



MINUTES OF THE
 FIRE FIGHTERS' RELIEF AND RETIREMENT FUND BOARD OF TRUSTEES
 AUSTIN, TEXAS

The regular meeting convened at the pension office at 4101 Parkstone Heights Drive, Suite 270, Austin, Texas, on February 25, 2019 at 9:00 a.m., with the following present:

Riley	Keith Johnson	Vice-Chair	Chuck Campbell	Alyca
Jeremy Burke	Trustee	Mike Duffee	Tommy Rutledge	
Brad Landi	Trustee	Leonardo Festino	David Spidle	
Bill Stefka	Administrator	Aaron Lally	Jan Wesson	
Linda Adney	Adm. Asst.	Donald Lowe	Selena Xie	
Premal Amin	Adm. Asst.	Michael McGill		

Public Comment

Vice Chair Keith Johnson called the meeting to order and began the meeting with those that signed up for public commentary. Retiree Jan Wesson resumed a discussion from last month that the Board should leave the pension plan guide in the annual audit report distributed to the membership, in addition to posting it on the website. Selena Xie, President of the Austin Travis County EMS Association, introduced herself to the Board. Ms. Xie noted they continue to explore working toward a possible pension plan merger with either AFD or APD and will keep the Board updated on any further information. The Board thanked them for the input.

Minutes of the regular meeting held January 28, 2019 were reviewed by the Board. A motion was made by Jeremy Burke to approve the minutes of the regular meeting held January 28, 2019. With a second from Brad Landi, the Board unanimously approved.

Retirement benefits for recent applicants was the next item agenda item. After review of the benefit information, Jeremy Burke made a motion to approve benefits as stated on the benefit calculation form. With a second from Brad Landi, the Board unanimously approved.

Next on the agenda were the survivor benefits for recent applicants. After review of the benefit information, Jeremy Burke made a motion to approve benefits as stated on the benefit calculation form. With a second from Brad Landi, the Board unanimously approved.

Agenda item number 4 was an update on TT International. Chuck Campbell, the Fund's legal counsel, noted there was considerable back and forth with the terms in the Partnership Agreement, but progress was being made. Mr. Campbell said the agreement and remaining documentation necessary to invest in TT International should be completed soon. The Board thanked Mr. Campbell for the update. No motion was necessary.

Review of the plan's ethics policy updates was the next item for discussion. After further examination of the policy it was decided to add a couple of more revisions and a draft to be presented at the March meeting. No further action was required.

Next on the agenda Aaron Lally and Leo Festino, with Meketa Investment Group, discussed the 4Q18 and CY2018 annual performance review; as well as the annual investment policy and asset allocation reviews. Mr. Lally noted the Fund had a net return of -2% for CY2018. While being a negative return, the Fund preserved capital well in 2018 with respect to peers. Aaron noted although every asset class had a negative return, the Fund's performance was virtually top decile for the 1, 3, and 5 years ending 12/31/18. The review of the Fund's Investment Policy was addressed next, with no changes or revisions being recommended for now. Mr. Festino noted that any recommended changes to the plan's Operating Procedures will be made at the next Investment Committee meeting in May. In reviewing the plan's overall investment management fees, Leo noted the blended effective management fee for the Fund is 0.67% which has been reduced over the years through elimination of hedge funds and increased usage of index funds when feasible. Leo noted every year Meketa participates in the "Horizon Survey" which compares

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the asset class assumptions of over 30 investment consulting firms regarding related risk and return expectations. With our current investment policy and asset allocation structure, results show our Fund's expected 20-year annualized return to be 8.1%. As a result of this supporting data, it's Meketa's opinion our plan's assumed rate of return of 7.7% is reasonable going forward. Mr. Festino noted their service agreement with our Fund is approaching the 5th anniversary and how much they appreciate the relationship we have built together. Per the agreement terms, they were requesting the Board consider continuing their services including the annual inflationary increase in fees of 3.5%. The Board agreed to address this at the March meeting and thanked Leo and Aaron for their presentations. No motion was necessary.

Agenda item number 6 was regarding a retiree's concerns regarding the plan's annual report and pension guide format. The Board appreciated the earlier comments from retiree Jan Wesson and continued that discussion concerning how the Board can communicate information to the membership more efficiently. With some preliminary input presented by Jeremy Burke as a possible template, the Board requested the Fund's legal counsel to start drafting a communication policy that will provide a platform for delivering information to the membership; and report back at the next meeting. No motion was necessary.

Administrative employees' benefits discussion was the next agenda item. The Board went into executive session at 12:40 p.m. as authorized by Section 551.074 of the Texas Local Government Code. At 2:30 p.m. the Board concluded their session and resumed the regular meeting. The Board requested further information concerning vacation and sick leave for the staff. The Board again went into executive session at 2:35 p.m. as authorized by Section 551.074 of the Texas Local Government Code. At 2:45 p.m. the Board concluded this session and resumed the regular meeting. A motion was made by Jeremy Burke to increase the staff salaries, effective January 1, 2019, by a certain percentage based on comparable staff positions in the Texas Society of Association Executives 2017 compensation and benefits report as provided by TEXPERS; including an additional merit increase for Premal Amin. With a second from Brad Landi, the Board unanimously approved.

Premal Amin reviewed the January income statement, balance sheet and general ledger reports. Premal noted he has been working on a new format for income statement for the website and will have it ready for review at the next meeting. No motion was necessary.

Under other business., Premal mentioned he had been working with the fund's legal team on the new website and it should be ready to go live in the coming months. Some future agenda items include ethics policy, communication policy, addendum to Meketa's contract, pension software and employee benefits. The May 2019 Board meeting has been rescheduled to Thursday, May 23, 2019.

Jeremy Burke made a motion to adjourn. With a second from Brad Landi, the Board unanimously approved.

BOARD MEMBERS

Mayor Steve Adler, Chair
Keith Johnson, Vice-Chair
Belinda Weaver, Treasurer
Jeremy Burke, Trustee
Brad Landi, Trustee

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