

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 July 16, 2019 at 9:00 a.m., with the following present:

Keith Johnson	Vice-Chair	Chuck Campbell
Belinda Weaver	Treasurer	Anna Dyan
Jeremy Burke	Trustee	Michael McGill
Brad Landi	Trustee	Alycia Riley
Bill Stefka	Administrator	Tommy Rutledge
Linda Adney	Adm. Asst.	Jan Wesson
Premal Amin	Adm. Asst.	

Minutes of the regular meeting held June 17, 2019 were reviewed by the Board. Brad Landi suggested when referencing any person named Brad in the minutes, (such as Brad Heinrichs, our actuary with Foster and Foster) to please include the last name to alleviate any confusion. With Mr. Landi's request duly noted, a motion was made by Jeremy Burke to approve the minutes of the regular meeting held June 17, 2019. With a second from Brad Landi, the Board unanimously approved.

The second agenda item was approval of retirement 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 for retirees. With a second from Belinda Weaver, the Board unanimously approved.

The third item on the agenda was disability benefits for a recent applicant. The pension board then went into executive session at 9:15 a.m. as authorized by Section 551.078 of the Texas Local Government Code. At 9:34 a.m. the Board concluded their executive session and resumed the regular meeting. After review of the benefit information, Jeremy Burke made a motion to approve the disability benefits for the applicant. With a second from Belinda Weaver, the Board unanimously approved.

Next up was a presentation from Anna Dyan with XTP Implementation Services. Anna noted that their firm reviews pension funds' current portfolios for optimization of costs, fees, and processes. They conduct a comprehensive bottom-up forensic analysis over the entire value chain across all asset classes. After further discussion Jeremy Burke made a motion to engage XTP to perform the free of charge pre-analysis of the Fund's portfolio. With a second from Belinda Weaver, the Board unanimously approved.

The 2018 actuarial valuation report was the next agenda item. This report included two assumption changes as discussed at the June meeting with the actuary, Brad Heinrichs with Foster and Foster. The assumed mortality rates were updated to reflect the public safety (PubS-2010) tables. The valuation also included a reduction in the pension plan's price inflation assumption from 3.50% to 2.75%, as recommended in a recent actuarial audit review. Mr. Heinrichs provided input regarding the 7.70% assumed rate of return, which is supported by the plan's investment consultant regarding the Fund's target asset allocation and the expected long-term historical experience. Premal Amin reviewed some updated wording in the "Summary of Benefit Provisions" of the actuarial valuation report as well. A motion was made by Jeremy Burke to approve the 2018 actuarial report with the recommended actuarial assumption changes and updates. With a second from Brad Landi, the Board unanimously approved.

Next on the agenda was the Fund's 2018 audit report. The audit report (draft) had previously been presented and reviewed at the June 2018 meeting and was pending some final verification of information from the actuaries. After review of the now completed report and financials, including the clean and unqualified opinion from the auditors, Brad Landi made a motion to approve the 2018 report as presented. With a second from Jeremy Burke, the Board unanimously approved.

Agenda item number 7 was an update on the disability policy. Chuck Campbell noted that a draft of the proposed policy had been posted to the pension fund's website for comment; and this will be on the August agenda for final approval. No motion was necessary.

Chuck Campbell and Alyca Riley presented a draft policy regarding the process for appeals of benefit determinations. After detailed examination of the draft, the Board recommended a couple of revisions and asked Mr. Campbell to have this available at the August meeting for further review. No action was necessary.

The next item on the agenda was the plan's governance policy. Chuck Campbell noted that Alyca Riley has done an excellent job in drafting this policy with explanations and guidelines for each section. He asked the trustees to review and make notes for discussion at a future meeting. No motion was necessary.

Discussion regarding the agenda procedures was tabled until the next meeting when this item will be included as part of the governance policy. No motion was necessary.

Agenda item 11 was the monthly updates from staff. Premal Amin noted that he has been working with Chuck Campbell on the annual communication requirements to make sure the office is meeting all legal requirements.

Premal Amin next reviewed the June 2019 income statement, balance sheet and general ledger reports. He noted due to the earlier July meeting scheduled this month, he did not have all the necessary information to complete the financials. The revised June and July statements should be available at the August meeting.

Under old business, new business, future agenda items are an update on XTP pre-analysis, disability policy and medical board charter, process for appeal of benefit determinations, the governance policy, and 2Q19 report from Meketa Investment Group. Jeremy Burke requested the monthly updates from staff agenda item include updates from the legal team.

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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