



AFRF
AUSTIN FIREFIGHTERS
RETIREMENT FUND

**MINUTES
BOARD OF TRUSTEES MEETING
MONDAY OCTOBER 30, 2023, 9:00AM**

Board Members Present

Belinda Weaver, Treasurer
John Bass, Trustee
Aaron Woolverton, Trustee

Staff and Consultants Present

Anumeha Kumar, AFRF Executive Director
John Perryman, AFRF CFO
Debbie Hammond, AFRF Benefits Manager (virtual)
Gina Gleason, AFRF Board & Operations Specialist
Shira Herbert, AFRF Accounting & QC Specialist
Amy Thibaudeau, AFRF Benefits Specialist
Chuck Campbell, Jackson Walker
Alyca Garrison, Jackson Walker

Community Members Present

Rene Vallejo
Virtual attendees not listed

Trustee Weaver called the meeting to order at 9:02am.

Mayor Watson and Vice Chair Fowler were not in attendance, quorum of 3.

Public Comments:

No public comments.

- I. Consent Agenda for the following:
 - a. Minutes of the regular meeting of September 25, 2023
 - b. Service retirement benefits for new retirees, beneficiaries, and alternate payees

Trustee Bass made a motion to approve both items on the consent agenda. Trustee Woolverton seconded the motion. The motion passed unanimously.

- II. Review and consideration of initial application for disability retirement benefits for Applicant #2023-01 (Closed Session)

At 9:03am, Trustee Weaver announced that the Board would enter closed session pursuant to Texas Government Code Section 551.0785 for deliberations involving the medical records of a recent disability applicant. At 9:18am, Trustee Weaver announced that the Board had returned to open session and no action had been taken by the Board while in closed session. Trustee Weaver made a motion to approve the application for disability retirement benefits for applicant 2023-01. Trustee Bass seconded the motion. The motion passed unanimously.

III. Executive Director Report, including the following (Discussion Only)

a. General comments

Anumeha Kumar offered a reminder that items in this section are for updates and discussion only. She identified one item that had arisen following the publication of the agenda, which was the City of Austin’s actuarial audit. Ms. Kumar explained that in state law under Section 802.1012, sponsoring entities of public retirement systems with over \$100 million in assets are required to hire an independent actuary to perform an actuarial audit once every five years to review actuarial valuations, experience studies and any relevant actuarial reports. The last audit, she continued, took place in 2019 to review the 5-year period ending in 2017 and the City had recently hired Athena Actuarial Consulting Group to evaluate the 5-year period ending in 2022. Ms. Kumar informed the Board that Athena had reached out to schedule an introductory call with AFRF, after which statute dictates that the Fund enter nondisclosure agreement to ensure that any confidential information shared with the consultant remains confidential. Ms. Kumar further explained that the audit is scheduled for completion by spring of 2024, at which time the Board will be presented with a preliminary report and will have the option to ask any questions of the consultant at a public meeting. Ms. Kumar stated that AFRF would continue to work with Jackson Walker to determine any procedures laid out in statute. The Trustees had no questions regarding the actuarial audit.

b. Funding Soundness Restoration Plan (FSRP) Working Group Update

Anumeha Kumar mentioned that moving forward, the Fund would spell out any acronyms used on the agenda to ensure clarity for all attendees and members. She offered a reminder to the membership that the Board had created a working group at its September meeting as a proactive response to a letter that the Fund had received from the Pension Review Board which noted the possibility of the Fund triggering an FSRP come 2025-2026. Ms. Kumar explained that the working group had directed Cheiron to analyze and provide updates on the current funding health of the Fund and to project into the future with consideration for any potential risks and cost increases. Ms. Kumar described that the next step would be to share any information received from Cheiron with the membership, to solicit their high-level feedback, and to address any questions or concerns.

c. Investment Practices and Performance Evaluation (IPPE) Project Update

Anumeha Kumar provided an overview of the IPPE requirements established by state law, noting that the Board had hired Callan following the initial discussion about the IPPE at the August meeting. Ms. Kumar informed the Board that the Fund had completed its introductory call with Callan and had provided Callan with the necessary investment reports and governing policies. Ms. Kumar reviewed the upcoming steps in the IPPE reporting process, which will include an opportunity for the Board to provide feedback on a draft report and will culminate in the submission of the final report to the City, to the PRB, and to the legislature.

d. Trustee Election Update

Anumeha Kumar provided a brief reminder that the Trustee election was currently in progress and would run until November 6, 2023. She noted that ballots had been mailed out to the membership, and members were also given the option to vote online.

- e. Internal financial statements, transactions and Fund expense reports for month ending September 30, 2023

Anumeha Kumar explained the items which exceeded the budgeted amounts, including the actuarial and legal fees for Cheiron and Jackson Walker, respectively. Ms. Kumar described the extra work that Cheiron and Jackson Walker had been doing for the Fund, including a review of certain actuarial assumptions, full review of the Benefits Guide and all forms the Fund uses to ensure that everything is up to date from a statutory and legal standpoint. The Board had no questions or concerns regarding the financial statements. Ms. Kumar also indicated that the IRS tax issue is ongoing and that the Fund is currently waiting for acknowledgement of receipt from the IRS after submitting their response.

IV. Roadmap for future meetings

Trustee Weaver asked if the actuary would be presenting at the November meeting and questioned when the Experience Study would begin. Ms. Kumar confirmed that at least one actuary from Cheiron would be present at the November meeting for the COLA discussion and explained that the Fund had already provided Cheiron with the necessary information for the Experience Study, which is scheduled for completion by spring of 2024. Trustee Weaver asked when the Board could expect to receive the IPPE report, to which Ms. Kumar estimated receipt of the draft report in February or March 2024, since the final report is due to the PRB by June 2024.

V. Call for future agenda items

No future agenda items were requested. Trustee Weaver informed the Board that Vice Chair Fowler would return for the November board meeting.

Hearing no objections, Trustee Weaver adjourned the meeting at 9:35am.

Board Members

Mayor Kirk Watson, Chair
Doug Fowler, Vice Chair
Belinda Weaver, Treasurer
John Bass, Trustee
Aaron Woolverton, Trustee