



BOARD OF TRUSTEES MEETING REGULAR MEETING AGENDA

Tuesday June 2, 2026, 11:00am

The regular meeting will be held in the **Board and Commissions Room at Austin City Hall, 301 W 2nd Street, Austin, Texas 78701** and will be open to the public. The meeting will also be available to the public through **signin.webex.com/join** with **meeting number 2550 318 8642** and **password Jun2026**, or through a telephone conference call, **toll-free dial-in number 650-479-3208** with **access code 5862026**. Some non-routine agenda items will have the trustee or individual who requested the item in parentheses.

How to Register for Public Comments

Members of the public may address the Board of Trustees on any matter during the Public Comment portion of the meeting. Public comments may be provided in person at the physical location of the regular meeting, virtually through WebEx, or through the toll-free dial-in number provided above. A sign-up sheet will be available at the physical location of the meeting. The Board requests that any member of the public who desires to address the Board virtually sign up to speak in advance by contacting the Fund at **staff@AFRFund.org no later than 5:00 p.m. on June 1, 2026**. All parties are asked to limit comments to 3 minutes. No discussion or action will be taken by the Board during public comments.

Public Comments

To Approve

1. Consent Agenda for the following:
 - a. Minutes of regular meeting of February 27, 2026
 - b. Service retirement benefits for new retirees, beneficiaries, and alternate payees

To Discuss and Possibly Act On

2. Receive report on Policy Committee Meeting held on April 9, 2026
3. Receive report on Benefits Committee meetings held on April 16 and May 20, 2026, including the following (Closed Session):
 - a. Consider request for extension of 30-Month Review for Continuation of Disability Retirement Benefit for Applicant #2023-01
 - b. Periodic review of Disability Benefit for Applicant #2023-02
 - c. Update on Disability Benefit Review for Applicant #2025-01
 - d. Consider matter regarding the beneficiary designation of a retired member



4. Consider approval of proposed revisions to Fund Rules, including benefit payment options for Group B and actuarial equivalence tables for Groups A and B
5. Update on Legislative Priorities for 2027
6. Executive Director Report, including the following (Discussion Only)
 - a. General comments
 - b. Update on AFRF Direct member portal
 - c. Internal financial statements, transactions, and Fund expense reports for month ending February 28, 2026
 - d. Internal financial statements, transactions, and Fund expense reports for month ending March 31, 2026
 - e. Internal financial statements, transactions, and Fund expense reports for month ending April 30, 2026
7. Roadmap for future meetings
8. Call for future agenda items

Austin Firefighters Retirement Fund
4101 Parkstone Heights Drive, Suite 270
Austin, TX 78746
(512) 454-9567

NOTE: The Board of Trustees of the Austin Firefighters Retirement Fund may meet in Executive Session on any item listed above in accordance with and as authorized by the Texas Open Meetings Act, Texas Government Code Ch. 551.

NOTE: The City of Austin is committed to compliance with the American with Disabilities Act. Reasonable modifications and equal access to communications will be provided upon request. Meeting locations are planned with wheelchair access. If requiring Sign Language Interpreters or alternative formats, please give notice at least 2 days (48 hours) before the meeting date. Please contact our office at (512) 454-9567 for additional information; TTY users route through Relay Texas at 711.

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AFRF

AUSTIN FIREFIGHTERS
RETIREMENT FUND

MINUTES BOARD OF TRUSTEES MEETING FRIDAY FEBRUARY 27, 2026, 10:00AM

Board Members Present

- Aaron Woolverton, Chair
- Doug Fowler, Vice Chair
- Belinda Weaver
- John Bass (virtual)
- Ryan Alter
- Andrew Ratoza
- Jie Li

Staff and Consultants Present

- Anumeha Kumar, AFRF Executive Director
- John Perryman, AFRF CFO
- Debbie Hammond, AFRF Benefits Manager
- Shira Herbert, AFRF Accounting & QC Specialist
- Amy Thibaudeau, AFRF Benefits Specialist
- Chuck Campbell, Jackson Walker
- Alyca Garrison, Jackson Walker
- Laurel Malone, Jackson Walker
- Leo Festino, Meketa

Community Members Present

- Rene Vallejo
- Lisa Millman
- Jan Wesson
- Virtual attendees not listed

Chair Woolverton called the meeting to order at 10:53am.

Public Comments:

No public comments.

- I. Consent Agenda for the following:
 - a. Minutes of the regular meeting of January 30, 2026
 - b. Service retirement benefits for new retirees, beneficiaries, and alternate payees

Chair Woolverton requested a moment of silence for the retired firefighter who had passed in January. Vice Chair Fowler made a motion to approve both items on the consent agenda. Trustee Weaver seconded the motion. The motion passed unanimously.

- II. Investment Committee Reports
 - a. Committee Chair Election

Trustee Weaver was elected Investment Committee Chair at February 18, 2026, Investment Committee meeting.

b. Manager Interviews

Trustee Weaver reported that the Investment Committee discussed two new investment strategies and conducted manager interviews. Trustee Weaver deferred to Leo Festino from Meketa for an overview of the strategies prior to presenting motions.

i. IFM Investors - Infrastructure

Leo Festino explained that IFM Investors would represent a new manager relationship for the Fund and would mark the Fund's first investment in core infrastructure. He described infrastructure asset class as essential community assets such as toll roads, airports, utilities, and communications; assets that are critical to society, held long-term, and generate healthy income distributions tied to inflation-adjusted, long-term contracts. He noted that infrastructure has been a growing allocation area for pension funds globally and described the evaluation process that had been underway since the prior year, including the board's evaluation of different managers and its decision at the November meeting to invite IFM to present to the board before allocating to this asset class. He confirmed that the manager's interview had taken place at the Investment Committee meeting. Leo Festino summarized the Investment Committee's recommendation to invest in IFM Global Infrastructure Fund.

Based on the report and recommendations from the Investment Committee, Trustee Weaver moved to approve an investment of \$40 million in the IFM Global Infrastructure Fund. Vice Chair Fowler seconded the motion. The motion passed unanimously.

ii. Clarion Partners – Real Estate

Leo Festino stated that Clarion Partners has an existing manager relationship through the Fund's investment in the Clarion Lion Property Fund. He explained that the Fund had made an initial \$5 million commitment to the Clarion Alternative Sectors Fund at the November meeting, that paperwork for that commitment was nearly complete, and that the Fund retains the option under the same negotiated fee terms to make additional commitments through the end of 2027.

Leo Festino summarized the Investment Committee's consideration to defer any additional commitment to the Clarion Alternative Sectors Fund at this time while preserving the option to invest in the future.

Based on the report and recommendations from the Investment Committee, Trustee Weaver made a motion to defer any additional investment in the Clarion Alternative Sectors Fund at this time. Trustee Li seconded the motion. The motion passed unanimously.

c. Meketa 4Q25 Investment Performance review, including the following:

i. Economic and Market Update

Leo Festino advised the board that the meeting materials included a full economic and market update. In the interest of time, he elected to skip that portion of the presentation and offered to address any questions regarding market conditions or the broader economic environment at the conclusion of his remarks. No questions were raised on this section at that time.

ii. 2025 Fiscal Year Review

Leo Festino reviewed the Fund's investment performance for fiscal year 2025. He reported that the Fund returned 13.7% for the year, which he described as strong in absolute terms, well ahead of the Fund's 7.3% actuarial rate of return assumption, and better than a majority of peers.

Leo Festino explained that the primary driver of performance was international equities rather than domestic equities. He noted that the US dollar depreciated during the year, which increased the value of foreign investments through currency translation. In addition, European and emerging market holdings appreciated more than US holdings. He stated that the Fund's approximately 24% allocation to non-US equities was responsible for more than half of the total annual return. He further reported that all asset classes produced positive returns for the year with the exception of natural resources, which was essentially flat.

Leo Festino noted that in dollar terms, the Fund gained approximately \$157 million during the fiscal year, which he emphasized was the figure that ultimately served the Fund's purpose of providing retirement benefits to participants.

Leo Festino further reviewed the Fund's twenty-year performance history, noting that the Fund had experienced gains in sixteen of those years and losses in four, which he described as consistent with the broadly held expectation that an absolute loss should occur approximately every four to five years. He cautioned, however, that an absolute loss was worse in relative terms than it appeared, since the Fund was expected to return 7.3% annually to meet actuarial projections. He explained that a loss of 3% represented a shortfall of approximately 10% against that assumption and would require several years of strong returns to offset.

Leo Festino reviewed the Fund's cash flow history, noting that the plan had matured significantly and that annual benefit payments had approximately doubled over the past decade. He reported that net cash outflows had grown from approximately \$10 million per year to over \$50 million more recently, with cumulative outflows totaling approximately \$270 million over the period. He explained that funds drawn from the portfolio to cover benefit payments were no longer compounding returns and that this pattern was expected to continue as the plan matured further, making it increasingly challenging to sustain historical rates of growth.

iii. 4Q25 Investment Performance review

Leo Festino reviewed the Fund's investment performance for the fourth quarter of 2025. He reported that the Fund gained 3.2% for the quarter, representing approximately \$39 million in asset appreciation. He noted that quarterly performance exceeded the total Fund benchmark by approximately 120 basis points and outperformed peers by an additional 100 basis points. He stated that managers, on average, outperformed their respective benchmarks and peers, and that the Fund remained in compliance with all investment policy statement targets.

Next, Leo Festino reviewed longer-term rolling performance, explaining that over most ten-year rolling periods the Fund had performed better than peers, though there were periods of relative underperformance attributable to differences in allocation and manager selection. He noted that the Fund's historically heavier allocation to private equity had served as a tailwind through early 2022 but had been a headwind in recent years as private

equity underperformed relative to public equity peers who carried a greater allocation to public markets. He added that the Fund's overweight to small-cap and non-US equities had similarly been a headwind until recently, and that while improving conditions were beginning to benefit the Fund, the impact on longer-term rolling metrics would take time to materialize.

Leo Festino reviewed the Fund's asset allocation, noting that US and international equity positions were approximately at target, the result of both deliberate decisions and favorable market performance. He noted that being overweight the better-performing asset classes and underweight real estate had served as a tailwind. He reported that the Fund's total value stood at approximately \$1.26 billion, approaching an all-time high consistent with levels last seen in spring 2022, with the value projected to approach \$1.3 billion when accounting for the following month.

Reviewing performance by asset class, Leo Festino noted that most segments had contributed positively during the quarter and fiscal year, with international equities serving as the primary driver of annual outperformance. He reported that the US equity segment returned 14.9% for the one-year period versus 17.1% for the broad benchmark. He explained that the lag was attributable not to manager underperformance but rather to the Fund's greater exposure to smaller companies and lesser exposure to large-cap growth names, which had experienced a substantial run. Despite the relative lag, he noted that the Fund ranked in the 40th percentile among peers for the period, reflecting the broad difficulty of matching the benchmark without concentration in those names.

With respect to private markets, Leo Festino reported that private equity returned approximately 5% for the year, below public market equivalents but representing meaningful improvement over the flat to slightly negative returns experienced in the prior one to two years. He noted that the private equity portfolio had produced a total multiple of approximately 1.9x invested capital across all holdings, reflecting strong long-term value creation. He reported that real estate had appreciated to approximately 1.2x invested capital, with returns in the mid-single digits, below long-term expectations but consistent with the challenging conditions the asset class had faced since the onset of COVID. He reported that the Fund's sole natural resources manager, Aether, had continued to make distributions to the Fund and that the market had begun to show signs of improvement, with further appreciation in value anticipated over the next one to two years.

iv. Roadmap

Leo Festino highlighted several forward-looking considerations for the board. He noted that the Fund's overweight positions in small-cap and value equities had begun to benefit from improving market dynamics and that this trend appeared to be continuing into the current quarter, with those positions performing particularly well. He stated that if conditions at the time of the meeting were to persist, the Fund was positioned for a meaningful gain versus benchmarks and peers for the quarter.

Leo Festino reiterated the importance of evaluating performance over longer rolling periods of five to ten years rather than on a quarterly or annual basis, noting that shorter time horizons introduced significant random noise that was not conducive to sound manager or strategy evaluation.

Leo Festino emphasized that the growing net cash outflow from the Fund, driven by increasing benefit payments, would warrant continued attention to liquidity management

and long-term asset allocation strategy. He encouraged the board to consider engaging in an asset-liability study in coordination with the Fund's actuary, Cheiron, to produce a deeper analysis of the Fund's assets relative to projected future liabilities.

d. Key Priorities for 2026

Trustee Li left the meeting at 11:00am

Trustee Weaver outlined the investment committee's key priorities for 2026. She stated that the roadmap for the upcoming year would include a review of the Fund's private equity program structure, an update on the passive framework, a discussion of the asset-liability study in preparation for 2027, and the Independent Performance and Portfolio Evaluation (IPPE) for 2027.

Anumeha Kumar provided additional context regarding the IPPE, noting that it is a requirement of the Pension Review Board of the legislature and that systems must follow a prescribed cycle based on asset size. She explained that the Fund completed its most recent IPPE in 2024 and is on a three-year cycle, making the next review reportable in 2027. She stated that the Fund had previously engaged Callan as an independent third-party evaluator and that an arrangement was already in place for Callan to return and conduct the review in the next cycle.

Anumeha Kumar also noted that the committee would engage in additional analysis with Meketa regarding the Fund's investments in Clarion, to the extent the committee wished to pursue that. She further advised that the June board meeting would include an education session specific to the matters related to the Fund's investment program, to be presented by Meketa in conjunction with their quarterly investment performance report.

III. Report on February 19, 2026, Policy Committee meeting

Vice Chair Fowler was elected Policy Committee Chair at the February 19, 2026, Policy Committee meeting.

Vice Chair Fowler reported that the committee discussed roadmap items for the coming year and the possibility of identifying legislative priorities for 2027.

Vice Chair Fowler reported that one of the committee's key areas of focus would be a review of the post-retirement beneficiary designation process. He explained that the intent of the review was to ensure that internal processes had been carried out as intended and to identify any areas where past practices may warrant revisiting. He noted that the committee would also examine the practices of benchmark departments to understand how peer organizations handle this process, with the goal of informing any improvements to the Fund's own procedures.

IV. Report on February 20, 2026, Benefits Committee meeting

Chair Woolverton was elected Benefits Committee Chair at the February 20, 2026, Benefits Committee meeting.

Trustee Woolverton reported that the Benefits Committee would be focused on a review of the Fund's disability program, including an examination of applicable statutory requirements and a review of current policy provisions. He further noted that the committee would handle the initial

review of disability benefit retirement applications and renewals, as well as any other benefit-related items that may come before the committee during the year.

V. Recognition of the outgoing and welcoming the incoming AFA Presidents

Anumeha Kumar recognized and thanked Bob Nicks, the outgoing President of the Austin Firefighters Association, for his 17 years of service as the association president. She noted that while he was unable to attend, she wished to extend particular thanks for his collaboration and support to the Fund during the most recent legislative session.

Anumeha Kumar welcomed David Girouard as the incoming President of the Austin Firefighters Association. She noted that David assumed the role on January 13, 2026, and has served with the department for over 30 years. She expressed the Fund hopes to work closely with him under his new leadership

VI. Recognition of the outgoing and welcoming the incoming ARFFA Presidents

Anumeha Kumar recognized and thanked Renee Vallejo, the outgoing President of the Austin Retired Firefighters Association, for his leadership and contributions to the association and the Fund. She noted that he played a crucial role during the most recent legislative session in keeping the retiree association informed and providing advocacy on behalf of his organization. Ms. Kumar noted that both Rene Vallejo and incoming President Jan Wesson were present in the audience.

Anumeha Kumar welcomed Jan Wesson as the incoming President of the Austin Retired Firefighters Association and expressed the Fund's anticipation of continuing its strong partnership with the retiree association under her leadership.

The trustees collectively recognized the outgoing presidents for their service and welcomed the incoming presidents of both the Austin Firefighters Association and the Austin Retired Firefighters Association.

Rene Vallejo addressed the board and expressed his gratitude to all those involved in the management and oversight of the pension, including the pension office staff, legal team, investment advisors, actuaries, the union, and ARFA members. He reflected on how much he had learned during his tenure about the breadth of work required to steward the Fund. He acknowledged the board specifically, noting that trusteeship was a largely thankless responsibility in which criticism was more visible than praise, and expressed his sincere appreciation for the dedication and effort each trustee brought to the role. He concluded by expressing his confidence in Jan Wesson as his successor, noting her work ethic and commitment.

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

a. General comments

Anumeha Kumar stated that she had no significant items to bring to the board's attention beyond the updates covered under the remaining sub-items and invited the board to raise any questions.

b. Fund Newsletter update

Anumeha Kumar reported that the Fund newsletter was distributed in early February and is available on the Fund's website. She noted that members who wish to receive a hard copy may submit a request to staff.

- c. Update on proposed revisions to Fund Rules, including benefit payment options for Group B and actuarial equivalence tables for Groups A and B

Anumeha Kumar reported that the proposed revisions to the Fund rules regarding Group B benefit payment options had been posted to the Fund's website for public comment. She noted that no comments had been received to date and stated that staff would continue to monitor the comment period and provide updates as appropriate.

- d. 2026 Board and Committee meeting calendars

Anumeha Kumar reported that the board meeting schedule for the remainder of 2026 had been finalized and was available on the Fund's website. She noted that the committee meeting schedule would be developed in alignment with the key priorities identified for each of the three committees and that staff would coordinate accordingly.

- e. Update on approval of retirements, including DROPs

Anumeha Kumar provided an administrative update regarding the board's process for approving retirements and DROP distributions. She explained that while the board had historically approved retirements on a monthly basis, the transition to a less frequent meeting schedule would require that retirements be brought to the board in consolidated groupings at each scheduled board meeting. She clarified that this change would have no impact on the Fund's internal processing of retirements or DROP distributions and that only the statutory requirement of board approval would be addressed on the new schedule. She noted that all retirements occurring between the current meeting and the next board meeting in June would be presented together for approval at that time.

- f. Internal financial statements, transactions, and Fund expense reports for month ending January 31, 2026

Anumeha Kumar reported that the internal financial statements for the month ending January 31, 2026 were included in the board packet. She noted that there were no significant or notable items to bring to the board's attention and offered to answer any questions.

VIII. Roadmap for future meetings

The trustees had no questions or requests regarding the roadmap.

IX. Call for future agenda items

No future agenda items were called for.

Hearing no objections, Chair Woolverton adjourned the meeting at 11:32am.

Board Members

Aaron Woolverton, Chair

Doug Fowler, Vice Chair

Belinda Weaver

John Bass

Ryan Alter

Andrew Ratoza

Jie Li

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AUSTIN FIREFIGHTERS RETIREMENT FUND

Fund Rules

Amended and Restated, Effective ~~September 29, 2025~~ [REDACTED], 2026

I. Purpose

Pursuant to Section 2.11 of Vernon’s Texas Civil Statutes Article 6243e.1 (the “*Act*”), the board of trustees (the “*Board*”) of the Austin Firefighters Retirement Fund (the “*Fund*”) may adopt rules desirable for the efficient administration of the Fund and in order to ensure that the Fund may satisfy the qualified plan requirements under the Internal Revenue Code of 1986, as amended (the “*Code*”). In addition, the Board has specific authority to adopt rules and procedures under various sections of the Act. These rules (the “*Rules*”) are adopted pursuant to the applicable provisions of the Act as referenced below.

II. General Fund Rules

1. Definitions. Unless otherwise specifically provided in these Rules, the terms and phrases used herein have the meanings assigned by Section 1.02 of the Act.
2. Operating Name. Pursuant to the authority granted to the Board in Section 1.031 of the Act, the Fund has adopted the name “Austin Firefighters Retirement Fund” as the name under which the Fund may operate and brand itself. Notwithstanding the previous sentence, the Fund’s legal name shall remain as the “Austin Fire Fighters Relief and Retirement Fund” as prescribed by Section 1.03 of the Act. References to “Austin Firefighters Retirement Fund” and “Austin Fire Fighters Relief and Retirement Fund” in any Fund documents and communications shall be understood as synonymous.

III. Qualified Plan Rules

1. Qualified Plan. All assets contributed to the Fund will be held in trust, separate from the assets of the municipality, and maintained and administered by the Board for the exclusive purpose and benefit of all members, retirees, and beneficiaries of the Fund. At no time before the termination of the Fund and the satisfaction of all liabilities with respect to members, retirees, and their beneficiaries shall any part of the principal or interest of the assets of the Fund be used for or diverted to purposes other than the exclusive benefit of members, retirees, and their beneficiaries. The Fund and the assets held in trust thereunder are intended to qualify under Section 401(a) of the Code, be exempt from federal taxes under Section 501(a) of the Code, and conform at all times to applicable requirements of law, regulations, and orders of duly constituted federal governmental authorities. Pursuant to Section 2.015 of the Act, the Fund shall be administered in a manner that maintains the qualified status of the Fund under Section 401(a) of the Code. Accordingly, if any provision of the Act and these Rules is subject to more than one construction, one of which will permit the qualification of the Fund, that construction that will permit the Fund to qualify and conform will prevail. At no time shall any part of the assets of the

Fund revert back to the municipality unless the reversion is due to a good faith mistake of fact.

2. Required Minimum Distributions. Effective January 1, 2003, a member's entire interest under the Fund shall be distributed, or begin to be distributed, by the required beginning date prescribed by Code Section 401(a)(9) and Treasury Regulations §§1.401(a)(9)-1 through 1.401(a)(9)-9 (the "**401(a)(9) Requirements**"), and any distribution under the Fund shall at all times comply with the 401(a)(9) Requirements. Any distribution required under the incidental death benefits requirements of Code Section 401(a) shall be treated as a distribution required by the 401(a)(9) Requirements. For purposes of clarity, provisions of the Act and these Rules may provide for the timing of distribution of benefits that is earlier than the required beginning date under the 401(a)(9) Requirements, including distributions from the DROP (as defined in Section V of these Rules), as long as such distributions otherwise comply with the 401(a)(9) Requirements.
3. Rollovers. Effective January 1, 1993, any member or eligible beneficiary who is entitled to receive any distribution that is an eligible rollover distribution is entitled to have that distribution transferred directly to another eligible retirement plan of the member's or eligible beneficiary's choice on providing direction to the Fund regarding that transfer in accordance with procedures established by the Board. For purposes of this Rule, the following terms shall be defined as provided below:

- (a) An "eligible rollover distribution" is any distribution of all or any portion of the balance to the credit of the distributee, except that an eligible rollover distribution does not include: any distribution that is one of a series of substantially equal periodic payments (not less frequently than annually) made for the life (or life expectancy) of the distributee or the joint lives (or joint life expectancies) of the distributee and the distributee's eligible beneficiary, or for a specified period of ten years or more; any distribution to the extent such distribution is required under Code section 401(a)(9); the portion of any distribution that is not includable in gross income (determined without regard to the exclusion for net unrealized appreciation with respect to employer securities described in Code section 402(e)(4)); and other amounts determined to not be eligible rollover distributions under applicable law, including the Code and regulations issued pursuant to the Code (see, e.g., Regulation § 1.402(c)-2, Q&A-4).

Effective January 1, 1999, an "eligible rollover distribution" also does not include any amount that is distributed on account of hardship or unforeseeable emergency.

- (b) An "eligible retirement plan" is an individual retirement account described in Code section 408(a), an individual retirement annuity (other than an endowment contract) described in Code section 408(b), that accepts the distributee's eligible rollover distribution, a qualified retirement plan described in section 401(a) or section 403(a), of the Code. The definition of eligible retirement plan shall also apply in the case of a distribution to an eligible beneficiary, or to a spouse or former spouse who is the alternate payee

under a qualified domestic relation order, as defined in section 414(p) of the Code; provided, however, if the distributee is an eligible beneficiary of a deceased member who is not a surviving Spouse, a direct rollover is only available to an individual retirement account described in Code section 408(a) or an individual retirement annuity (other than an endowment contract) described in Code section 408(b) that has been established on behalf of the eligible beneficiary as an inherited IRA (within the meaning of Code section 408(d)(3)(C)) and is subject to the requirements of Code section 401(a)(9).

Effective January 1, 2002, an “eligible retirement plan” also includes a tax sheltered annuity plan described in section 403(b) of the Code, and an eligible plan under section 457(b) of the Code which is maintained by a state, political subdivision of a state, or any agency or instrumentality of a state or political subdivision of a state and which agrees to separately account for amounts transferred into such plan from this Fund.

- (c) A “distributee” includes a member and a participant’s spouse or former spouse who is the alternate payee under a qualified domestic relations order, as defined in Code section 414(p).

Effective January 1, 2007, a “distributee” also includes the eligible beneficiary of a deceased member to the extent permitted in Code Section 402(c)(11).

- (d) A “direct rollover” is a payment by the Fund to the eligible retirement plan specified by the distributee. The Fund shall be responsible for providing, within a reasonable period of time prior to making an eligible rollover distribution, an explanation to a member of his or her right to elect a direct rollover and the income tax withholding consequences of not electing a direct rollover.
4. Nonforfeitability upon Plan Termination. The retirement benefit earned by a member shall become nonforfeitable, to the extent funded (if not already nonforfeitable), upon the termination or partial termination of the Fund or the complete discontinuance of contributions to the Fund.
 5. Forfeitures. Amounts representing forfeited nonvested benefits of terminated members may not be used to increase benefits payable from the Fund but may be used to offset obligations for future plan years.
 6. Code Section 401(a)(17) Limits. Effective for plan years beginning on or after January 1, 1996, the total compensation taken into account for any purpose for any member of the Fund may not exceed that annual compensation limit under Code Section 401(a)(17), as shall be periodically adjusted in accordance with guidelines provided by the United States Secretary of the Treasury. For plan year 2021, such annual compensation limit is \$290,000.
 7. USERRA. Notwithstanding any provision in the Act to the contrary, contributions, benefits and service credit with respect to qualified military service will be provided in accordance with Code Section 414(u), effective January 1, 1998, and Code

Section 401(a)(37), effective as set forth below, including, without limitation, in accordance with the provisions set forth below.

- (a) Definitions. For purposes of this paragraph 7, the following terms shall be defined as provided below:
- (i) Differential Wage Payment. The term “Differential Wage Payments” means any payment as defined in Code Section 3401(h) which is made by the municipality for a pay period after December 31, 2008, and that (a) is made to a member with respect to any period during which a member is performing Qualified Military Service; and (b) represents all or a portion of the remuneration such member would have received from the municipality if the individual was performing services for the fire department.
 - (ii) Qualified Military Service. The term “Qualified Military Service” means any service in the uniformed services (as defined in chapter 43 of title 38, United States Code) by any member if such member is entitled to USERRA Reemployment Rights under such chapter with respect to such service.
 - (iii) USERRA Reemployment Rights. The term “USERRA Reemployment Rights” means the rights and benefits to which a member covered under USERRA is entitled upon his or her return from Qualified Military Service. A member will not be entitled to USERRA Reemployment Rights if (a) such member did not provide advance notice of his or her military service to the fire department; or (b) such individual had more than five years of cumulative Qualified Military Service measured from his or her date of hire to his or her date of return to employment with the fire department.
- (b) Death Benefits.
- (i) Deemed Reemployment Date. A member who dies on or after January 1, 2007, while performing Qualified Military Service (an “*Eligible Deceased Member*”) will be deemed (a) to have resumed employment with the fire department as of the day preceding the date of his or her death (the “*Deemed Reemployment Date*” for purposes of this paragraph); and (b) to have terminated service on the date of his or her death.
 - (ii) Additional Benefits. To the extent the Fund provides for any benefits that are contingent upon the member’s death, then an Eligible Deceased Member will be provided with such benefits. Such benefits must be provided to all similarly-situated individuals in a uniform, non-discriminatory manner.

- (iii) Service. An Eligible Deceased Member shall receive service under the Fund for the period of the Qualified Military Service during which the member died for purposes of attaining eligibility to receive the benefits provided under the Fund and, to the extent the requirements of Section 4.02 of the Act and Rule XV are otherwise satisfied, for purposes of calculating benefits. For purposes of Section 4.02 and consistent with subparagraph 7(b)(i) above, an Eligible Deceased Member will be treated as returning to service on the day preceding the date of his or her death, and an eligible spouse or other beneficiary may file the application, make the required contributions, and provide the proof required under Section 4.02 of the Act and in accordance with Rule XV.
 - (c) Differential Wage Payments.
 - (i) Employee Status. Effective January 1, 2009, an individual receiving Differential Wage Payments from the municipality will be treated as an active member and will receive service under the Fund during such period for purposes of attaining eligibility to receive the benefits under the Fund and the calculation of such benefits.
 - (ii) Compensation. The term “Compensation” as used under the Act for purposes of calculating benefits or determining contributions will include any amounts paid by the municipality as a Differential Wage Payment.
- 8. Code Section 415 Limits. Pursuant to Section 9.03(a) of the Act, a member or beneficiary of a member of the Fund may not accrue a benefit, in excess of the benefit limits applicable to the Fund under Section 415 of the Code. The Board shall reduce the amount of any benefit that exceeds those limits by the amount of the excess. If the total benefits under this Fund and the benefits and contributions to which any member is entitled under any other qualified defined benefit plan maintained by the municipality that employs the member would otherwise exceed the applicable limits under Section 415 of the Code, the benefits the member would otherwise receive from the Fund shall be reduced to the extent necessary to enable the benefits to comply with Section 415 of the Code. For purposes of determining applicable benefit limitations under Code section 415, the limitation year shall be the calendar year.
- 9. Actuarial Assumptions. The Fund’s actuarial equivalence assumptions shall be those as specified in Appendix A of these Rules.
 - (a) Notwithstanding such Appendix A or any other plan provisions to the contrary, effective January 1, 2008, the applicable mortality table used for purposes of adjusting any benefit or limitation under §415(b)(2)(B), (C), or (D) of the Code and the applicable mortality table used to satisfy the requirements of §417(e) of the Code (if and as such requests are applicable) is the table prescribed in Treasury Regulation § 1.430(h)(3)-1.

- (b) For distributions with annuity starting dates after December 31, 2002 and before January 1, 2008, the applicable mortality table shall be the applicable mortality table provided in Rev. Rul. 2001-62.
- (c) For distributions with annuity starting dates on or prior to December 31, 2002, the applicable mortality table shall be the applicable mortality table provided in Rev. Rul. 92-19.

10. Exemption of Benefits from Judicial Process, Assignment or Alienation.

- (a) All assets held in trust under the Fund, and all rights and all accrued and accruing benefits of any member, may not be (A) held, seized, taken, subjected to, or detained or levied on by virtue of any execution, attachment, garnishment, injunction, or other writ, order, or decree, or any process or proceedings issued from or by any court for the payment or satisfaction, in whole or in part, of any debt, damage, claim, demands, or judgment against any member entitled to benefits, or (B) assigned or otherwise alienated.
- (b) The preceding provisions of these Rules shall not preclude the withholding of Federal taxes from pension benefits, the recovery by the Board of overpayments of benefits previously made to any person, the direct deposit of benefit payments to an account in a bank, savings and loan association or credit union (provided such arrangement is not an alienation), or, pursuant to any policy adopted by the Board and uniformly applied to any voluntary arrangement for the withholding and direct payment of health care or life insurance premiums or similar payments from his or her monthly benefit payments. An attachment, garnishment, levy, execution or other legal process is not considered a voluntary arrangement.

IV. Trustee Nomination Procedures

- 1. Background. Section 2.03(b) of the Act provides that, in the event only one firefighter or retiree is nominated for a position pursuant to Section 2.03(c) of the Act, the Board may appoint the sole nominated candidate through procedures established by the Board prior to any nominations, with such appointment to be held at the first board meeting in January in lieu of holding an election. The Rules in this Section IV set forth such procedures and take effect for the nominations period beginning September 1, 2015.
- 2. Notice of Nomination Period. Pursuant to Section 2.03(c) of the Act, the period for nominating candidates for the election of a member of the Board begins on September 1 and ends September 15 of each calendar year (“**Nomination Period**”). Prior to each election period, the Fund will provide notice to active members of the Nomination Period through posting at fire stations (either electronically or in a physical location where postings typically are made) and will provide notice to retirees through regular mail. In addition, notice of the Nomination Period will be posted on the Fund’s website.

3. Form of Nominations. Pursuant to Section 2.03(c) of the Act, nominations may be made in person, by mail, by telephone, or by any other method approved by the Board, including by e-mail or facsimile. Nominations must be received prior to the end of the Nomination Period, between September 1 and September 15. A nomination sent prior to the end of the Nomination Period, but not received by the Fund until after the Nomination Period, does not satisfy the above requirement.
4. Re-opening of Nominations Period. In the event that no candidate has been nominated following the Nomination Period ending September 15, the Board will re-open the Nomination Period and establish the final day of such period, which will not be later than October 31 of the same calendar year. Notice of the re-opening of the Nomination Period will be provided in the same manner as described in paragraph 2 in this Section IV.
5. Nomination of Sole Candidate. If at the end of a Nomination Period, only one candidate has been nominated, the Fund will notify members and retirees in the same manner as described in paragraph 2 in this Section IV that only one candidate has been nominated and that no election will be held. The Board will appoint this candidate to the Board at its January meeting following the nomination.

V. **DROP Distributions**

1. Background. Section 8.05(d) of the Act provides that the Board may adopt rules that modify the availability of distributions under the deferred retirement option plan (the “**DROP**”), provided that the modifications do not (A) impair the distribution rights under Section 8.05(a) of the Act, which provides for four lifetime payments prior to April 1 of the year after the member attains 70 ½ years of age or (B) cause distributions to occur later than as required under Section 401(a)(9) of the Code. The Rules in this Section V modify the availability of DROP distributions as contemplated under Section 8.05(d) of the Act.
2. Additional Distributions from DROP Account for Members. In addition to the distribution options available under Section 8.05(a) of the Act, a member who participates in the DROP may take up to twelve distributions prior to April 1 of the year after the member attains 70 ½, but no more than four distributions in any given calendar year.
3. Distributions from DROP Account by Non-Member.
 - (a) *Alternate Payees.* In accordance with Section 9.11(b) of the Act, any portion of a member’s DROP account that is awarded to an alternate payee pursuant to a qualified domestic relations order (QDRO) shall be distributed in a single lump-sum payment as soon as administratively practicable after the alternate payee is first entitled to the distribution of such amounts as determined by the Fund.
 - (b) *Designated Beneficiaries.* In accordance with Section 8.07 of the Act, if a member who participates in the DROP dies before distribution of the member’s entire DROP account, distributions will be made to the designated beneficiary for the DROP account. Distributions to the designated beneficiary must begin no later than one (1) year after the member’s death and shall be made as either a single-payment distribution or

in not more than four equal annual installments over a period of not more than 37 months.

4. Implementation. The distribution option under paragraph 2 of this Section V will apply (A) to all DROP accounts established on or after the effective date of these Rules as amended, and (B) to DROP accounts of a member established prior to the effective date of these Rules as amended, provided that any distributions taken by a member from his or her DROP account prior to the effective date of these Rules as amended will be counted against both the twelve total distribution limit and the four annual distribution limit provided in paragraph 2 of this Section V.

VI. **Beneficiary Designations**

1. Background. Section 7.09 of the Act provides that a retiree or member eligible to retire may designate a beneficiary for a survivor benefit on a form provided by the Fund if the Act does not otherwise provide a benefit payable to a spouse or child of the member or retiree upon his or her death. Pursuant to Section 2.11 of the Act, the Board may adopt rules it considers necessary or desirable for the efficient administration of the Fund. In addition, Section 7.09 of the Act provides that the Board may adopt rules to establish procedures for and requirements governing beneficiary designations. Through this Section VI, the Board adopts rules and procedures for designating beneficiaries under Section 7.09 of the Act, including limiting the circumstances under which such designations can be made. This Section VI is intended to replace and supersede any previous policy relating to beneficiary designations established by the Board and only applies to Group A members.
2. Form. A form established by the staff of the Fund shall be utilized for purposes of designating a beneficiary under Section 7.09 of the Act, and such form shall be the only method by which a beneficiary may be designated under such section. Any attempt by the member to designate a beneficiary other than through the form established by the Fund's staff, whether electronically, in writing or verbally, shall have no effect.
3. Eligibility—Active Members. An active member who is vested and eligible to retire may designate or change a beneficiary under Section 7.09 if such member (A) is unmarried and (B) does not have a living child who is unmarried and under the age of twenty-two (a "***Dependent Child***"). Any form submitted to the Fund following September 1, 2012 that is executed on a date on which the member submitting the form is either married or has a Dependent Child shall have no effect and be null and void. An active member is not subject to a benefit reduction described in paragraph 4 below.
4. Eligibility—Retired Members.
 - (a) A retired member may designate or change a beneficiary under Section 7.09 if no survivor benefit is otherwise payable to a surviving spouse or Dependent Child of the member if such member agrees to the benefit adjustment described in subsection (d) below.
 - (b) Notwithstanding the above, a retiree will not be eligible to designate or change a beneficiary after retirement if such retiree has already made two

designations or changes following his or her date of retirement, and such two designations or changes occurred on or after January 1, 2017.

- (c) For a post-retirement marriage that occurs on or after September 1, 2025, the retiree's spouse will not automatically become eligible for a survivor benefit from the Fund. The retiree may name such individual as a designated beneficiary in accordance with this rule if the member is otherwise eligible to do so.

For a post-retirement marriage that occurs prior to September 1, 2025, the retiree's spouse will be eligible for the survivor benefit provided under Section 7.02 of the Act if the spouse was married to the retiree on the retiree's death and for at least 24 consecutive months prior to the retiree's death. This change in beneficiary shall occur without a reduction to the member's benefit as described in subsection (d) below.

- (d) A retiree who designates or changes a beneficiary must agree to a benefit reduction for the designation or change to take effect. The benefit reduction will be determined by treating the monthly benefit amount that the retiree is receiving at the time of the designation or change of beneficiary as a single life annuity for the life of the retiree and converting such single life annuity into the form of benefit that the retiree was receiving under the Fund at the time of the designation or change, taking into account the current age of the beneficiary. The method of the conversion described above will be determined by the Fund's actuary and based on the actuarial assumptions in effect under the Fund at the time of the designation or change. The reduction described in this paragraph will apply to any designations or changes in beneficiaries on or after January 1, 2017.

5. Requirements for Beneficiaries. A beneficiary may be any living person selected by the member.
6. Termination of Beneficiary Designation. A previously-submitted beneficiary designation form shall become null and void as of (i) in the event of a post-retirement marriage prior to September 1, 2025, the date that the member's spouse would be eligible for survivor benefits under Article 7 of the Fund (if at all), or (ii) in the event of the birth or adoption of a Dependent Child, the date that the member's Dependent Child would be eligible for survivor benefits under Article 7 of the Fund. For the avoidance of doubt, a post-retirement marriage that occurs on or after September 1, 2025 shall not nullify a previously-submitted beneficiary designation form. The nullification of a beneficiary designation pursuant to this paragraph 6 shall be permanent and shall not be reinstated.
7. Reduction of Benefit for Beneficiary 10 or More Years Younger. The reduction of a beneficiary's benefit as described in Section 7.09(c) for a beneficiary of a member (active or retired) who is 10 or more years younger than the member at the time of the member's death will be determined in accordance with tables provided by the Fund's actuary and approved by the Board, as may be updated from time to time at the recommendation of the Fund's actuary. The tables as approved by the Board are set forth in Appendix B.

8. Administration. The application, administration and interpretation of this Section VI shall be at the full and absolute discretion of the Fund. Any decision relating to a beneficiary designation under this policy by the Fund shall be final and binding.
9. Termination of Provisional Beneficiary Designation. All provisional beneficiary designations made by members during the period beginning May 1, 2016 through June 1, 2016, on the special form provided by the Fund for such purpose (the “Provisional Designations”) will expire at 12:00 am on November 1, 2016 (the “Expiration Date”) and be null and void. No individual named under Provisional Designations will have any right or interest in the Fund following the Expiration Date solely by virtue of being named in such Provisional Designation. The Board did through action at its meeting of August 18, 2016 extend the survival period for Provisional Designations through the Expiration Date.

VII. [Repealed]

VIII. [Repealed]

IX. [Repealed]

X. Optional Forms of Benefit

1. Background. Section 9.10 of the Act provides the Board with the authority to approve ~~an~~ optional forms of retirement ~~annuity instead of the~~ benefits that members may elect in lieu of such member’s normal form of ~~annuity~~ retirement benefit payable under ~~Section 5.04 of~~ the Act (the “*Normal Form of Benefit*”), ~~as long as provided that~~ such optional form ~~is~~ must be certified by the Fund’s actuary to be the actuarial equivalent of the member’s Normal Form of Benefit.
~~1. The Rule~~ Rules under this Section X ~~is~~ are intended to ~~provide additional~~ establish the optional forms of ~~benefit which~~ retirement benefits that Group A and Group B members may elect upon retirement and the requirements and procedures with respect to the member’s election of such optional forms ~~and the member’s election and. This Rule, as amended,~~ will take effect ~~November 1, 2016. This Rule X applies only the Group A members on~~ [REDACTED], 2026.
2. Optional Forms of Benefit for Group A Members. Under the Act, the Normal Form of Benefit for a Group A member is a **75% joint and survivor annuity**, pursuant to which the Fund (i) will pay a monthly annuity benefit to the member for life and (ii) upon the member’s death, will continue to pay a reduced survivor annuity benefit to the member’s spouse or other beneficiary (as determined under the Act) for life.
 - (a) ~~2.~~ Single Life Annuity. ~~Instead~~ Upon retirement and in lieu of the Normal Form of Benefit, a ~~member upon retirement may elect to choose to receive a life annuity with~~ Group A member may elect the “Single Life Annuity Option”, provided that the requirements of this paragraph (a) are satisfied. The Single Life Annuity Option will provide the member with an increased monthly annuity benefit to the member for life, but will provide no survivor benefit ~~(the “~~

- i. Calculation of Single Life Annuity. The Single Life Annuity Option) ~~that is~~ will be actuarially equivalent to the Normal Form of Benefit, ~~provided that the spousal consent requirements in paragraph 3 of this Section X are satisfied. The conversion from.~~ The amount of the member's monthly annuity will be increased if the Single Life Annuity Option is selected so that such benefit is the actuarial equivalent of the Normal Form of Benefit to the that the member would have otherwise been eligible to receive. The method and process for such conversion to the Single Life Annuity Option will be determined by the Fund's actuary and shall be based on the actuarial assumptions in effect under the Fund at the time of retirement set forth in Appendix A with the assumption that the member's spouse or designated beneficiary under the Normal Form of Benefit is the same age as the member, regardless of the actual age of the spouse or designated beneficiary. The method and process for such conversion to the Life Annuity Option will be determined by the Fund's actuary.
- ii. Participation in DROP. If the member elects to participate in the Fund's deferred ~~optional~~—retirement program option plan (“DROP”), the amounts credited to a member's DROP account that relate to annuity payment amounts will be adjusted to reflect the Single Life Annuity Option election.
- iii. ~~3.~~ Spousal Consent. ~~A~~ The spouse of a Group A member who elects the Single Life Annuity Option must consent to such election for the election to be valid and take effect. The consent must be in writing and witnessed by an employee or officer of the Fund or acknowledged by a notary public. If a member's spouse has been adjudicated incompetent, the consent may be given by the spouse's guardian (~~see in accordance with~~ Section 9.10(g) of the Act) and or by the member in accordance with Section 9.10(h) of the Act.

~~If a physician determines that a member's spouse is not mentally capable of managing the spouse's affairs, the consent may be given by the member if (A) the member would be qualified to serve as a guardian of the spouse and (B) the Board determines that a guardianship of the estate is not necessary (see Section 9.10(h) of the Act).~~

~~Spousal~~ Notwithstanding the above, spousal consent is not required if the Board determines that (A) no spouse exists, (B) the spouse cannot be located, (C) the first anniversary of the marriage will not occur before the date that the first annuity from the Single Life Annuity Option becomes payable, or (D) a former spouse is entitled to receive a portion of the member's optional retirement benefit under a qualified domestic relations order (see Section 9.10(i) of the Act). To clarify (D) above, the spousal consent requirement will still apply as to any current spouse of a member,

even if the member has a qualified domestic relations order on file with the Fund for a former spouse.

With respect to all Board determinations under this paragraph ~~32(a)(iii)~~ of Section X, (A) the Board may request further action, information and documentation as it deems necessary to make any determinations, including, without limitation, a statement by an independent physician of the spouse's mental condition, and shall not be required to make a determination if it has not received such requested information or documentation; and (B) all such determinations will be made at sole and absolute discretion of the Board, and its determination shall be final and binding.

(b) ~~4. Guaranteed Term of Payments. A member upon retirement may elect to receive~~ Upon retirement, a Group A member may elect the "Guaranteed Term Option" (also referred to as "Option 2"), provided that the requirements of this paragraph (b) are satisfied. The Guaranteed Term Option will provide a reduced monthly annuity benefit ~~that would~~ to the member for life and will guarantee that either the member's spouse, designated beneficiary or estate, as applicable, would receive a 100% survivor benefit if the member dies within the first ten (10) years (the "Guaranteed Period") after annuity payments commence to the member for the remainder of such ten-year ~~period (referred to as "Option 2"). Option 2 is available for members who elect the Life Annuity Option~~ Guaranteed Period. Following the end of the ~~ten-year period~~ Guaranteed Period, the amount of the survivor benefit (if any) to be paid under the Guaranteed Term Option 2 will be based on the applicable terms of the Fund and these Rules, the member's monthly annuity at the time of death, the form of benefit that the member ~~has~~ elects at retirement, and in the case of a survivor who is a designated beneficiary, the age of such beneficiary. An estate is not eligible to receive a survivor benefit beyond the ~~guaranteed-10-year period~~ Guaranteed Period.

- i. Eligibility for Guaranteed Term Option. The Guaranteed Term Option may be elected by a Group A member who chooses either the Normal Form of Benefit or the Life Annuity Option.
- ii. Calculation of Guaranteed Term Annuity. The Guaranteed Term Option will be actuarially equivalent to the Normal Form of Benefit. The amount of the member's monthly annuity will be reduced if the Guaranteed Term Option 2 is elected ~~selected~~ so that such benefit is the actuarial equivalent of the Normal Form of Benefit (taking into consideration any Life Annuity Option election, if applicable) that the member would have otherwise been eligible to receive, ~~with the~~. The method and process for such ~~reduction to~~ conversion to the Guaranteed Term Option will be determined by the Fund's actuary and shall be based on the

actuarial assumptions ~~in effect under the Fund at the time of retirement~~. set forth in Appendix A with the assumption that the member's spouse or designated beneficiary under the Normal Form of Benefit is the same age as the member, regardless of the actual age of the spouse or designated beneficiary.

iii. Participation in DROP. If the member elects to participate in DROP, (A) the amounts credited to a member's DROP account that relate to annuity payment amounts will be adjusted to reflect the Guaranteed Term Option 2-election, and (B) the ~~ten-year period~~Guaranteed Period will commence as of the retirement date that is selected by the member for purposes of DROP (i.e., the DROP Effective Date) and not the member's actual date of termination of active service.

iv. Beneficiary During Guaranteed Term. For purposes of payments to be made during the Guaranteed Term Option, (i) if the member was married at the time of death, the member's spouse will receive the payments, (ii) if the member was not married but had dependent children at the time of death, the payments will be made to the member's dependent children in equal shares, or (iii) if the member had no spouse or dependent children at the time of death, the beneficiary that the member designated to receive the survivor annuity benefit will receive the payments.

3. Optional Forms of Benefit for Group B Members. Under the Act, the Normal Form of Benefit for a Group B member is a **single life annuity**, pursuant to which the Fund will pay a monthly annuity benefit to the member for life, but no survivor benefit shall be payable. In lieu of the Normal Form of Benefit, a Group B member may elect one of the following options at retirement:

(a) Joint and Survivor Annuity. Upon retirement, a Group B member may elect a "**Joint and Survivor Option**", provided that the requirements of this paragraph (a) are satisfied. The Joint and Survivor Option will provide (i) a reduced monthly annuity benefit to the member for life and (ii) upon the member's death, a survivor annuity benefit in the amount elected by the member to the member's designated beneficiary for the beneficiary's life.

i. Survivor Benefit Percentage. The amount of the survivor annuity benefit payable to the member's designated beneficiary may be equal to 75% or 50%, as selected by the member at retirement.

ii. Calculation of Joint and Survivor Annuity. The Joint and Survivor Option will be actuarially equivalent to the Normal Form of Benefit. The amount of the member's monthly annuity will be reduced if the Joint and Survivor Option is selected so that such benefit is the actuarial equivalent of the Normal Form of Benefit that the member would have otherwise been eligible to receive. The method and process for such conversion to the Joint and Survivor Option will be determined by the Fund's actuary and shall be based on the actuarial assumptions set forth in Appendix A.

- iii. Participation in DROP. If the member elects to participate in DROP, the amounts credited to a member's DROP account that relate to annuity payment amounts will be adjusted to reflect the Joint and Survivor Option election.
- (b) Joint and Survivor Plus Pop-Up Option. Upon retirement, a Group B member may elect the "***Pop-Up Option***", provided that the requirements of this paragraph (b) are satisfied. The Pop-Up Option will provide (i) a reduced monthly annuity benefit to the member for life and (ii) upon the member's death, a survivor annuity benefit in the amount elected by the member to the member's designated beneficiary for the beneficiary's life, with the provision that if the designated beneficiary predeceases the member, the amount being paid to the member will increase (or "pop-up") to the amount that would have been payable if the member had elected the Normal Form of Benefit.
 - i. Survivor Percentage. The amount of the survivor annuity benefit payable to the member's designated beneficiary may be equal to 75% or 50%, as selected by the member at retirement.
 - ii. Calculation of Pop-Up Annuity. The Pop-Up Option will be actuarially equivalent to the Normal Form of Benefit. The amount of the member's monthly annuity will be reduced if the Pop-Up Option is selected so that such benefit is the actuarial equivalent of the Normal Form of Benefit that the member would have otherwise been eligible to receive. The method and process for such conversion to the Pop-Up Option will be determined by the Fund's actuary and shall be based on the actuarial assumptions set forth in Appendix A.
 - iii. Participation in DROP. If the member elects to participate in DROP, the amounts credited to a member's DROP account that relate to annuity payment amounts will be adjusted to reflect the Pop-Up Option election.
- (c) 10-Year Certain and Life. Upon retirement, a Group B member may elect the "***10-Year Certain and Life Option***", provided that the requirements of this paragraph (c) are satisfied. The 10-Year Certain and Life Option will provide a reduced monthly annuity benefit to the member for life and guarantees that, if the member dies within the first ten (10) years (the "***Certain Period***") after annuity payments commence to the member, the member's designated beneficiary would receive a monthly survivor benefit equal to 100% of the benefit that the member was receiving for the remainder of such ten-year Certain Period. Benefits will continue to be paid to the member beyond the Certain Period as long as the member is alive, but will cease at the later of the member's death or the last day of the Certain Period.
 - i. Calculation of 10-Year Certain and Life Annuity. The 10-Year Certain and Life Option will be actuarially equivalent to the

Normal Form of Benefit. The amount of the member's monthly annuity will be reduced if the 10-Year Certain and Life Option is selected so that such benefit is the actuarial equivalent of the Normal Form of Benefit that the member would have otherwise been eligible to receive. The method and process for such conversion to the 10-Year Certain and Life Option will be determined by the Fund's actuary and shall be based on the actuarial assumptions set forth in Appendix A.

ii. Participation in DROP. If the member elects to participate in DROP, (A) the amounts credited to a member's DROP account that relate to annuity payment amounts will be adjusted to reflect the 10-Year Certain and Life Option election, and (B) the Certain Period will commence as of the retirement date that is selected by the member for purposes of DROP (i.e., the DROP Effective Date) and not the member's actual date of termination of active service.

(d) Naming a Designated Beneficiary. A Group B member is only eligible to name a beneficiary (a "designated beneficiary") at retirement in accordance with the terms of this section and other procedures adopted by the Fund.

i. Beneficiary Designation at Retirement. If a Group B member selects an optional form of benefit that provides a survivor benefit after the member's death, (i) the member's spouse shall be deemed to be the designated beneficiary to receive such survivor benefit if the member is married at retirement, or (ii) the member may name one individual to receive the survivor benefit after the member's death if the member is not married at retirement.

ii. No Post-Retirement Beneficiary Designations. No post-retirement beneficiary designations are permitted for Group B members.

4. ~~5.~~ Election Forms. All elections for optional forms of benefit and beneficiary designations under this Section X will be made through forms and procedures established by the Fund and shall not be valid unless made pursuant to these forms and procedures. In the event of any inconsistencies between the terms of the election forms and the Act or these Rules, the Act and these Rules shall control.

5. ~~6.~~ Irrevocability. All elections made by members for optional forms of benefit shall be irrevocable and cannot be changed by members after monthly annuity payments have commenced.

XI. Procedure to Adopt or Amend Certain Rules or Policies

1. Background. Section 2.11 of the Act provides the Board with the authority to adopt rules it considers necessary or desirable for the efficient administration of the Fund. The Rule under this Section XI is intended to set out a standard process that the Board must follow to create, approve, or revise certain rules or policies of the Fund that have a direct impact on the benefits payable to members and beneficiaries. Any rule or policy shall be consistent with applicable laws and regulations, case law, and other Fund rules and policies.

2. Application. This procedure only applies to the adoption (or subsequent amendment) of a rule or policy (or section thereof) that has a direct impact on a member or beneficiary's eligibility for a Benefit (as such term is defined in Rule XIII), service credit under the Fund, or the amount or determination of a Benefit. This procedure does not apply to the adoption (or subsequent amendment) of a rule or policy that (i) does not have a direct impact on Benefits, including but not limited to the Board of Trustees' Governance Policy, Code of Ethics, the Investment Policy Statement or related procedures, or any staff related employment policies or (ii) is required to comply with federal or state law or otherwise necessary to maintain the qualified status of the plan.
3. Raising a Rule or Policy Issue. Any member of the Board may request that an item be placed on the agenda of a future meeting of the Board relating to the consideration of a new rule or policy or amendment to an existing one.
4. Proposed Draft of a Rule or Policy. Following discussion of a proposed rule or policy, or amendment to a rule or policy, at a meeting of the Board, the Board may instruct staff or legal counsel to prepare a draft of a proposed rule or policy or an amendment to an existing rule or policy for consideration at a future meeting ("**Proposed Draft**"). The Board may consider and, at its discretion, approve the Proposed Draft during any regular or special meeting of the Board. Once approved, a copy of the Proposed Draft shall be included with the Board meeting minutes and posted on the Fund's website. The posting on the website will include a request for Member comments.
5. Membership Comment Period and Adoption of the Proposed Draft. The approved Proposed Draft may not be considered for final adoption by the Board before the first regular monthly Board meeting that is two months following the month during which the Board approved the Proposed Draft. Prior to final adoption of the Proposed Draft, the Board shall consider any written comments from Members and provide the opportunity for Members to provide public comments at a Board meeting.
After hearing the Member's comments, the Board may (1) vote to adopt the Proposed Draft during the same meeting without changes or with minor changes, (2) defer the vote to adopt the Proposed Draft until any subsequent meeting if the Board determines that significant revisions to the Proposed Draft should be considered, or (3) determine not to proceed with the Proposed Draft.
6. Emergency Procedure. The Board may be faced with an emergency situation in which the need for a rule or policy or amendment to existing rule or policy is immediate and urgent. The Board may expedite the adoption process by introducing and adopting a proposed rule or policy during a single meeting if the Board determines that the expedited timing of such adoption is required for the best interest of the Fund and the circumstances surrounding the adoption were unforeseeable.
7. Posting of Rules. All Benefit-related rules and policies that are subject to this Rule XI will be posted on the Fund's website.

XII. Retirement Upon Indefinite Suspension

1. Background. The purpose of the Rule in this Section XII is to establish a standard procedure to address the circumstance in which a member who is indefinitely suspended commences his or her service retirement benefit upon the indefinite suspension.
2. Election to Commence Retirement Benefit. If a member is indefinitely suspended from active service, the member may elect to commence his or her service retirement benefit if he or she is otherwise eligible for such benefit under Article V of the Act in accordance with the requirements under this Section XII and procedures established by the Fund. A member is not required to immediately commence his or her benefit upon an indefinite suspension.
3. Indefinite Suspension with No Intent to Appeal. If the member is indefinitely suspended and does not intend to appeal such suspension, the member must certify in writing to the Fund his or her intent not to appeal. Upon receiving such certification, the Fund will treat the indefinite suspension as a standard termination of active service for purposes of the Fund as of the effective date of the suspension. If the Fund subsequently obtains knowledge that such member in fact has appealed the indefinite suspension, the Fund will take any action it deems appropriate with respect to the member's benefits, including suspend all annuity payments, prohibit distributions from DROP, or treat the member as if the member agreed to the terms of the Indefinite Suspension Addendum described below.
4. Indefinite Suspension with Intent to Appeal. If the member is indefinitely suspended and does intend to appeal such suspension, the member shall agree to the terms and conditions set forth in an Indefinite Suspension Addendum (the "Addendum") to his or her retirement benefit election forms. The terms and conditions of the Addendum will be established by the Fund and shall provide for the following:
 - (A) The member's service retirement benefit shall be calculated as if the effective date of the member's indefinite suspension was the member's date of termination of active service;
 - (B) If the member elects to participate in the Deferred Retirement Option Plan ("DROP") upon his or her indefinite suspension, no DROP distributions shall be made until a final ruling denying the member's appeal;
 - (C) If the member is reinstated to active service upon appeal, the member's retirement benefit election shall be deemed to be revoked as of the effective date of the member's return to active service, and all monthly annuity payments will immediately cease and the member's DROP account will be discontinued in the records of the Fund; and
 - (D) The member shall make repayments to the Fund to account for all monthly benefit payments made to the member during the period from the commencement of service retirement benefits upon indefinite suspension through the effective date of the member's return to active service (the "Suspension Period") in accordance with paragraph 5 below.
5. Repayment Obligation Upon Reinstatement. If the member commenced his or her service retirement benefit upon indefinite suspension and is reinstated following appeal, the member shall pay to the Fund the aggregate amount of all monthly

annuity payments received by the member during the Suspension Period (the “**Repayment Amount**”) within six (6) months of the effective date of the member’s return to active service. If a member does not fully repay the Repayment Amount within six (6) months, the Fund has the authority to take any and all action necessary to recover the Repayment Amount plus interest accrued at the actuarially assumed rate of return of the Fund for the period beginning with the commencement date of the member’s service retirement benefit through the date that no further repayment obligation under this paragraph 5 exists, including taking legal action against the member or adjusting or otherwise recovering such amounts from a member’s monthly annuity payments or DROP account upon a subsequent retirement from the Fund.

6. Qualified Domestic Relations Orders.

- (a) If a court of competent jurisdiction has issued a domestic relations order as part of a member’s divorce proceedings and the Fund has determined that such order is a qualified domestic relations order (“**QDRO**”), the service retirement benefits provided under this Section XII shall be subject to division between the member and the alternate payee pursuant to such QDRO and this paragraph 6.
- (b) The Fund shall make a reasonable attempt to contact the alternate payee and provide the alternate payee with notice of his or her rights under this Section XII once a member elects to commence a service retirement benefit upon his or her indefinite suspension.
- (c) If the member certifies to the Fund that the member does not intend to appeal his or her indefinite suspension as provided in paragraph 3 above, the Fund shall administer the service retirement benefits in accordance with the terms of the QDRO as if the indefinite suspension was a standard termination of active service as of the effective date of the suspension.
- (d) If the member does intend to appeal his or her indefinite suspension and has completed the Addendum such that the member’s service retirement benefits paid during the Suspension Period are subject to a potential repayment obligation as set forth in paragraphs 4 and 5 above, the Fund will hold any portion of the benefit due to an alternate payee under the QDRO in escrow until a final ruling denying the member’s appeal has been entered, unless the alternate payee agrees in writing to repay the aggregate amount of all monthly annuity payments received during the Suspension Period to the Fund in accordance with the terms and conditions set forth in the Addendum.
- (e) In the event the member is reinstated to active service following appeal and the alternate payee did not agree to the terms and conditions of the Addendum, all payments will immediately cease, the entire balance of the escrow account will be immediately returned to the Fund, and the alternate payee will not be entitled to receive any other payment from the Fund until benefits from the Fund subsequently commence and in accordance with the terms of the QDRO.

- (f) In the event the member is reinstated to active service following appeal and the alternate payee agreed to the terms and conditions of the Addendum, all payments will immediately cease, and the alternate payee shall pay to the Fund the aggregate amount of all monthly annuity payments received by the alternate payee during the Suspension Period within six (6) months of the effective date of the member's return to active service in accordance with paragraph 5. If the alternate payee does not fully repay such amount, the Fund has the authority to take any and all action necessary against the alternate payee in accordance with paragraph 5.
 - (g) If the member is not reinstated to active service following appeal and the alternate payee did not agree to the terms and conditions of the Addendum, the Fund shall pay any amount accumulated in the escrow account to the alternate payee as soon as administratively feasible after the final ruling denying the member's appeal. The Fund shall continue to make all subsequent payments owed to the alternate payee pursuant to the QDRO directly to the alternate payee.
- 7. Subsequent Service Retirement. If a member who commenced a retirement benefit under this Section XII is reinstated and has satisfied the requirements in paragraph 5, when the member subsequently retires from active service, the member's service retirement benefit upon such retirement will be calculated as of the member's subsequent retirement date and as if the member never commenced retirement under this Section XII.
 - 8. Effective Date. The Rules under this Section XII will apply to any member who is indefinitely suspended on or after September 1, 2017.

XIII. Appeal of Benefit Determinations

- 1. Purpose. Pursuant to Section 2.09 of the Act, the Board is responsible for determining all matters related to a Member's participation in the Fund and eligibility for any benefits provided under the Fund. The Board has determined that it is in the best interest of the Fund and its Members to set forth a process for Members and other beneficiaries of the Fund to appeal a decision of the Board or the Executive Director with respect to benefit determinations under the Fund. All appeals must be made in accordance with this Rule and otherwise be consistent with the provisions of the Act.
~~1.~~ The Board has delegated authority to the Benefits Committee of the Board to review and make recommendations to the Board regarding appeals of benefit determinations by the Fund. The Benefits Committee will perform a full and fair review of all appeals in an independent and impartial manner, and its final will make a recommendation to the full Board based on such review. The decision of the Board on appeals will be final and binding.
- 2. Defined Terms. As used in this Rule, the following terms shall have the meanings prescribed to them below:

- (a) “**Adverse Decision**” means any determination made by the Board or the Executive Director that denies or adversely impacts a Benefit of an individual Member (whether active or retired), a surviving spouse or child, alternate payee or other eligible beneficiary under the Fund. An Adverse Decision may be made in connection with a Member’s application or other request for a Benefit under the Fund or a determination that relates to a Member or other beneficiary’s Benefit including, without limitation, a determination related to the eligibility of any person to participate in the Fund or to receive, or continue to receive, a Benefit and the amount of that Benefit. An Adverse Decision does not include a determination or decision that (i) does not involve or directly impact Benefits or (ii) generally impacts Benefits under the Fund for all similarly-situated individuals.
- (b) “**Benefit**” means any amount payable by the Fund to a Member, a surviving spouse or child, alternate payee or other eligible beneficiary under the Act, including, without limitation, a service retirement benefit under Article 5 of the Act, a disability retirement benefit under Article 6 of the Act, a survivor’s benefit under Article 7 of the Act, a Member’s participation in the Deferred Retirement Option Plan (“**DROP**”) under Article 8 of the Act, or the right of an alternate payee to receive a portion of a Member’s benefit under a qualified domestic relations order.
- (c) “**Claimant**” means any Member, surviving spouse or child, alternate payee or other eligible beneficiary who appeals an Adverse Decision of his or her Benefit pursuant to this Rule.

3. Adverse Decision relating to Benefits.

- (a) *Notice of Adverse Decision.* If the Executive Director or the Board make an Adverse Decision with respect to a Benefit under the Fund, the Executive Director will provide the Member, surviving spouse or child, alternate payee or other eligible beneficiary, as applicable, with written notice of such Adverse Decision within a reasonable period of time, but not later than thirty (30) days after the Adverse Decision was made (the “**Notice of Adverse Decision**”). The Notice of Adverse Decision may be mailed or emailed to the Claimant.
- (b) *Content of Notice of Adverse Decision.* The Notice of Adverse Decision will include, at a minimum, the following information:
 - (i) the specific reason(s) for the Adverse Decision,
 - (ii) reference to the provisions of the Act upon which the Adverse Decision is based and/or the section of the Fund’s Rules or policies that was relied upon in making the Adverse Decision,

- (iii) description of any information that was not provided which may have been a reason for such Adverse Decision and an explanation of why such information is necessary,
- (iv) notice of the right of the Member, surviving spouse or child, alternate payee or other eligible beneficiary to appeal the Adverse Decision, a copy of this Rule (or directions for where to find the Rule on the Fund's website), and the deadline for filing such appeal, and
- (v) a statement that the Member, surviving spouse or child, alternate payee or other eligible beneficiary is entitled to receive, upon request and free of charge, reasonable access to and copies of all public documents, records, and other information relevant to the Adverse Decision.

4. Initiating the Appeal Process.

- (a) *Filing a Notice of Appeal.* To begin an appeal, the Claimant, or an authorized representative of the Claimant, must send written notice of the appeal to the Executive Director ("**Notice of Appeal**") which must be delivered or postmarked no later than sixty (60) days after the date that the Notice of Adverse Decision was received by the Claimant. The Notice of Appeal may be hand-delivered or mailed to the Executive Director at the Fund's address or emailed to the Executive Director.
- (b) *Content of Notice of Appeal.* The Notice of Appeal must include all relevant information regarding the Claimant and the Adverse Decision being appealed, including, without limitation, the following information:
 - (i) the Claimant's name, address, phone number, TX FIR number (if applicable), and the last four (4) digits of his or her social security number,
 - (ii) the Adverse Decision being appealed and the specific reason(s) that the Claimant disagrees with the Adverse Decision, and
 - (iii) any additional evidence that the Claimant wants the Board to consider in connection with the appeal, including, without limitation, written comments, documents, records, medical records, and other information related to the appeal, even if the Claimant had not previously submitted such documents or information to the Fund.
- (c) *Failure to Timely Submit a Notice of Appeal.* A Claimant will forfeit his or her right to appeal an Adverse Decision if the Notice of Appeal is not received or postmarked within sixty (60) days after the Claimant's receipt of the Notice of Adverse Decision.

- (d) *No Third-Party Rights.* No person other than the Claimant, or the Claimant's authorized representative, may appeal an Adverse Decision with respect to the Benefit payable to such Claimant.

5. Board's Review of Appeal.

- (a) *Standard of Review.* All appeals will be given a full and fair review, and the Board Benefits Committee will take into account all comments, documents, records, and other information submitted by the Claimant with the Notice of Appeal, without regard to whether such information was submitted or considered in the initial Adverse Decision.
- (b) *Meeting for Review of Appeal.* The Board Benefits Committee will review the Claimant's appeal ~~at one of its regular monthly meetings or at a special meeting called for purposes of the appeal.~~ The date of the meeting at which the appeal will be considered will be communicated to the Claimant at least fifteen (15) days prior to the meeting. The Claimant may request a delay or rescheduling of the meeting within five (5) days after receiving notice of the meeting if he or she can demonstrate good cause for such request, and the Executive Director will consider and respond to any such request. Portions of the meeting may be held in closed session for consultation with the Fund's attorney, discussions involving disability determinations or personal medical records, or ~~other items if and~~ otherwise as permitted under the Texas Open Meetings Act.
- (c) *Right of Claimant to Appear.* During the meeting at which the appeal is reviewed, the Claimant, or his or her representative, may appear before the Board Benefits Committee to make a brief statement concerning any facts or arguments he or she wishes to present with respect to the appeal. The Board Benefits Committee may ask the Claimant to respond to its questions or ask the Claimant to provide additional information related to the appeal. The ~~presiding officer of the Board for the meeting~~ Chairman of the Benefits Committee has final authority to set the amount of time the Claimant may have to present information. The Claimant may be represented by legal counsel or another duly authorized representative to appear on the Claimant's behalf.
- (d) *Independent Evaluation.* With respect to an appeal related to a disability retirement Benefit, the Board Benefits Committee may request that an Independent Evaluation (as defined in the Fund's "Disability Retirement Benefit Policy") be performed in connection with its review of the appeal. Any Independent Evaluation performed in connection with the Board's Benefits Committee's review of an appeal must be performed by an individual who was neither consulted in connection with the original Adverse Decision nor served on the Medical Board that reviewed the Member's application for disability retirement Benefits. The Fund will be responsible for any fees or costs incurred to obtain an Independent

Evaluation requested by the ~~Board~~Benefits Committee under this section. The Fund will provide the results of such Independent Evaluation, and any tests, reports, images, documents or other information generated in connection with such Independent Evaluation, to the Claimant within a reasonable period of time prior to its final decision of the appeal in order to provide the Claimant an opportunity to respond to the results. The ~~Board~~Benefits Committee may employ the Medical Board to assist with the review of any appeal involving a disability determination, including an appeal in which an Independent Evaluation is performed.

6. Final Decision on Appeal.

- (a) *Timing of Final Decision.* The Benefits Committee will make its recommendation to the Board no later than the next regularly scheduled meeting of the Board. The Board will make a final decision on an appeal, or determine that an extension of time to make a final decision is required, on or before the next ~~monthly~~regularly scheduled meeting following the meeting at which the ~~Board initially considers the appeal~~Benefits Committee makes its recommendation. If the Board requires more time to make a final decision, the Executive Director will provide the Claimant notice of such extension within fifteen (15) days following the Board's determination that such extension is required and will indicate the special circumstances requiring an extension of time and the date by which the Board expects to make its final decision. Such extension will generally not exceed more than sixty (60) days from the date of such extension notice unless good reason exists for a longer extension period. Once the Board has made a final decision on an appeal, the Executive Director will communicate the Board's final decision to the Claimant in writing no later than fifteen (15) days after the meeting at which the Board makes its final decision ("*Notice of Final Decision*").
- (b) *Content of Notice of Final Decision.* The Notice of Final Decision will include, at a minimum, the following information:
- (i) the reason(s) for the Board's final decision,
 - (ii) any new or additional evidence or rationale that formed the basis for the Board's final decision,
 - (iii) the provisions of the Act upon which the final decision is based and/or the section of the Fund's Rules or policies that was relied upon in making the Board's final decision,
 - (iv) a statement that the Claimant is entitled to receive, upon request and free of charge, reasonable access to, and copies of, all public documents, records, and other information relevant to the Board's final decision, and

- (v) a statement of the Claimant's rights to seek judicial review of the Board's final decision.
- (c) *Effect of Final Decision.* The Board's final decision following its full and fair review of the appeal and recommendation by the Benefits Committee will be made in its sole and absolute discretion and shall be final and binding on all involved parties.

XIV. Designation of Member Trustee Positions

1. Background. In connection with the legislative changes to the Act during the 89th Legislative session, the number of members of the Fund who may be elected to serve on the Board increased from three to four. Pursuant to Section 2.02(c), the Legislature granted the Board authority to specify by rule the number of such elected members who must be firefighters or retirees of the Fund. The Board believes it is in the best interest of the Fund to ensure the Board is composed of representatives from both the active firefighter members and retired members.
2. Designation. Effective as of January 1, 2026, (i) one of the four member Trustee positions is designated for and shall be filled by an active firefighter member, and (ii) one of the four member Trustees positions is designated for and shall be filled by a retired member. The two remaining member Trustee positions will continue to be elected at large from the entire member population and may be either an active firefighter or a retiree.
3. Exception. Notwithstanding as otherwise provided above, the Board may suspend the requirements set forth in Paragraph 2 above in the event the Fund does not receive a nomination for an eligible individual to serve in one of the designated positions in a given year. The Board may adopt reasonable procedures to fill such position.

XV. Military Service Credit Purchase

1. Background. Pursuant to Section 4.02 of the Act, a member of the Fund who performs active military service on or after January 1, 2026 while actively employed by the Austin Fire Department is permitted to purchase service credit under the Fund for each month that the member actively serves in the armed forces or armed forces reserves of the United States (or their auxiliaries) in accordance with rules adopted by the Board as well as the applicable requirements of Section 414(u) of the Code and USERRA. The purpose of this Rule is to outline the requirements to purchase such service credit and establish a standard process for purchasing such service credit under the Fund. This Rule shall take effect as of January 1, 2026.
2. Qualified Military Service. For purposes of this Rule, the term "*Qualified Military Service*" means any service in the uniformed services (as defined in chapter 43 of title 38, United States Code) by any member on or after January 1, 2026 if such member is entitled to reemployment rights under USERRA with respect to such service. In order to be recognized as Qualified Military Service, the member must have been honorably discharged.

3. Requirements to Purchase Military Service Credit.

- (a) A Member who is absent from employment with the Austin Fire Department because of active duty military service may – but is not required to – purchase one month of service credit for each month during which the member performs Qualified Military Service (“***Military Service Credit***”), provided that in no event shall a member be entitled to purchase more than a total of sixty (60) months of Military Service Credit under the Fund.
- (b) To be eligible to purchase Military Service Credit, the Member must (1) return to employment with the Austin Fire Department no later than the 180th day after the date of discharge or release from Qualified Military Service or from hospitalization continuing after discharge for no more than one year and (2) leave the member’s accumulated contributions in the Fund during the period of absence.
- (c) After returning to employment with the Austin Fire Department, the member must submit a written application with the Fund to purchase Military Service Credit which must be accompanied by satisfactory proof of such service, including at a minimum a copy of the military service record related to such Qualified Military Service showing the member’s dates of service and discharge/separation, such as a DD-214 or equivalent documentation.
- (d) To purchase Military Service Credit, the member must pay to the Fund an amount equal to the total amount of contributions that the member would have made during the period of Qualified Military Service if the member had remained in active employment with the Austin Fire Department during such period.
- (e) After the member makes the contribution set forth in subsection (d), the Fund will notify the City of the amount of Military Service Credit purchased by the member and the applicable period of Qualified Military Service. As soon as reasonably practicable, the City shall deposit an amount equal to the total amount of contributions that the City would have made during the period of Qualified Military Service if the member had remained in active employment with the Austin Fire Department during such period.
- (f) Once the Fund has received contributions from both the member and the City, the member’s records in the Fund shall be updated to reflect the purchased Military Service Credit. Military Service Credit shall be recognized by the Fund for all purposes, including to determine eligibility for retirement and benefit accrual.

4. Timing and Form of Contributions.
- (a) Military Service Credit may only be purchased in increments of one (1) full month.
 - (b) Contributions required to be paid to the Fund by this rule shall be made in a single lump-sum payment. The member may make the lump-sum contribution payment either: (1) using after-tax funds paid to the Fund via check, wire transfer, or other method approved by the Fund, or (2) through a pre-tax rollover from an eligible retirement plan or account. A member may be required to provide a statement from the eligible retirement plan or account or other satisfactory proof of the qualified status of such plan or account before a rollover will be accepted by the Fund.
 - (c) The Member must complete the purchase of Military Service Credit within five (5) years from the date of discharge associated with the Qualified Military Service to which the Military Service Credit relates.
 - (d) All service purchases must be made prior to the commencement of a monthly annuity benefit from the Fund.
 - (e) Notwithstanding the above, a member will not be eligible to purchase Military Service Credit under the Fund if the member has established credit for the same military service with another retirement system.
5. Purchase of Military Service Credit After Member's Death.
- (a) If a member dies while performing Qualified Military Service, the member's spouse may purchase Military Service Credit on behalf of the member in accordance with the terms of this rule, provided that such purchase must be made no later than ninety (90) days after the member's death.
 - (b) In no event will a designated beneficiary of a member or other non-spousal beneficiary be eligible to purchase Military Service Credit on behalf of the member.

ADOPTED at the meeting of the Board of Trustees of the Fund on ~~September 29,~~ ~~2025~~ [REDACTED], 2026, as recorded in the minutes of such meeting.

APPENDIX A

Actuarial Assumptions for Actuarial Equivalence Factors

The Board will review these actuarial assumptions periodically as needed and at least every five (5) years in conjunction with an actuarial experience study. To the extent the Board approves a change to any of these assumptions in connection with an actuarial experience study, this Appendix A will be updated without formal amendment of the Fund Rules.

<u>Mortality:</u>	<u>PubS(A)-2010 Mortality Table projected with improvement scale MP-2021 based on a calculation year of 2026</u>
<u>Member:</u>	<u>Males: 93%</u> <u>Females: 7%</u>
<u>Spouse:</u>	<u>Males: 7%</u> <u>Females: 93%</u>
<u>Non-spouse Beneficiary (only applicable to Group A):</u>	<u>Males: 50%</u> <u>Females: 50%</u>
<u>Interest Rate:</u>	<u>7.30%</u>
<u>COLA:</u>	<u>Group A Members: 0.25%</u> <u>Group B Members: 1.00%</u>

~~Mortality:~~ ~~1994 Group Annuity Mortality Table~~

~~Member:~~ ~~Males: 97%~~ ~~Females: 3%~~

~~Spouse:~~ ~~Males: 3%~~ ~~Females: 97%~~

~~Non-spouse Beneficiary:~~ ~~Males: 50%~~ ~~Females: 50%~~

~~Interest Rate:~~ ~~8.00%~~

~~COLA:~~ ~~1.00%~~

~~Retirement Age:~~ ~~50~~

~~Spouse Age:~~ ~~50~~

~~Non-spouse Beneficiary Age:~~ 50

To determine the continuation percentage payable to a designated beneficiary under Appendix B, it assumes the member retires at age 50, the spouse is age 50, and the designated beneficiary is the age specified in Appendix B.

APPENDIX B

Factors for Reduction of Benefit for Group A Designated Beneficiary Who Is 10 or More Years Younger Than the Member

10-Year Rule Joint & Survivor Benefit Forms Factors	
Age Difference <u>(Retiree Age less Designated Beneficiary Age)</u> (Retiree minus Beneficiary)	<u>Percentage Payable</u> Percent Continued to <u>To Designated Beneficiary</u> Beneficiary
Less than 10	75%
10 – 14	45%
15 – 19	40%
20 – 34	35%
35+	30%

~~Please note the above table represents the percentage of the retiree's~~

~~accrued benefit that is payable if the retiree predeceases the selected beneficiary.~~

Please note the above table represents the percentage of a Group A retiree's accrued benefit that is payable to the Designated Beneficiary if the Group A retiree predeceases the Designated Beneficiary.

Summary report:	
Litera Compare for Word 11.11.0.158 Document comparison done on 2/4/2026 5:10:09 PM	
Style name: Default Style	
Intelligent Table Comparison: Active	
Original DMS: iw://imanagework.jw.com/jwdocs/48218855/1 - DRAFT Fund Rules (Amended and Restated Jan 2026).docx	
Modified DMS: iw://imanagework.jw.com/jwdocs/48218855/7 - DRAFT Fund Rules (Amended and Restated Jan 2026).docx	
Changes:	
Add	149
Delete	82
Move From	0
Move To	0
Table Insert	1
Table Delete	20
Table moves to	0
Table moves from	0
Embedded Graphics (Visio, ChemDraw, Images etc.)	0
Embedded Excel	0
Format changes	0
Total Changes:	252

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Austin Firefighters Retirement Fund
Operating Budget
Fiscal Year 2026

	Approved Budget	Jan - Feb Expensed	Remaining Budget	Percent Expended
Administrative Expenses				
Salaries and Benefits				
Salary - Staff	890,360.00	140,286.66	750,073.34	15.76%
SEP Contribution	129,808.00	21,043.00	108,765.00	16.21%
Health Insurance	139,100.00	23,152.90	115,947.10	16.64%
Payroll Taxes	71,300.00	11,082.79	60,217.21	15.54%
Health Insurance - Retired Staff	6,000.00	222.24	5,777.76	3.70%
Subtotal	1,236,568.00	195,787.59	1,040,780.41	15.83%
SS Retiree Payroll Process Fees	9,000.00	-	9,000.00	0.00%
Building	11,390.00	1,483.04	9,906.96	13.02%
Utilities	6,875.00	480.14	6,394.86	6.98%
Office Expenses	18,350.00	1,854.25	16,495.75	10.10%
Computer and Software	37,000.00	3,085.25	33,914.75	8.34%
Insurance	51,500.00	36.00	51,464.00	0.07%
Travel	46,000.00	-	46,000.00	0.00%
Operational Cost	31,400.00	12,590.76	18,809.24	40.10%
Investment Expenses				
Financial Consulting Fee	237,700.00	38,932.56	198,767.44	16.38%
Investment Management Fees	1,650,000.00	356,467.64	1,293,532.36	21.60%
Bank Custodian Services	142,000.00	28,337.34	113,662.66	19.96%
Professional Services Expenses				
Accounting	25,000.00	-	25,000.00	0.00%
Actuarial Fees				
Actuarial Valuation	47,400.00	-	47,400.00	0.00%
COLA & Additional Travel	10,000.00	-	10,000.00	0.00%
Legal Fees				
Administrative	132,000.00	11,000.00	121,000.00	8.33%
Board Meeting	12,000.00	3,000.00	9,000.00	25.00%
Investment Review	50,000.00	1,662.50	48,337.50	3.33%
Summary Plan Descr, Records Retention & Forms	125,000.00	7,507.50	117,492.50	6.01%
Legislative Consulting	72,650.00	4,000.00	68,650.00	5.51%
Medical Disability Review	8,100.00	-	8,100.00	0.00%
Pension Software	646,815.72	38,750.00	608,065.72	5.99%
Total Expenses	\$ 4,606,748.72	\$ 706,147.57	\$ 3,900,601.15	15.33%

**Austin Firefighters Retirement Fund
Contributions and Deductions (Unaudited)
as of February 28, 2026**

Additions

Contributions

City of Austin Contribution (25.06%)	6,043,492.15
Fire Fighter Contribution (18.7%)	4,764,254.71
Interest -Bank	113,597.38
Commission Recapture	2,931.39
Class Action Proceeds	-
Securities Litigation Recovery	-

Total Contributions \$ 10,924,275.63

Deductions

Pension Retiree Payroll Expenses

Retirees Annuity	10,030,105.92
Medical Ins.	543,299.66
Dental Ins	84,414.10
Vision Ins.	8,553.54
Retiree W/H Tax Payable	1,365,933.55
Benevolent Fund	-
Union Dues	3,299.88
Misc.	1,520.00
PAC Dues	5,282.20

Total Retiree Payroll Expenses \$ 12,042,408.85

Pension Lump Sum Expenses

Contribution Refunds	180,175.71
DROP Distributions	8,731,130.31

of Requested DROP Distributions: 58

Total Pension Lump Sum Expenses \$ 8,911,306.02

Austin Firefighters Retirement Fund
Profit & Loss vs Actual
January through February 2026

	Total		
	Jan - Feb	Budget	% of Budget
Ordinary Income/Expense			
Income			
City of Austin Contrib (25.06%)	6,043,492.15	31,215,000.00	19.36%
Commission Recapture	2,931.39	5,000.00	58.63%
Fire Fighter Contrib (18.7%)	4,764,254.71	23,108,000.00	20.62%
Securities Litigation Recovery	0.00		
Other Income			
Class Action Proceeds	0.00	5,000.00	0.00%
Interest - Frost Bank	2,650.90	10,000.00	26.51%
Interest - State Street	103,431.56	300,000.00	34.48%
Securities Lending - State St.	7,514.92	10,000.00	75.15%
Total Income	10,924,275.63	54,653,000.00	19.99%
Operating Expenses			
Administrative Expenses			
Payroll Expenses			
Salary - Staff	140,286.66	890,360.00	15.76%
SEP Contribution	21,043.00	129,808.00	16.21%
Health Insurance - Staff	23,152.90	139,100.00	16.64%
Taxes	11,082.79	71,300.00	15.54%
Health Insurance - Retired Staff	222.24	6,000.00	3.70%
Total Payroll Expenses	195,787.59	1,236,568.00	15.83%
SS Retiree Payroll Process Fees	0.00	9,000.00	0.00%
Building Expenses			
Assessment Toward Projects	484.84	2,400.00	20.20%
Building Maintenance/Improvement	0.00	3,000.00	0.00%
Condo Association Dues	998.20	5,990.00	16.66%
Utilities			
Electric	238.80	2,250.00	10.61%
HVAC Program	0.00	50.00	0.00%
Internet & Cable & Telephone	144.98	3,600.00	4.03%
Water, Waste, Drainage	96.36	975.00	9.88%
Total Utilities	480.14	6,875.00	6.98%
Total Building Expenses	1,963.18	18,265.00	10.75%
Office Expenses			
Furniture (FFE)	0.00	2,000.00	0.00%
Meeting Refreshments	53.12	1,000.00	5.31%
Notary Services	0.00	250.00	0.00%
Office Maintenance	594.00	3,600.00	16.50%
Office Supplies (Office supplies expense)	237.58	2,500.00	9.50%

Austin Firefighters Retirement Fund
Profit & Loss vs Actual
January through February 2026

	Total		
	Jan - Feb	Budget	% of Budget
Postage and Delivery	471.55	5,000.00	9.43%
Printing and Reproduction	498.00	4,000.00	12.45%
Total Office Expenses	1,854.25	18,350.00	10.10%
Computer and Internet Expenses			
Hosting & Other Expenses	118.99	3,000.00	3.97%
Laptop/Computer	0.00	3,000.00	0.00%
Software/IT Services	2,966.26	31,000.00	9.57%
Total Computer and Internet Expenses	3,085.25	37,000.00	8.34%
Insurance Expense			
Board & Directors Liability Ins	0.00	37,500.00	0.00%
Commercial	0.00	2,200.00	0.00%
Cybersecurity Ins.	0.00	10,500.00	0.00%
Workers Comp Ins. (Workers Comp)	36.00	1,300.00	2.77%
Total Insurance Expense	36.00	51,500.00	0.07%
Travel Expense			
Lodging/Transportation/Per Diem	0.00	25,000.00	0.00%
Registration fees	0.00	21,000.00	0.00%
Total Travel Expense	0.00	46,000.00	0.00%
Operational Cost			
Association Fees (TXPERS /NCEPRS/NASRA)	9,495.00	9,200.00	103.21%
Election Services	0.00	4,900.00	0.00%
Death Verification Services	2,500.00	6,900.00	36.23%
Operational Cost - Other	595.76	10,400.00	5.73%
Total Operational Cost	12,590.76	31,400.00	40.10%
Investment Expenses			
Bank Custodian Services	28,337.34	142,000.00	19.96%
Financial Consulting Fee	38,932.56	237,700.00	16.38%
Investment Management Fees	356,467.64	1,650,000.00	21.60%
Total Investment Expenses	423,737.54	2,029,700.00	20.88%
Professional Fees			
Audit	0.00	25,000.00	0.00%
Actuarial Fees			
Actuarial Valuation	0.00	47,400.00	0.00%
COLA & Additional Travel	0.00	10,000.00	0.00%
Total Actuarial Fees	0.00	57,400.00	0.00%
Legal Fees			

Austin Firefighters Retirement Fund
Profit & Loss vs Actual
January through February 2026

	Total		
	Jan - Feb	Budget	% of Budget
Administrative	11,000.00	132,000.00	8.33%
Board Meeting	3,000.00	12,000.00	25.00%
Investment Review	1,662.50	50,000.00	3.33%
Summary Plan Descr, Records Retention & Forms	7,507.50	125,000.00	6.01%
Total Legal Fees	24,343.00	319,000.00	7.63%
Legislative Consulting	4,000.00	72,650.00	5.51%
Medical Disability Review	0.00	8,100.00	0.00%
Pension Software			
Pension Software PG IV	38,750.00	646,815.72	5.99%
Total Professional Fees	67,093.00	1,128,965.72	5.94%
Total Operating Expenses	706,147.57	4,606,748.72	15.33%
Pension Retiree Payroll			
Retirees Annuity	10,030,105.92	61,000,000.00	16.44%
Medical Ins.	543,299.66	3,300,000.00	16.46%
Dental Ins	84,414.10	495,000.00	17.05%
Vision Ins.	8,553.54	51,000.00	16.77%
Retiree W/H Tax Payable	1,365,933.55	8,200,000.00	16.66%
Benevolent Fund	0.00	59,000.00	0.00%
Misc.	3,299.88	20,000.00	16.50%
PAC Dues	1,520.00	9,000.00	16.89%
Union Dues	5,282.20	30,000.00	17.61%
Total Pension Retiree Payroll	12,042,408.85	73,164,000.00	16.46%
Pension Lump Sum			
Contribution Refunds	180,175.71	1,000,000.00	18.02%
DROP Distributions	8,731,130.31	37,000,000.00	23.60%
Total Pension Lump Sum	8,911,306.02	38,000,000.00	23.45%
Total Expense	21,659,862.44	115,770,748.72	18.71%

**Austin Firefighters Retirement Fund
Assets & Liabilities Report (Unaudited)
as of February 28, 2026**

Assets

Checking/Savings	
Frost Bank - Benefits	217,665.78
Frost Bank - Operating	20,457.70
State Street T009-Cash Agg	5,677,898.18
Total Checking/Savings	5,916,021.66
Investments, at fair value	
Domestic Equities	320,407,735.26
Fixed Income Securities	381,789,290.66
International Equities	336,268,702.54
Real Asset	21,790,075.33
Private Equity	146,353,149.94
Real Estate	90,456,468.11
Total Investments	1,297,065,421.84
Total Assets	\$ 1,302,981,443.50

Liabilities

Current Liabilities	
Payroll Liabilities	5,779.66
Operating Admin Liabilities	3,621.18
Investment Liabilities	-
Professional Liabilities	42,834.28
Long Term Liabilities	
DROP (Guaranteed 5%)	165,779,312.66
% of Total Assets	12.72%
Total Liabilities	\$ 165,831,547.78

Austin Firefighters Retirement Fund

Balance Sheet

As of February 28, 2026

February

ASSETS	February
Current Assets	
Checking/Savings	
Frost Bank - Benefits	217,665.78
Frost Bank - Operating	20,457.70
State Street T009-Cash Agg	5,677,898.18
Total Checking/Savings	5,916,021.66
Other Current Assets	
Investments	
DEQ	
SSgA S&P 500 Flagship Fund	162,601,504.33
VAUGHAN NELSON	77,297,311.74
Westfield Capital Management	80,508,919.19
Total DEQ	320,407,735.26
FI	
ABERDEEN	78,560,938.21
Loomis Sayles Core Plus Bond	52,042,055.78
Pacific Asset Management	26,237,736.00
Pyramis Tactical Bond (Fidelity)	29,866,522.04
SSgA Bond Fund	132,255,247.52
SSGA TIPS	62,826,791.11
Total FI	381,789,290.66
IEQ	
Baillie Gifford	32,083,840.41
DFA Emerging Markets	35,505,950.47
DFA International Small Company	42,664,708.18
MSCI Emerging MKTS Index SL	55,471,393.00
SSgA MSCI EAFE Fund	170,542,810.48
TT International	0.00
Total IEQ	336,268,702.54
NR	
Aether Real Assets II	1,283,056.01
Aether Real Assets III	6,617,238.20
Aether Real Assets IV	8,408,608.76
Aether Real Assets V	5,481,172.36
Total NR	21,790,075.33
PE	
57 Stars Global Opportunity	3,899,308.74
Arcmont (Bluebay)Direct Lending	1,798,786.30
Constitution Ironsides Fund VII (50/50)	9,918,628.48
Constitution Ironsides III	1,612,115.75
Cross Creek Capital Partners II	7,674,747.03
Cross Creek Capital Parts III	8,972,430.99
Deutsche Bank SOF III	1,404,001.76
Dover Street X	33,829,303.53
Greenspring Global Partners V	6,938,957.00
GREENSPRING VI	9,917,751.96

Austin Firefighters Retirement Fund

Balance Sheet

As of February 28, 2026

Harbourvest 2013 Direct	2,202,844.04
HarbourVest Coinvestment 4	5,544,696.03
HighVista Flag V	279,574.72
HighVista Flag VI	1,948,983.93
LGT C Europe Small Buyouts 3	1,228,900.41
LGT Crown Asia 2	5,959,747.97
LGT Crown Global Secondaries 2	69,627.00
LGT Crown Global VI	18,796,819.98
LGT Global Secondaries III	1,417,889.00
Partners Group EM 2015	5,131,874.15
Partners Group US Dist PE 2009	52,090.02
Private Advisors Co-Inv FundIII	24,791.78
Private Equity Investors V	1,184,455.62
SVB Strategic Investors Fund IX	16,544,823.75
Total PE	146,353,149.94
RE	
Clarion Partners	63,278,833.99
Crow Holdings Realty Partners X	12,357,262.56
Partners Group RE Second 2011	92,316.51
Partners Group RE Second 2017	10,890,939.54
Portfolio Advisors Fund 5	3,837,115.51
Total RE	90,456,468.11
Total Investments	1,297,065,421.84
Total Other Current Assets	1,297,065,421.84
Total Current Assets	1,302,981,443.50
TOTAL ASSETS	1,302,981,443.50
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Other Current Liabilities	
Payroll Liabilities	5,779.66
Operating Admin Liabilities	3,621.18
Investment Liabilities	0.00
Professional Liabilities	42,834.28
Total Other Current Liabilities	52,235.12
Total Current Liabilities	52,235.12
Long Term Liabilities	
DROP (Guaranteed 5%)	165,779,312.66
% of Total Assets	12.72%
Total Long Term Liabilities	165,779,312.66
Total Liabilities	165,831,547.78

General Ledger
Austin Firefighters Retirement Fund
February 2026

Date	Name	Memo/Description	Split	Amount	Balance
Frost Bank - Benefits					
					\$ 2,359,565.60
	Beginning Balance				
02/03/2026	Austin FF Relief & Retirement Fu	Transfer to State Street	State Street T009-Cash Agg	-1,700,000.00	659,565.60
02/03/2026	Austin FF Relief & Retirement Fu	Transfer to Operating	Frost Bank - Operating	-425,000.00	234,565.60
02/13/2026	City of Austin	City and Member's Contributions	Split-	2,106,105.02	2,340,670.62
02/18/2026	Austin FF Relief & Retirement Fu	Transfer to State Street	State Street T009-Cash Agg	-2,000,000.00	340,670.62
02/18/2026	Austin FF Relief & Retirement Fu	Transfer to Operating	Frost Bank - Operating	-100,000.00	240,670.62
02/27/2026	Austin FF Relief & Retirement Fu	Transfer to State Street	State Street T009-Cash Agg	-2,100,000.00	-1,859,329.38
02/27/2026	Frost Bank	Interest Feb 2026	Interest:Interest - Frost Bank	1,148.83	-1,858,180.55
02/27/2026	City of Austin	City and Member's Contributions	Split-	2,075,846.33	217,665.78
Total for Frost Bank - Benefits				-\$2,141,899.82	\$ 217,665.78
Frost Bank - Operating					
					\$ 2,540.61
	Beginning Balance				
02/02/2026	Parkstone Office Condominium C	Jan 2026	Split-	-858.07	1,682.54
02/03/2026	Austin FF Relief & Retirement Fu	Transfer to Operating	Frost Bank - Benefits	425,000.00	426,682.54
02/04/2026	Complete IT	Member Direct Domain Name Registration	Computer and Internet Expenses:Hosting & Other Expe	-49.99	426,632.55
02/04/2026	Complete IT	Jan 2026	Computer and Internet Expenses:Software/IT Services	-1,457.10	425,175.45
02/04/2026	City of Austin	Health Insurance Feb 2026	Split-	-11,844.77	413,330.68
02/04/2026	TASC (FSA Health Care)	FSA Feb 2026	Split-	-483.34	412,847.34
02/04/2026	City of Austin	Health Insurance Retired Staff Feb 2026	Payroll Expenses:Health Insurance - Retired Staff	-455.02	412,392.32
02/04/2026	Jani-King of Austin	Feb 2026	Office Expenses:Office Maintenance	-297.00	412,095.32
02/04/2026	Jackson Walker	Administrative Dec 2025	Professional Fees:Legal Fees:Administrative	-11,000.00	401,095.32
02/04/2026	Jackson Walker	Board Meeting Dec 2025	Professional Fees:Legal Fees:Board Meeting	-1,500.00	399,595.32
02/04/2026	Levi Ray & Shoup	Prepaid Support Hours 250	Professional Fees:Pension Software PG IV	-38,750.00	360,845.32
02/04/2026	Meketa Investments	Jan 2026	Fees:Financial Consulting Fee	-19,466.28	341,379.04
02/04/2026	Perry Office Supplies	Office Supplies	Office Expenses:Office Supplies	-129.32	341,249.72

02/04/2026	Schlueter Group of Texas	Legislative Consulting	Professional Fees:Legislative Consulting	-4,000.00	337,249.72
02/04/2026	Vaughn Nelson	Q4 2025 Investment Management Fees	Fees:Investment Management Fees	-126,495.24	210,754.48
02/04/2026	Westfield Capital Management	Q4 2025 Investment Management Fees	Fees:Investment Management Fees	-84,581.52	126,172.96
02/04/2026	Aberdeen Asset Mgmt.	Q4 2025 Investment Management Fees	Fees:Investment Management Fees	-84,858.59	41,314.37
02/04/2026	American Express	Jan 2026	Split-	-1,405.96	39,908.41
02/05/2026	The Hartford	Workers Comp Insurance 2026	Insurance Expense:Workers Comp Ins.	-36.00	39,872.41
02/10/2026	Austin FF Relief & Retirement Fu L. Adney Reimbursement Payment Feb 2026		Payroll Expenses:Health Insurance - Retired Staff	125.00	39,997.41
02/10/2026	Austin FF Relief & Retirement Fu L. Adney Health Insurance Payment Feb 2026		Payroll Expenses:Health Insurance - Retired Staff	218.90	40,216.31
02/10/2026	Austin FF Relief & Retirement Fu Union Reimbursement for Legislative Consulting		Professional Fees:Legislative Consulting	2,000.00	42,216.31
02/18/2026	Austin FF Relief & Retirement Fu Transfer to Operating		Frost Bank - Benefits	100,000.00	142,216.31
02/18/2026	Frost Bank	Bank Service Charges Jan 2026	Operational Cost:Bank Service Charges	-221.42	141,994.89
02/19/2026	Fidelity Institutional Asset Manag	Q4 2025 Investment Management Fees	Fees:Investment Management Fees	-23,449.70	118,545.19
02/19/2026	Jackson Walker	Clarion Alternative Sectors Fund, LP Investment	Professional Fees:Legal Fees:Investment Review	-1,662.50	116,882.69
02/19/2026	Jackson Walker	Disability/Employment Claims Review	Professional Fees:Legal Fees:Disability App	-1,173.00	115,709.69
02/19/2026	Jackson Walker	Plan Description Dec 2025	Professional Fees:Legal Fees:Summary Plan Descr, R	-7,507.50	108,202.19
02/24/2026	Jackson Walker	Board Meeting Jan 2026	Professional Fees:Legal Fees:Board Meeting	-1,500.00	106,702.19
02/24/2026	Fidelity	Feb 2026	Payroll Expenses:SEP Contribution	-10,521.50	96,180.69
02/24/2026	Shira K. Herbert	Meeting Refreshments	Office Expenses:Meeting Refreshments	-9.98	96,170.71
02/24/2026	Xerox	Feb 2026	Operational Cost	-32.20	96,138.51
02/27/2026	Payroll	Pay Period: 02/01/2026-02/28/2026	Direct Deposit Payable	-53,354.78	42,783.73
02/27/2026	Payroll	Tax Payment for Period: 02/01/2026-02/28/2026	Payroll Liabilities:Federal Taxes (941/943/944)	-21,365.90	21,417.83
02/27/2026	Parkstone Office Condominium C	Feb 2026	Split-	-960.13	20,457.70

Total for Frost Bank - Operating

\$17,917.09 \$ 20,457.70

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Austin Firefighters Retirement Fund
Operating Budget
Fiscal Year 2026

	Approved Budget	Jan - Mar Expensed	Remaining Budget	Percent Expended
Administrative Expenses				
Salaries and Benefits				
Salary - Staff	890,360.00	214,055.00	676,305.00	24.04%
SEP Contribution	129,808.00	32,108.25	97,699.75	24.74%
Health Insurance	139,100.00	34,729.35	104,370.65	24.97%
Payroll Taxes	71,300.00	16,689.08	54,610.92	23.41%
Health Insurance - Retired Staff	6,000.00	333.36	5,666.64	5.56%
Subtotal	1,236,568.00	297,915.04	938,652.96	24.09%
SS Retiree Payroll Process Fees	9,000.00	9,210.60	(210.60)	102.34%
Building	11,390.00	2,267.34	9,122.66	19.91%
Utilities	6,875.00	1,063.96	5,811.04	15.48%
Office Expenses	18,350.00	2,904.68	15,445.32	15.83%
Computer and Software	37,000.00	4,899.11	32,100.89	13.24%
Insurance	51,500.00	36.00	51,464.00	0.07%
Travel	46,000.00	4,431.63	41,568.37	9.63%
Operational Cost	31,400.00	12,972.12	18,427.88	41.31%
Investment Expenses				
Financial Consulting Fee	237,700.00	58,398.84	179,301.16	24.57%
Investment Management Fees	1,650,000.00	356,467.64	1,293,532.36	21.60%
Bank Custodian Services	142,000.00	28,337.34	113,662.66	19.96%
Professional Services Expenses				
Accounting	25,000.00	-	25,000.00	0.00%
Actuarial Fees				
Actuarial Valuation	47,400.00	-	47,400.00	0.00%
COLA & Additional Travel	10,000.00	-	10,000.00	0.00%
Legal Fees				
Administrative	132,000.00	22,000.00	110,000.00	16.67%
Board Meeting	12,000.00	3,000.00	9,000.00	25.00%
Investment Review	50,000.00	11,047.00	38,953.00	22.09%
Summary Plan Descr, Records Retention & Forms	125,000.00	16,845.00	108,155.00	13.48%
Legislative Consulting	72,650.00	6,000.00	66,650.00	8.26%
Medical Disability Review	8,100.00	-	8,100.00	0.00%
Pension Software	646,815.72	190,766.43	456,049.29	29.49%
Total Expenses	\$ 4,606,748.72	\$ 1,029,735.73	\$ 3,577,012.99	22.35%

**Austin Firefighters Retirement Fund
Contributions and Deductions (Unaudited)
as of March 31, 2026**

Additions

Contributions

City of Austin Contribution (25.06%)	8,421,970.80
Fire Fighter Contribution (18.7%)	6,585,862.90
Interest -Bank	134,414.44
Commission Recapture	2,931.39
Class Action Proceeds	-
Securities Litigation Recovery	-

Total Contributions	<u>\$ 15,145,179.53</u>
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Deductions

Pension Retiree Payroll Expenses

Retirees Annuity	15,072,967.38
Medical Ins.	818,589.70
Dental Ins	127,308.10
Vision Ins.	12,914.32
Retiree W/H Tax Payable	2,053,296.35
Benevolent Fund	25,360.00
Union Dues	4,949.82
Misc.	2,305.00
PAC Dues	7,967.40

Total Retiree Payroll Expenses	<u>\$ 18,125,658.07</u>
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Pension Lump Sum Expenses

Contribution Refunds	274,361.53
DROP Distributions	16,406,457.97

of Requested DROP Distributions: 84

Total Pension Lump Sum Expenses	<u>\$ 16,680,819.50</u>
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Austin Firefighters Retirement Fund
Profit & Loss vs Actual
January through March 2026

	Total		
	Jan - Mar	Budget	% of Budget
Ordinary Income/Expense			
Income			
City of Austin Contrib (25.06%)	8,421,970.80	31,215,000.00	26.98%
Commission Recapture	2,931.39	5,000.00	58.63%
Fire Fighter Contrib (18.7%)	6,585,862.90	23,108,000.00	28.50%
Securities Litigation Recovery	0.00		
Other Income			
Class Action Proceeds	0.00	5,000.00	0.00%
Interest - Frost Bank	3,306.56	10,000.00	33.07%
Interest - State Street	120,274.31	300,000.00	40.09%
Securities Lending - State St.	10,833.57	10,000.00	108.34%
Total Income	15,145,179.53	54,653,000.00	27.71%
Operating Expenses			
Administrative Expenses			
Payroll Expenses			
Salary - Staff	214,055.00	890,360.00	24.04%
SEP Contribution	32,108.25	129,808.00	24.74%
Health Insurance - Staff	34,729.35	139,100.00	24.97%
Taxes	16,689.08	71,300.00	23.41%
Health Insurance - Retired Staff	333.36	6,000.00	5.56%
Total Payroll Expenses	297,915.04	1,236,568.00	24.09%
SS Retiree Payroll Process Fees	9,210.60	9,000.00	102.34%
Building Expenses			
Assessment Toward Projects	770.04	2,400.00	32.09%
Building Maintenance/Improvement	0.00	3,000.00	0.00%
Condo Association Dues	1,497.30	5,990.00	25.00%
Utilities			
Electric	478.88	2,250.00	21.28%
HVAC Program	0.00	50.00	0.00%
Internet & Cable & Telephone	434.94	3,600.00	12.08%
Water, Waste, Drainage	150.14	975.00	15.40%
Total Utilities	1,063.96	6,875.00	15.48%
Total Building Expenses	3,331.30	18,265.00	18.24%
Office Expenses			
Furniture (FFE)	0.00	2,000.00	0.00%
Meeting Refreshments	414.87	1,000.00	41.49%
Notary Services	0.00	250.00	0.00%
Office Maintenance	891.00	3,600.00	24.75%
Office Supplies (Office supplies expense)	469.96	2,500.00	18.80%

Austin Firefighters Retirement Fund
Profit & Loss vs Actual
January through March 2026

	Total		
	Jan - Mar	Budget	% of Budget
Postage and Delivery	630.85	5,000.00	12.62%
Printing and Reproduction	498.00	4,000.00	12.45%
Total Office Expenses	2,904.68	18,350.00	15.83%
Computer and Internet Expenses			
Hosting & Other Expenses	256.99	3,000.00	8.57%
Laptop/Computer	0.00	3,000.00	0.00%
Software/IT Services	4,642.12	31,000.00	14.97%
Total Computer and Internet Expenses	4,899.11	37,000.00	13.24%
Insurance Expense			
Board & Directors Liability Ins	0.00	37,500.00	0.00%
Commercial	0.00	2,200.00	0.00%
Cybersecurity Ins.	0.00	10,500.00	0.00%
Workers Comp Ins. (Workers Comp)	36.00	1,300.00	2.77%
Total Insurance Expense	36.00	51,500.00	0.07%
Travel Expense			
Lodging/Transportation/Per Diem	2,311.63	25,000.00	9.25%
Registration fees	2,120.00	21,000.00	10.10%
Total Travel Expense	4,431.63	46,000.00	9.63%
Operational Cost			
Association Fees (TXPERS /NCEPRS/NASRA)	9,495.00	9,200.00	103.21%
Election Services	0.00	4,900.00	0.00%
Death Verification Services	2,500.00	6,900.00	36.23%
Operational Cost - Other	977.12	10,400.00	9.40%
Total Operational Cost	12,972.12	31,400.00	41.31%
Investment Expenses			
Bank Custodian Services	28,337.34	142,000.00	19.96%
Financial Consulting Fee	58,398.84	237,700.00	24.57%
Investment Management Fees	356,467.64	1,650,000.00	21.60%
Total Investment Expenses	443,203.82	2,029,700.00	21.84%
Professional Fees			
Audit	0.00	25,000.00	0.00%
Actuarial Fees			
Actuarial Valuation	0.00	47,400.00	0.00%
COLA & Additional Travel	0.00	10,000.00	0.00%
Total Actuarial Fees	0.00	57,400.00	0.00%
Legal Fees			

Austin Firefighters Retirement Fund
Profit & Loss vs Actual
January through March 2026

	Total		
	Jan - Mar	Budget	% of Budget
Administrative	22,000.00	132,000.00	16.67%
Board Meeting	3,000.00	12,000.00	25.00%
Investment Review	11,047.00	50,000.00	22.09%
Summary Plan Descr, Records Retention & Forms	16,845.00	125,000.00	13.48%
Total Legal Fees	54,065.00	319,000.00	16.95%
Legislative Consulting	6,000.00	72,650.00	8.26%
Medical Disability Review	0.00	8,100.00	0.00%
Pension Software			
Pension Software PG IV	190,766.43	646,815.72	29.49%
Total Professional Fees	250,831.43	1,128,965.72	22.22%
Total Operating Expenses	1,029,735.73	4,606,748.72	22.35%
Pension Retiree Payroll			
Retirees Annuity	15,072,967.38	61,000,000.00	24.71%
Medical Ins.	818,589.70	3,300,000.00	24.81%
Dental Ins	127,308.10	495,000.00	25.72%
Vision Ins.	12,914.32	51,000.00	25.32%
Retiree W/H Tax Payable	2,053,296.35	8,200,000.00	25.04%
Benevolent Fund	25,360.00	59,000.00	42.98%
Misc.	4,949.82	20,000.00	24.75%
PAC Dues	2,305.00	9,000.00	25.61%
Union Dues	7,967.40	30,000.00	26.56%
Total Pension Retiree Payroll	18,125,658.07	73,164,000.00	24.77%
Pension Lump Sum			
Contribution Refunds	274,361.53	1,000,000.00	27.44%
DROP Distributions	16,406,457.97	37,000,000.00	44.34%
Total Pension Lump Sum	16,680,819.50	38,000,000.00	43.90%
Total Expense	35,836,213.30	115,770,748.72	30.95%

**Austin Firefighters Retirement Fund
Assets & Liabilities Report (Unaudited)
as of March 31, 2026**

Assets

Checking/Savings	
Frost Bank - Benefits	223,408.28
Frost Bank - Operating	16,696.74
State Street T009-Cash Agg	4,987,412.40
Total Checking/Savings	5,227,517.42
Investments, at fair value	
Domestic Equities	296,466,727.62
Fixed Income Securities	374,238,811.46
International Equities	298,490,490.43
Real Asset	21,404,159.34
Private Equity	145,724,722.31
Real Estate	92,716,484.25
Total Investments	1,229,041,395.41
Total Assets	\$ 1,234,268,912.83

Liabilities

Current Liabilities	
Payroll Liabilities	5,606.86
Operating Admin Liabilities	-
Investment Liabilities	-
Professional Liabilities	31,966.28
Long Term Liabilities	
DROP (Guaranteed 5%)	160,036,655.96
% of Total Assets	12.97%
Total Liabilities	\$ 160,074,229.10

Austin Firefighters Retirement Fund

Balance Sheet As of March 31, 2026

	March
ASSETS	
Current Assets	
Checking/Savings	
Frost Bank - Benefits	223,408.28
Frost Bank - Operating	16,696.74
State Street T009-Cash Agg	4,987,412.40
Total Checking/Savings	5,227,517.42
Other Current Assets	
Investments	
DEQ	
SSgA S&P 500 Flagship Fund	149,609,211.77
VAUGHAN NELSON	72,535,511.95
Westfield Capital Management	74,322,003.90
Total DEQ	296,466,727.62
FI	
ABERDEEN	75,553,249.01
Loomis Sayles Core Plus Bond	51,013,446.77
Pacific Asset Management	26,428,785.50
Pyramis Tactical Bond (Fidelity)	29,335,720.12
SSgA Bond Fund	129,928,208.69
SSGA TIPS	61,979,401.37
Total FI	374,238,811.46
IEQ	
Baillie Gifford	29,502,358.62
DFA Emerging Markets	32,194,552.17
DFA International Small Company	38,785,708.59
MSCI Emerging MKTS Index SL	49,627,900.16
SSgA MSCI EAFE Fund	148,379,970.89
TT International	0.00
Total IEQ	298,490,490.43
NR	
Aether Real Assets II	1,283,056.01
Aether Real Assets III	6,231,322.21
Aether Real Assets IV	8,408,608.76
Aether Real Assets V	5,481,172.36
Total NR	21,404,159.34
PE	
57 Stars Global Opportunity	3,899,308.74
Arcmont (Bluebay)Direct Lending	1,798,786.30
Constitution Ironsides Fund VII (50/50)	9,918,628.48
Constitution Ironsides III	1,612,115.75
Cross Creek Capital Partners II	7,271,722.61
Cross Creek Capital Parts III	8,881,230.99
Deutsche Bank SOF III	1,404,001.76
Dover Street X	33,829,303.53
Greenspring Global Partners V	6,938,957.00
GREENSPRING VI	9,917,751.96

Austin Firefighters Retirement Fund

Balance Sheet

As of March 31, 2026

Harbourvest 2013 Direct	1,931,513.00
HarbourVest Coinvestment 4	5,544,696.03
HighVista Flag V	279,574.72
HighVista Flag VI	1,948,983.93
LGT C Europe Small Buyouts 3	1,228,900.41
LGT Crown Asia 2	5,959,747.97
LGT Crown Global Secondaries 2	69,627.00
LGT Crown Global VI	19,201,033.98
LGT Global Secondaries III	1,282,776.86
Partners Group EM 2015	5,024,691.43
Partners Group US Dist PE 2009	52,090.02
Private Advisors Co-Inv FundIII	0.47
Private Equity Investors V	1,184,455.62
SVB Strategic Investors Fund IX	16,544,823.75
Total PE	145,724,722.31
RE	
Clarion Partners	63,438,392.01
Crow Holdings Realty Partners X	14,459,090.90
Partners Group RE Second 2011	92,316.51
Partners Group RE Second 2017	10,889,569.32
Portfolio Advisors Fund 5	3,837,115.51
Total RE	92,716,484.25
Total Investments	1,229,041,395.41
Total Other Current Assets	1,229,041,395.41
Total Current Assets	1,234,268,912.83
TOTAL ASSETS	1,234,268,912.83
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Other Current Liabilities	
Payroll Liabilities	5,606.86
Operating Admin Liabilities	0.00
Investment Liabilities	0.00
Professional Liabilities	31,966.28
Total Other Current Liabilities	37,573.14
Total Current Liabilities	37,573.14
Long Term Liabilities	
DROP (Guaranteed 5%)	160,036,655.96
% of Total Assets	12.97%
Total Long Term Liabilities	160,036,655.96
Total Liabilities	160,074,229.10

Austin Firefighters Retirement Fund
General Ledger
March 2026

Date	Name	Memo/Description	Split	Amount	Balance
Frost Bank - Benefits					
Beginning Balance					\$ 217,665.78
03/06/2026	Austin FF Relief & Retirement	Transfer to Operating	Frost Bank - Operating	-100,000.00	117,665.78
03/13/2026	City of Austin	City and Member's Contributions	-Split-	2,074,787.73	2,192,453.51
03/16/2026	Austin FF Relief & Retirement	Transfer to State Street	State Street T009-Cash Agg	-1,725,000.00	467,453.51
03/23/2026	Austin FF Relief & Retirement	Transfer to Operating	Frost Bank - Operating	-220,000.00	247,453.51
03/27/2026	Austin FF Relief & Retirement	Transfer to State Street	State Street T009-Cash Agg	-2,150,000.00	-1,902,546.49
03/27/2026	City of Austin	City and Member's Contributions	-Split-	2,125,299.11	222,752.62
03/31/2026	Frost Bank	Interest Mar 2026	Interest:Interest - Frost Bank	655.66	223,408.28
Total for Frost Bank - Benefits				\$ 5,742.50	\$ 223,408.28

Frost Bank - Operating

Beginning Balance					\$ 20,457.70
03/05/2026	Austin FF Relief & Retirement	Union Reimbursement for Legislative Consulting	Professional Fees:Legislative Consulting	2,000.00	22,457.70
03/05/2026	American Express	Feb 2026	-Split-	-3,621.18	18,836.52
03/06/2026	Austin FF Relief & Retirement	Transfer to Operating	Frost Bank - Benefits	100,000.00	118,836.52
03/10/2026	Austin FF Relief & Retirement	L. Adney Reimbursement Payment Mar 2026	Payroll Expenses:Health Insurance - Retired Staff	125.00	118,961.52
03/10/2026	Austin FF Relief & Retirement	L. Adney Health Insurance Payment Mar 2026	Payroll Expenses:Health Insurance - Retired Staff	218.90	119,180.42
03/12/2026	TASC (FSA Health Care)	FSA Mar 2026	-Split-	-483.34	118,697.08
03/12/2026	City of Austin	Health Insurance Retired Staff Mar 2026	Payroll Expenses:Health Insurance - Retired Staff	-455.02	118,242.06
03/12/2026	Meketa Investments	Feb 2026	Fees:Financial Consulting Fee	-19,466.28	98,775.78
03/12/2026	Schlueter Group of Texas	Legislative Consulting Mar 2026	Professional Fees:Legislative Consulting	-4,000.00	94,775.78
03/12/2026	State Street Bank & Trust	Q4 2025	Fees:SS Retiree Payroll Process Fees	-9,210.60	85,565.18
03/12/2026	Jackson Walker	Clarion Alternative Sectors Investment Review	Professional Fees:Legal Fees:Investment Review	-9,384.50	76,180.68
03/12/2026	Jackson Walker	Disability Policy Review	Professional Fees:Legal Fees:Summary Plan Descr, Records	-1,483.50	74,697.18
03/12/2026	Jackson Walker	Administrative Matters Jan 2026	-Split-	-11,206.33	63,490.85
03/12/2026	Jackson Walker	Legislative Matters Jan 2026	Professional Fees:Legal Fees:Pension Funding Research/Leg	-7,854.00	55,636.85

03/12/2026	Jani-King of Austin	Mar 2026	Office Expenses:Office Maintenance	-297.00	55,339.85
03/12/2026	City of Austin	Health Insurance Mar 2026	-Split-	-11,844.77	43,495.08
03/17/2026	Frost Bank	Bank Service Charges Feb 2026	Operational Cost:Bank Service Charges	-240.94	43,254.14
03/23/2026	Austin FF Relief & Retirement	Transfer to Operating	Frost Bank - Benefits	220,000.00	263,254.14
03/23/2026	Levi Ray & Shoup	Payment #13 Implementation Services	Professional Fees:Pension Software PG IV	-152,016.43	111,237.71
03/25/2026	Amy L. Thibaudeau	NCPERS Comm & Member Services Travel Reim	Travel Expense:Lodging/Transportation/Per Diem	-158.03	111,079.68
03/27/2026	Complete IT	Feb 2026	Computer and Internet Expenses:Software/IT Services	-1,459.60	109,620.08
03/27/2026	Xerox	Mar 2026	Operational Cost	-32.20	109,587.88
03/27/2026	Fidelity	Mar 2026	Payroll Expenses:SEP Contribution	-11,065.25	98,522.63
03/30/2026	Parkstone Office Condomir	Mar 2026	-Split-	-1,078.16	97,444.47
03/31/2026	Payroll	Pay Period: 03/01/2026-03/31/2026	Direct Deposit Payable	-55,760.49	41,683.98
03/31/2026	Payroll	Tax Payment for Period: 03/01/2026-03/31/2026	Payroll Liabilities:Federal Taxes (941/943/944)	-22,862.48	18,821.50
03/31/2026	Payroll	Tax withdrawal	QuickBooks Tax Holding Account	-172.80	18,648.70
03/31/2026	American Express	Mar 2026	-Split-	-1,951.96	16,696.74
Total for Frost Bank - Operating				-\$ 3,760.96	\$ 16,696.74

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Austin Firefighters Retirement Fund
Operating Budget
Fiscal Year 2026

	Approved Budget	Jan - Apr Expensed	Remaining Budget	Percent Expended
Administrative Expenses				
Salaries and Benefits				
Salary - Staff	890,360.00	287,823.34	602,536.66	32.33%
SEP Contribution	129,808.00	43,173.50	86,634.50	33.26%
Health Insurance	139,100.00	46,305.80	92,794.20	33.29%
Payroll Taxes	71,300.00	22,295.37	49,004.63	31.27%
Health Insurance - Retired Staff	6,000.00	444.48	5,555.52	7.41%
Subtotal	1,236,568.00	400,042.49	836,525.51	32.35%
SS Retiree Payroll Process Fees	9,000.00	9,210.60	(210.60)	102.34%
Building	11,390.00	3,051.64	8,338.36	26.79%
Utilities	6,875.00	1,382.80	5,492.20	20.11%
Office Expenses	18,350.00	3,608.12	14,741.88	19.66%
Computer and Software	37,000.00	6,724.84	30,275.16	18.18%
Insurance	51,500.00	36.00	51,464.00	0.07%
Travel	46,000.00	4,456.63	41,543.37	9.69%
Operational Cost	31,400.00	14,854.24	16,545.76	47.31%
Investment Expenses				
Financial Consulting Fee	237,700.00	77,865.12	159,834.88	32.76%
Investment Management Fees	1,650,000.00	548,828.71	1,101,171.29	33.26%
Bank Custodian Services	142,000.00	28,337.34	113,662.66	19.96%
Professional Services Expenses				
Accounting	25,000.00	-	25,000.00	0.00%
Actuarial Fees				
Actuarial Valuation	47,400.00	-	47,400.00	0.00%
COLA & Additional Travel	10,000.00	-	10,000.00	0.00%
Legal Fees				
Administrative	132,000.00	33,000.00	99,000.00	25.00%
Board Meeting	12,000.00	4,500.00	7,500.00	37.50%
Investment Review	50,000.00	11,047.00	38,953.00	22.09%
Summary Plan Descr, Records Retention & Forms	125,000.00	20,502.00	104,498.00	16.40%
Legislative Consulting	72,650.00	8,000.00	64,650.00	11.01%
Medical Disability Review	8,100.00	-	8,100.00	0.00%
Pension Software	646,815.72	190,766.43	456,049.29	29.49%
Total Expenses	\$ 4,606,748.72	\$ 1,367,862.96	\$ 3,238,885.76	29.69%

**Austin Firefighters Retirement Fund
Contributions and Deductions (Unaudited)
as of April 30, 2026**

Additions

Contributions

City of Austin Contribution (25.06%)	10,803,265.13
Fire Fighter Contribution (18.7%)	8,420,683.41
Interest -Bank	150,486.94
Commission Recapture	6,600.30
Class Action Proceeds	-
Securities Litigation Recovery	125.08

Total Contributions \$ 19,381,160.86

Deductions

Pension Retiree Payroll Expenses

Retirees Annuity	20,136,331.42
Medical Ins.	1,095,136.12
Dental Ins	170,377.64
Vision Ins.	17,292.00
Retiree W/H Tax Payable	2,743,413.36
Benevolent Fund	25,360.00
Union Dues	6,599.76
Misc.	3,090.00
PAC Dues	10,672.20

Total Retiree Payroll Expenses \$ 24,208,272.50

Pension Lump Sum Expenses

Contribution Refunds	333,591.38
DROP Distributions	21,059,207.24

of Requested DROP Distributions: 101

Total Pension Lump Sum Expenses \$ 21,392,798.62

Austin Firefighters Retirement Fund
Profit & Loss vs Actual
January through April 2026

	Total		
	Jan - Apr	Budget	% of Budget
Ordinary Income/Expense			
Income			
City of Austin Contrib (25.06%)	10,803,265.13	31,215,000.00	34.61%
Commission Recapture	6,600.30	5,000.00	132.01%
Fire Fighter Contrib (18.7%)	8,420,683.41	23,108,000.00	36.44%
Securities Litigation Recovery	125.08		
Other Income			
Class Action Proceeds	0.00	5,000.00	0.00%
Interest - Frost Bank	3,547.62	10,000.00	35.48%
Interest - State Street	132,777.19	300,000.00	44.26%
Securities Lending - State St.	14,162.13	10,000.00	141.62%
Total Income	19,381,160.86	54,653,000.00	35.46%
Operating Expenses			
Administrative Expenses			
Payroll Expenses			
Salary - Staff	287,823.34	890,360.00	32.33%
SEP Contribution	43,173.50	129,808.00	33.26%
Health Insurance - Staff	46,305.80	139,100.00	33.29%
Taxes	22,295.37	71,300.00	31.27%
Health Insurance - Retired Staff	444.48	6,000.00	7.41%
Total Payroll Expenses	400,042.49	1,236,568.00	32.35%
SS Retiree Payroll Process Fees	9,210.60	9,000.00	102.34%
Building Expenses			
Assessment Toward Projects	1,055.24	2,400.00	43.97%
Building Maintenance/Improvement	0.00	3,000.00	0.00%
Condo Association Dues	1,996.40	5,990.00	33.33%
Utilities			
Electric	602.08	2,250.00	26.76%
HVAC Program	0.00	50.00	0.00%
Internet & Cable & Telephone	579.92	3,600.00	16.11%
Water, Waste, Drainage	200.80	975.00	20.59%
Total Utilities	1,382.80	6,875.00	20.11%
Total Building Expenses	4,434.44	18,265.00	24.28%
Office Expenses			
Furniture (FFE)	0.00	2,000.00	0.00%
Meeting Refreshments	424.85	1,000.00	42.49%
Notary Services	0.00	250.00	0.00%
Office Maintenance	1,188.00	3,600.00	33.00%
Office Supplies (Office supplies expense)	508.72	2,500.00	20.35%

Austin Firefighters Retirement Fund
Profit & Loss vs Actual
January through April 2026

	Total		
	Jan - Apr	Budget	% of Budget
Postage and Delivery	988.55	5,000.00	19.77%
Printing and Reproduction	498.00	4,000.00	12.45%
Total Office Expenses	3,608.12	18,350.00	19.66%
Computer and Internet Expenses			
Hosting & Other Expenses	584.74	3,000.00	19.49%
Laptop/Computer	0.00	3,000.00	0.00%
Software/IT Services	6,140.10	31,000.00	19.81%
Total Computer and Internet Expenses	6,724.84	37,000.00	18.18%
Insurance Expense			
Board & Directors Liability Ins	0.00	37,500.00	0.00%
Commercial	0.00	2,200.00	0.00%
Cybersecurity Ins.	0.00	10,500.00	0.00%
Workers Comp Ins. (Workers Comp)	36.00	1,300.00	2.77%
Total Insurance Expense	36.00	51,500.00	0.07%
Travel Expense			
Lodging/Transportation/Per Diem	2,311.63	25,000.00	9.25%
Registration fees	2,145.00	21,000.00	10.21%
Total Travel Expense	4,456.63	46,000.00	9.69%
Operational Cost			
Association Fees (TXPERS /NCEPRS/NASRA)	9,495.00	9,200.00	103.21%
Election Services	0.00	4,900.00	0.00%
Death Verification Services	2,500.00	6,900.00	36.23%
Operational Cost - Other	2,859.24	10,400.00	27.49%
Total Operational Cost	14,854.24	31,400.00	47.31%
Investment Expenses			
Bank Custodian Services	28,337.34	142,000.00	19.96%
Financial Consulting Fee	77,865.12	237,700.00	32.76%
Investment Management Fees	548,828.71	1,650,000.00	33.26%
Total Investment Expenses	655,031.17	2,029,700.00	32.27%
Professional Fees			
Audit	0.00	25,000.00	0.00%
Actuarial Fees			
Actuarial Valuation	0.00	47,400.00	0.00%
COLA & Additional Travel	0.00	10,000.00	0.00%
Total Actuarial Fees	0.00	57,400.00	0.00%
Legal Fees			

Austin Firefighters Retirement Fund
Profit & Loss vs Actual
January through April 2026

	Total		
	Jan - Apr	Budget	% of Budget
Administrative	33,000.00	132,000.00	25.00%
Board Meeting	4,500.00	12,000.00	37.50%
Investment Review	11,047.00	50,000.00	22.09%
Summary Plan Descr, Records Retention & Forms	20,502.00	125,000.00	16.40%
Total Legal Fees	70,698.00	319,000.00	22.16%
Legislative Consulting	8,000.00	72,650.00	11.01%
Medical Disability Review	0.00	8,100.00	0.00%
Pension Software			
Pension Software PG IV	190,766.43	646,815.72	29.49%
Total Professional Fees	269,464.43	1,128,965.72	23.87%
Total Operating Expenses	1,367,862.96	4,606,748.72	29.69%
Pension Retiree Payroll			
Retirees Annuity	20,136,331.42	61,000,000.00	33.01%
Medical Ins.	1,095,136.12	3,300,000.00	33.19%
Dental Ins	170,377.64	495,000.00	34.42%
Vision Ins.	17,292.00	51,000.00	33.91%
Retiree W/H Tax Payable	2,743,413.36	8,200,000.00	33.46%
Benevolent Fund	25,360.00	59,000.00	42.98%
Misc.	6,599.76	20,000.00	33.00%
PAC Dues	3,090.00	9,000.00	34.33%
Union Dues	10,672.20	30,000.00	35.57%
Total Pension Retiree Payroll	24,208,272.50	73,164,000.00	33.09%
Pension Lump Sum			
Contribution Refunds	333,591.38	1,000,000.00	33.36%
DROP Distributions	21,059,207.24	37,000,000.00	56.92%
Total Pension Lump Sum	21,392,798.62	38,000,000.00	56.30%
Total Expense	46,968,934.08	115,770,748.72	40.57%

**Austin Firefighters Retirement Fund
Assets & Liabilities Report (Unaudited)
as of April 30, 2026**

Assets

Checking/Savings	
Frost Bank - Benefits	99,764.18
Frost Bank - Operating	22,238.42
State Street T009-Cash Agg	5,300,194.89
Total Checking/Savings	5,422,197.49
Investments, at fair value	
Domestic Equities	327,384,361.36
Fixed Income Securities	378,351,775.82
International Equities	319,291,235.35
Real Asset	21,404,159.34
Private Equity	142,721,227.06
Real Estate	93,558,084.91
Total Investments	1,282,710,843.84
Total Assets	\$ 1,288,133,041.33

Liabilities

Current Liabilities	
Payroll Liabilities	5,606.86
Operating Admin Liabilities	1,504.10
Investment Liabilities	210,061.18
Professional Liabilities	73,292.30
Long Term Liabilities	
DROP (Guaranteed 5%)	156,738,536.51
% of Total Assets	12.17%
Total Liabilities	\$ 157,029,000.95

Austin Firefighters Retirement Fund

Balance Sheet As of April 30, 2026

April

ASSETS	April
Current Assets	
Checking/Savings	
Frost Bank - Benefits	99,764.18
Frost Bank - Operating	22,238.42
State Street T009-Cash Agg	5,300,194.89
Total Checking/Savings	5,422,197.49
Other Current Assets	
Investments	
DEQ	
SSgA S&P 500 Flagship Fund	165,298,809.31
VAUGHAN NELSON	78,277,081.86
Westfield Capital Management	83,808,470.19
Total DEQ	327,384,361.36
FI	
ABERDEEN	78,064,784.79
Loomis Sayles Core Plus Bond	51,263,648.96
Pacific Asset Management	26,772,867.00
Pyramis Tactical Bond (Fidelity)	29,477,265.83
SSgA Bond Fund	130,081,845.71
SSGA TIPS	62,691,363.53
Total FI	378,351,775.82
IEQ	
Baillie Gifford	32,081,807.22
DFA Emerging Markets	30,478,558.43
DFA International Small Company	41,114,052.83
MSCI Emerging MKTS Index SL	56,112,157.41
SSgA MSCI EAFE Fund	159,504,659.46
TT International	0.00
Total IEQ	319,291,235.35
NR	
Aether Real Assets II	1,283,056.01
Aether Real Assets III	6,231,322.21
Aether Real Assets IV	8,408,608.76
Aether Real Assets V	5,481,172.36
Total NR	21,404,159.34
PE	
57 Stars Global Opportunity	3,754,692.91
Arcmont (Bluebay)Direct Lending	1,859,237.11
Constitution Ironsides Fund VII (50/50)	10,122,919.93
Constitution Ironsides III	1,612,382.60
Cross Creek Capital Partners II	7,271,722.61
Cross Creek Capital Parts III	8,881,230.99
Deutsche Bank SOF III	1,433,050.27
Dover Street X	32,607,392.55
Greenspring Global Partners V	6,938,957.00
GREENSPRING VI	9,917,751.96

Austin Firefighters Retirement Fund

Balance Sheet

As of April 30, 2026

Harbourvest 2013 Direct	1,931,513.00
HarbourVest Coinvestment 4	5,274,222.00
HighVista Flag V	279,574.72
HighVista Flag VI	1,948,983.93
LGT C Europe Small Buyouts 3	1,247,986.81
LGT Crown Asia 2	5,598,917.99
LGT Crown Global Secondaries 2	69,627.00
LGT Crown Global VI	18,220,329.48
LGT Global Secondaries III	1,264,676.00
Partners Group EM 2015	5,024,691.43
Partners Group US Dist PE 2009	52,090.02
Private Advisors Co-Inv FundIII	0.47
Private Equity Investors V	1,184,455.62
SVB Strategic Investors Fund IX	16,224,820.66
Total PE	142,721,227.06
RE	
Clarion Partners	63,438,391.99
Crow Holdings Realty Partners X	15,436,363.27
Partners Group RE Second 2011	92,316.51
Partners Group RE Second 2017	10,889,569.32
Portfolio Advisors Fund 5	3,701,443.82
Total RE	93,558,084.91
Total Investments	1,282,710,843.84
Total Other Current Assets	1,282,710,843.84
Total Current Assets	1,288,133,041.33
TOTAL ASSETS	1,288,133,041.33
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Other Current Liabilities	
Payroll Liabilities	5,606.86
Operating Admin Liabilities	1,504.10
Investment Liabilities	210,061.18
Professional Liabilities	73,292.30
Total Other Current Liabilities	290,464.44
Total Current Liabilities	290,464.44
Long Term Liabilities	
DROP (Guaranteed 5%)	156,738,536.51
% of Total Assets	12.17%
Total Long Term Liabilities	156,738,536.51
Total Liabilities	157,029,000.95

Austin Firefighters Retirement Fund
General Ledger
 April 2026

Date	Name	Memo/Description	Split	Amount	Balance
Frost Bank - Benefits					
Beginning Balance					\$ 223,408.28
04/10/2026	City of Austin	City and Member's Contributions	-Split-	2,106,073.27	2,329,481.55
04/10/2026	Austin FF Relief & Retirement F	Transfer to State Street	State Street T009-Cash Agg	-2,000,000.00	329,481.55
04/10/2026	Austin FF Relief & Retirement F	Transfer to Operating	Frost Bank - Operating	-80,000.00	249,481.55
04/24/2026	Austin FF Relief & Retirement F	Transfer to State Street	State Street T009-Cash Agg	-2,000,000.00	-1,750,518.45
04/24/2026	City of Austin	City and Member's Contributions	-Split-	2,110,041.57	359,523.12
04/27/2026	Austin FF Relief & Retirement F	Transfer to Operating	Frost Bank - Operating	-260,000.00	99,523.12
04/30/2026	Frost Bank	Interest Apr 2026	Interest:Interest - Frost Bank	241.06	99,764.18
Total for Frost Bank - Benefits				-\$ 123,644.10	\$ 99,764.18

Frost Bank - Operating

Beginning Balance					\$ 16,696.74
04/02/2026	Austin FF Relief & Retirement F	Union Reimbursement for Legislative Consulting A	Professional Fees:Legislative Consulting	2,000.00	18,696.74
04/06/2026	Austin FF Relief & Retirement F	Deposit: Virtu Americas	Commission Recapture	3,668.91	22,365.65
04/09/2026	Austin FF Relief & Retirement F	L. Adney Reimbursement Payment Apr 2026	Payroll Expenses:Health Insurance - Retired Staff	125.00	22,490.65
04/09/2026	Austin FF Relief & Retirement F	L. Adney Health Insurance Payment Apr 2026	Payroll Expenses:Health Insurance - Retired Staff	218.90	22,709.55
04/10/2026	Jackson Walker	Board Meeting Feb 2026	Professional Fees:Legal Fees:Board Meeting	-1,500.00	21,209.55
04/10/2026	Jackson Walker	Disability/Employment Claims Review	Professional Fees:Legal Fees:Disability App	-476.00	20,733.55
04/10/2026	Jackson Walker	Disability Policy Review	Professional Fees:Legal Fees:Summary Plan Descr, Re	-3,657.00	17,076.55
04/10/2026	Meketa Investments	Mar 2026	Fees:Financial Consulting Fee	-19,466.28	-2,389.73
04/10/2026	Schlueter Group of Texas	Legislative Consulting	Professional Fees:Legislative Consulting	-4,000.00	-6,389.73
04/10/2026	City of Austin	Health Insurance Apr 2026	-Split-	-11,844.77	-18,234.50
04/10/2026	Jani-King of Austin	Apr 2026	Office Expenses:Office Maintenance	-297.00	-18,531.50
04/10/2026	Austin FF Relief & Retirement F	Transfer to Operating	Frost Bank - Benefits	80,000.00	61,468.50
04/10/2026	TASC (FSA Health Care)	FSA Apr 2026	-Split-	-483.34	60,985.16
04/10/2026	City of Austin	Health Insurance Retired Staff Apr 2026	Payroll Expenses:Health Insurance - Retired Staff	-455.02	60,530.14

04/10/2026	Complete IT	Mar 2026	Computer and Internet Expenses:Software/IT Services	-1,459.60	59,070.54
04/10/2026	Jackson Walker	Administrative Feb 2026	Professional Fees:Legal Fees:Administrative	-11,000.00	48,070.54
04/16/2026	Frost Bank	Bank Service Charges Mar 2026	Operational Cost:Bank Service Charges	-224.53	47,846.01
04/27/2026	Loomis Sayles Co.	Q1 2026 Investment Management Fees	Fees:Investment Management Fees	-36,541.52	11,304.49
04/27/2026	Levi Ray & Shoup	Web Maintenance Mar 2026	Computer and Internet Expenses:Hosting & Other Exper	-258.75	11,045.74
04/27/2026	Fidelity	Apr 2026	Payroll Expenses:SEP Contribution	-11,065.25	-19.51
04/27/2026	Vaughn Nelson	Q1 2026 Investment Management Fees	Fees:Investment Management Fees	-132,204.71	-132,224.22
04/27/2026	Fidelity Institutional Asset Manag	Q1 2026 Investment Management Fees	Fees:Investment Management Fees	-23,614.84	-155,839.06
04/27/2026	Austin FF Relief & Retirement Fi	Transfer to Operating	Frost Bank - Benefits	260,000.00	104,160.94
04/29/2026	Parkstone Office Condominium	Apr 2026	-Split-	-958.16	103,202.78
04/30/2026	Weldon & Associates	Retainer Agreement	Operational Cost	-1,500.00	101,702.78
04/30/2026	Payroll	Pay Period: 04/01/2026-04/30/2026	Direct Deposit Payable	-55,760.49	45,942.29
04/30/2026	Payroll	Tax Payment for Period: 04/01/2026-04/30/2026	Payroll Liabilities:Federal Taxes (941/943/944)	-22,862.48	23,079.81
04/30/2026	American Express	Apr 2026	-Split-	-841.39	22,238.42

Total for Frost Bank - Operating

\$ 5,541.68 \$ 22,238.42

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Roadmap of Items for Board Meetings

June 2026 Board Meeting

- 30-Month and Periodic disability benefit review
- Member Portal update
- Consideration of potential Legislative Priorities for 2027

July 2026 Board Meeting

- 2025 Actuarial Valuation
- 2025 Financial Audit Report
- 2025 Annual Report
- Investment Committee Report
- Investment training – Meketa
- Pension Administration System (PAS) implementation update
- Election timeline
- Mid-year Budget Update

August 2026 Board Meeting

- Meketa 2Q26 Report
- Meketa 2025 Fee Review
- Private Equity Program Structure Review

November 2026 Board Meeting

- Meketa 3Q26 Report
- Meketa Annual Fee Review
- Private Equity Program Structure Review
- Meketa Asset/Liability Study Discussion for 2027
- Update on Trustee Election and possible election certification
- COLA analysis presentation



Roadmap of Items for Investment Committee

- Meketa 1Q26 Report Summary including review approach to private equity investing
- Review of Private Equity Program Structure
- Update on Passive Framework 2.0
- Asset/Liability Study 2027
- Investment Practices and Performance Evaluation 2027

Roadmap of Items for Benefits Committee

- 30-Month and Periodic disability benefit review
- Ongoing schedule for disability benefit reviews
- Disability Retirement Benefit Policy review

Roadmap of Items for Policy Committee

- Post-retirement beneficiary designation process review
- Legislative priorities for 2027