,859	3,253,474	3,708,895	3,930,317	3,950,000
Employer	47,034,597	49,334,485	47,897,892	47,987,148	47,640,084	48,505,376	50,633,353	55,157,650
Fire Insurance	1,674,755	1,541,931	1,523,587	1,520,966	1,521,745	2,821,370	2,364,743	1,700,000
Total Contributions	51,720,545	53,912,786	52,545,024	52,597,973	52,415,303	55,039,641	56,928,413	60,807,650
Payments								
Retirement benefits	39,796,234	40,361,679	39,116,411	38,432,503	38,766,963	38,236,750	38,207,123	40,000,000
Refund of Contributions/transfers	140,268	283,671	388,778	201,611	420,799	259,612	150,552	200,000
Death Benefits	75,000	78,000	93,000	102,000	69,000	81,000	78,000	80,000
DICOP/POP withdrawals	10,858,754	9,922,285	10,778,034	7,181,074	11,231,240	6,122,119	5,649,274	7,000,000
Transfers from other systems net	-343,828	92,069	-1,557,163	100,092	154,222	116,445	0	0
Misc rev(exp)				-20,269	26,773	52,971		
Total Benefit payments	50,523,408	50,737,704	48,714,080	45,997,011	50,668,997	44,868,897	44,084,949	47,280,000
Investment Income								
Interest and partnership and dividend income	-4,420,682	-10,268,538	9,164,674	4,709,652	3,629,894	1,731,145	6,083,483	2,500,000
net appreciation in fair value						-7,829,533		
Investment Expenses:								
Legal fees								
Prins Gordon	675,643	1,981,449	313,464	87,016	24,260	0	0	0
Tarcea	26,546	142,826	28,240		60,143	50,070	40,111	25,000
Consultant Fees	125,000	125,000	94,089	90,000	90,000	90,000	90,000	90,000
Custodial Fees	4,499	7,500	6,817	13,948	13,116	13,034	14,254	14,000
Real estate taxes	3,421	47,060	69,022	104,692	176,047	74,094	77,214	78,000
Maintenance and Repairs	10,200	2,000	0	640	0	0	0	0
Appraisal Fees	2,500	4,500	0	7,500	0	0	7,500	0
Total Investment Expenses	847,899	2,310,335	511,672	300,896	363,566	229,178	230,079	207,000
Net investment income (loss)	-5,268,581	-12,578,873	8,653,002	4,408,756	3,266,328	-6,327,566	5,853,404	2,293,000
Administrative Expenses								
Accounting fees	92,000	92,000	83,076	81,076	104,409	129,082	106,990	120,000
Audit fees	53,234	46,185	0	0	0	0	0	0
Legal fees	24,267	36,595	23,806	30,349	12,399	18,022	29,250	30,000
Actuary	30,550	23,000	46,430	36,155	29,450	43,895	62,487	50,000
Professional-medical	18,400	18,000	18,000	16,500	19,500	20,000	20,000	20,000
Computer Support Services	47,692	48,428	56,285	41,075	27,205	55,271	46,360	50,000
Insurance								
Auto	3,754	3,640	3,501	3,800	3,822	3,500	0	0
Workers Comp	346	368	720	520	765	577	302	571
Pfduary	153,303	153,472	169,068	174,243	192,740	219,448	103,337	110,000
Office								
Office supplies and printing	32,639	14,460	6,704	7,406	12,142	26,453	28,612	22,000
Payroll, payroll taxes, etc	356,158	339,083	356,930	365,342	380,443	433,580	462,210	460,000
Employee Benefits	9,046	27,663	636,930	314,210	0	235,607	105,062	115,000
Pension seminars, education and travel	17,741	33,653	14,569	3,513	2,280	1,343	17,164	30,000
Postage	12,926	12,128	13,984	3,159	11,974	2,822	13,000	13,000
Rent	40,754	33,598	37,133	36,652	36,652	18,326	0	0
Telephone/Internet	15,418	8,912	11,974	14,150	18,869	21,157	15,564	17,000
Utilities						4,928	13,698	14,000
Total Administrative Expenses	886,206	881,185	1,487,250	1,131,613	852,650	1,234,011	1,031,978	1,058,071
Increase (decrease) in net position	-4,957,650	-10,284,976	10,996,696	9,878,105	4,259,984	10,438,700	17,664,890	14,862,579