



Volume 3, Fall 2024

COLA on Track with City and Headed to State



Sean Shelton
Board Chair

By Sean Shelton
Chairman,
Board of Trustees

On October 22, our Trustees and staff brought the concerns of our Tier 2 members to the El Paso City Council, namely asking for support for a cost-of-living adjustment to be implemented in their plan by July 2027.

The outcome was good in that the City Council agreed to work with us to put it in place. But as with many issues involving the convergence of laws, we still have some work to do. The challenge is that there are different sets of laws for our pension fund, the City Council, and the members. None of the laws spell out perfectly how we should go about adding the COLA. So, to be safe, we are going the extra mile.

As announced, we'll be conducting another election of the members for the COLA plan change beginning Friday November 8 and concluding Tuesday November 12.

This may feel odd to you, but our goal, with Council's guidance, is to create a

legally bulletproof COLA. Again, it is very important that 51 percent of our members cast ballots!



The City also wants us to go with them to the State Legislature to put some enabling language into the statute that governs us. By going with the City, these changes have a high probability of passing, but in political matters it is always better to be cautiously optimistic rather than to just assume success outright.

Thankfully, we are still 2 years away from a day when some Tier 2 members would be able to apply for their 20-year service anniversary and consider retiring. That's a 2.5-year runway. We are hopeful that much less than the full runway will be needed.

In this issue of *Star on the River News*, we share the key remarks of the City Council members and also those of your Trustees and our fire association leader at the meeting. We are encouraged by Council members' supportive comments, but we still have a way to go.

Please don't hesitate to contact myself, other Trustees, or pension fund staff about our progress toward the COLA.

We'll get there!





El Paso Firemen & Policemen's Pension Fund



MEMORANDUM

*****PLEASE POST*** ADDITION OF SECOND TIER COLA**

TO: Participants of the El Paso Firemen & Policemen's Pension Fund
Fire Division

FROM: Tyler Grossman, Executive Director

DATE: October 28, 2024

RE: Election - Addition of Second-Tier Cost-of-Living Adjustment

The upcoming Election will be conducted by Intelliscan Inc. of Phoenixville, Pennsylvania. Intelliscan was established in 1991 and is considered a nationally recognized provider of election services. They provide voting services using Telephone and Internet ballots.

You will soon be receiving ballots and instructions directly from Intelliscan by email. You will then have the option of voting by telephone and internet. Regular voting will be held from **November 8, 2024, through November 12, 2024.**

COLA VOTE for TIER 2 Members Begins November 8!



Ballots will be EMAILED to all Members from Intelliscan.

VOTE can be cast:

- **Online**
- **By telephone**

The Ballot email has instructions.

Voting will close as of 11:59 PM MT, November 12, 2024.

Thank you in advance for your participation in the 2024 EPFPPF Election.

Mayor and Council Views on the Tier 2 COLA

Mr. Burns, we agree with you that we don't want to end up like Houston. We don't want to end up like Dallas.

I do thank you all for putting on the uniform day-in and day-out and protecting our community because we understand the importance of public safety and that's our number one priority, to make sure we take care of the people that do their jobs. So we thank you for doing that...



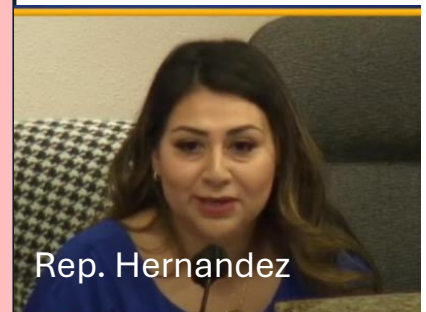
Mayor Leeser



Mayor Pro-Tem
Kennedy

I think finding a way out of the Tier 2 issue is important not just for those that are in the pension but for everybody in the city of El Paso.

Your success and your benefit packages will mean our city is safer so I'm committed to making sure that we can find a way forward. ...While all other retirees across our workforce are getting some form of adjustment these new police officers are not. That's unfair....I feel comfortable knowing that you're out taking care of our community. Now it's our duty to find a way to take care of you.



Rep. Hernandez



Rep. Canales

...[Y]ou've heard it from pretty much everybody up here, that I think we're all committed to making this happen. It makes sense to support the work that you do.

Chairman Shelton's Remarks to Council

I want to start off by thanking everybody for allowing us to speak today. I know this has been a long process. It's been a process that we've met with you each and every step. We've asked some questions, hopefully answered all the questions that you could have had. ...

In meeting with you we did discuss that this is important to our membership, as you can see by everybody standing here today.

I didn't bluff that this is something that members of the police department and the fire department are passionate about and it's something that we need to get fixed.

In 2007 the fund and the city decided to address a funding issue by creating a second tier to our retirement plan.

With the second tier came a drastic reduction in benefits including the loss of the COLA, reduction of the multiplier, reduction of death benefits and increases in both the service time and the time to reach retirement.

Our membership realized the importance of our retirement and we took some steps to get some of those benefits back. We voluntarily increased our contribution in 2017.

At the time we increased our contribution we overfunded those



benefits in the hopes that in the future a cola could be obtained at a much less cost [to the pension fund]. After several years of record levels of inflation the issue of cola has never loomed larger.

As it stands at the moment our retirees currently have no protection against inflation and would struggle to maintain their lifestyles. The members of the El Paso Fire Department and the Police Department contribute to this fund at one of the highest levels in the nation.

The city remains one of the lowest contributors to a public safety Fund in the nation.

Throughout this process it has seemed that the city is more interested in spending time and effort in finding a way to not fund this benefit then they are working collaboratively to change some state statutes and to make this work.

Recruiting and retention remains a huge problem for this city especially on the police side. We continue to pay millions of dollars to put recruits throughs only to watch them walk out the door several years later. A lot of these officers are leaving in search of better retired benefits or similar retired benefits but paying much less in contributions

I am not asking for a retirement [plan] to make our members rich. I am asking for a retirement capable of standing up to inflation and sustaining our members. Our members are members of the El Paso Fire Department and the Police Department who have devoted their entire careers to public safety and they deserve nothing less.

The time for change is now and I urge you all to support these items. Thank you.



Trustee Paul Thompson's Remarks, Oct. 22

Good morning. There were three separate items that the membership voted on one of those items was to for the city to approve a 1 and a half percent COLA. Period. Period. Then there was two other items....


The [El Paso Firemen and Policemen's Pension Fund is} in the life business. We're in the business for life.

Once I'm gone the [pension fund] is still going to be in that business.

Every year there's ups and downs in the market and we've done very well at not panicking and selling in a downturn. We're in it for life. We're going to have years of ups and downs.

The current funding status of the pension fund will pay for this benefit with no City contribution increase.



Like my colleague Mr. Grossman said, every actuarial letter is going to have a warning at the end of it, just like everybody gets if you're an individual investor, on your statements. 

Jay Nicholson's Remarks

Good morning Mayor and Council and everyone gathered here for these proceedings. My name is Jay Nicholson and I'm a 16-year El Paso firefighter and the president of the El Paso Association of Firefighters.

I am also a tier 2 member of the El Paso Firemen and Policemen's Pension Fund.

In my time in the fire service, both in and outside of El Paso, I've always heard a common refrain: "We didn't join the fire service to get rich like so many that came before and after me. "

I've always known this to be true we were looking for a good job with decent benefits where we could hopefully do some good.

I've also heard many times "You knew what you were getting into," from more senior firefighters.

When it comes to tier 2 maybe I should have but that's very far from the truth. Not that I would change anything if I did but the disparity was unknown.

We now have an opportunity to address the shortcoming of our benefits, a shortcoming that began with the city's reluctance to do their part.

I don't lay blame or point the finger at anyone holding office today but at your predecessors from years past.


However if you don't move to improve the benefits of the Tier 2



members this issue is just as much your fault as it is theirs.

We are all witnessing what inadequate pay and benefits has done to our Police Department.

While this impact has been much slower with the fire department there are cracks in the dam.

I stand here today to ask you to do something before it's too late. Thank you. 

Trustee Timothy Burns' Remarks

Good morning council members and Mr Mayor. Thank you for the time for allowing us to speak with you.

My name is Timothy Burns I serve as a trustee for the El Paso Firemen and Policemen's Pension. And I am a captain in the El Paso Fire Department.

I want to emphasize why a COLA for these employees is not only reasonable but is essential to the future of the public safety of El Paso.

I'd like to start with giving you some information about the things that are occurring across other cities in the state of Texas where the cities have neglected the financial stability of their public servants.

In Dallas seven years ago they took away COLA for their public safety servants. Since then they've had problems with Recruitment and Retention and they now find themselves to be approximately a thousand employees short on the streets. In that same time frame they're also seeing an increase in crime.

Houston has made similar decisions and they're suffering from similar repercussions and find themselves hundreds of employees short on the streets.

Since then both the city of Dallas and the mayor of Houston have announced that they will take uh take up arms with the



their pension funds to introduce legislation to reinstate the benefits for these employees. They understand the need to attract and retain public safety defenders.

Here in El Paso we're starting to see some of the same Recruitment and Retention problems. Some good news though is that we have one of the healthiest funds in the state of Texas, which is why we're here. We want to take proactive steps so that we don't end up like Houston or Dallas.

Again, we're here asking for a 1.5 percent COLA and that's for these men and women behind you who protect and serve you, your families and the citizens of El Paso.

With that I'd like to take a moment to thank them and express my gratitude for them putting on that uniform every day and placing themselves in harm's way to protect this city, whether it be responding to Covid-19, whether it be

responding to the Walmart tragedy, dealing with large fires or gang violence. These men and women put on that uniform every day and do what needs to be done.

Some of our other members here had stated that the city is the lowest contributor to their employees' pension fund in the state of Texas while the members are the highest paying members.

That they have to pay so much for their pension is an imbalance that needs to be addressed.

I'm here asking for your support. I don't want to end up like Houston or Dallas.

By approving this COLA you will be investing in the future safety and well-being of El Paso while ensuring that the men and women that have dedicated their lives to protecting this city will continue to do so with the security of knowing that they will have a stable future and retirement. Thank you. 🌟

Outreach to Local, State and Federal Representatives

Maintaining strong relationships with elected officials is crucial for the success and sustainability of pension funds. Board Trustees and Executive Director Tyler Grossman actively engage with local, state, and federal officials to ensure they are well-informed about the needs and challenges of the pension fund. This proactive approach allows for effective advocacy and the ability to influence legislation that impacts the fund.



Trustee Paul Thompson recently met with State Representative Mary Gonzalez while he was in Austin to attend a Pension Review Board meeting.



Grossman (r) met with El Paso's Congressional Representative Veronica Escobar to discuss repeal of the Windfall Elimination Provision.



EPFPPF's Executive Director Tyler Grossman (l) and Trustee Gary Borsch (r) met with El Paso's state Representative Claudia Ordaz regarding fund condition and past legislative concerns.



Grossman (l) met with El Paso City Council representative Chris Canales regarding a cost-of-living adjustment plan change for Tier 2 members.

With the Texas Legislature opening their session in early January, these communications become even more vital, as timely and active dialogue can lead to favorable legislative outcomes that support the financial health and stability of the pension fund. By fostering these relationships, the Board ensures that the voices of their members are heard and that their interests are represented at all levels of government.

WEP Repeal Moves Forward!

Now that the elections are over, the U.S. House of Representatives will take up the Social Security Fairness Act (H.R. 82) when they return to Washington.

HR 82 includes repeal of the Windfall Elimination Provision and the Government Pension Offset. The measure is at the top of the list of bills which will be considered after November 11.

The Bill has more than 300 co-sponsors in the House and 63 Senate co-sponsors.

The Windfall Elimination Provision reduces Social Security benefits of retired federal employees who accrued them in private sector work in addition to a federal, state or local government jobs where Social Security is not intended as an element of their retirement income.

The Government Pension Offset reduces spousal and survivor Social Security benefits in families with retired government workers.

How you can help...

The National Public Pension Coalition (www.publicpensions.org) has a web page dedicated to repeal of WEP and GPO.

You can go to the link below to sign pre-written letters to your lawmaker representatives in Washington.



NATIONAL PUBLIC
PENSION COALITION



www.actionnetwork.org/letters/repeal-wep-gpo

Repeal WEP & GPO!



Almost **3 million Americans**, including firefighters, educators, sanitation workers, health providers, road crews, and countless other critical public employees, are subject to the **devastating financial effects** of the Windfall Elimination Provision (WEP) and Government Pension Offset (GPO) laws.

Everyone deserves a secure retirement, especially those who devoted their career to public service. The Social Security Fairness Act (S. 597/H.R. 82) fully repeals both the GPO and WEP.

Send a letter to lawmakers urging them to VOTE YES to repeal WEP & GPO today!

TAKE ACTION

Not in US?

START WRITING

You may receive email updates from National Public Pension Coalition, the sponsor of this letter campaign.

[Edit Subscription Preferences](#)



In June, Firefighter members voted to replace former Trustee Daniel Roy who retired and left an unexpired term. The results are as follows:

	Votes
Bryan Silva	222
Marco Hernandez	205
Wyatt Cain	39

Mr. Silva will serve until July, 2025, the remainder of the unexpired term.

Thank you to all of the nominees and everyone who voted!

IMPORTANT!

- Changing your Pension Beneficiary in the Pension Fund's Self-Service System will NOT change your beneficiary on your City of El Paso life insurance or deferred compensation.
- You must contact Benefit Services with the City of El Paso to update your beneficiary information with them.

**City of El Paso
Benefit Services:
(915) 212-1275**



Account Self-Service at the Pension Fund

All Members may access their personal pension fund information through the Self-Service Portal on the EPFPPF website. Features include:

Retired Members

- Change Address
- Update Direct Deposit (Bank account info)
- Update Federal Income Tax Election Changes
- Make or change beneficiary designations
- View pension payment information
- View prior years 1099R data

Active Members

- Run retirement estimates.
- Make or change beneficiary designations
- View Annual Member Benefit Statement
- View Forward DROP balance if applicable

When making changes on the Self-Service portal, you will need to click on the related link in order to access and complete a DocuSign Form. The form will appear on your screen with some information pre-populated so that you only change the information you want to change. Then you can sign the document digitally (online) so that you don't have to print/sign/scan/return. Once completed, the form will be forwarded to a Benefits Specialist with the Fund.



<https://tinyurl.com/Pension-Self-Service>



El Paso Firemen & Policemen's Pension Fund

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Star on the River News

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Trustee Board Meetings

Third Wednesdays of each month 1 p.m. MT

Subject to change

Visit <https://tinyurl.com/EPFPPF-Board-Meetings>

For Agenda, Date and Time