

# BOARD OF TRUSTEES MEETING REGULAR MEETING AGENDA

Friday March 28, 2025, 9:00am

The regular meeting will be held in the **Board and Commissions Room at Austin City Hall, 301 W 2<sup>nd</sup> 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 2556 383 4054** and **password Mar2025,** or through a telephone conference call, **toll-free dial-in number 408-418-9388** with **access code 6272025.** 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 <a href="mailto:staff@AFRFund.org">staff@AFRFund.org</a> no later than 5:00 p.m. on March 27, 2025. 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 28, 2025
  - b. Service retirement benefits for new retirees, beneficiaries, and alternate payees

### To Discuss and Possibly Act On

- 2. Annual review of Code of Ethics and Governance Policy
- 3. Update on Texas Legislative Session 89(R), including status of the City of Austin and AFRF pension reform bills for a Voluntary Funding Soundness Restoration Plan (FSRP)
- 4. Consider supplemental actuarial consulting services for Texas Legislative Session 89(R) and related budget amendment
- 5. Executive Director Report, including the following (Discussion Only)
  - a. General comments
  - b. Internal financial statements, transactions, and Fund expense reports for month ending February 28, 2025



- 6. Roadmap for future meetings
- 7. 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.





# MINUTES BOARD OF TRUSTEES MEETING FRIDAY FEBRUARY 28, 2025, 9:00AM

### **Board Members Present**

Aaron Woolverton, Vice Chair Belinda Weaver, Treasurer John Bass, Trustee (virtual) Doug Fowler, Trustee

### **Staff and Consultants Present**

Anumeha Kumar, AFRF Executive Director
John Perryman, AFRF CFO
Debbie Hammond, AFRF Benefits Manager
Gina Gleason, AFRF Board & Operations Specialist
Shira Herbert, AFRF Accounting & QC Specialist
Chuck Campbell, Jackson Walker
Alyca Garrison, Jackson Walker
Aaron Lally, Meketa

### **Community Members Present**

Rene Vallejo Donald Lowe Tom Dodds Kate Alexander, City of Austin (virtual) Virtual attendees not listed

Vice Chair Woolverton called the meeting to order at 9:00am.

**Public Comments:** 

### No public comments.

- I. Consent Agenda for the following:
  - a. Minutes of the regular meeting of January 24, 2025
  - b. Service retirement benefits for new retirees, beneficiaries, and alternate payees

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

II. Meketa 4Q24 Investment Performance review, including the following:

Aaron Lally started with agenda item II.c., then resumed the agenda order.

a. Economic and Market Update

Aaron Lally identified big themes in the recent market were those of public equity versus private equity and short term versus long term performance. He explained that while the news had reported 2024 as a great year for markets, in actuality, it was a concentrated environment that featured outperformance by US large cap stocks, such as the Dow, S&P 500, and Nasdaq, which averaged 25% returns for the calendar year. He further explained that individual investors tended to be heavily weighted in that part of the market, which could skew their perspective on pension returns. He explained that pensions had access to a much broader

portfolio, which was often beneficial, but resulted in a lesser 5% annual return for the Fund in 2024. He suggested that the 5% return would be inconsequential in a long-term view of AFRF performance and emphasized that it was important to avoid extrapolating recent performance into perpetuity when making investment decisions. Mr. Lally explained that over thirty years, private equity consistently outperformed public equity, but over the last two years, it had underperformed relative to the stock market, which in turn had a bigger impact on welldiversified pension plans like AFRF. Mr. Lally pointed to the 10-year trailing returns of the Fund compared against a 70/30 benchmark. He described it as one of the best charts to judge the health of the Fund and stated that the chart indicated that the Fund's complexity had consistently produced better returns than the 70/30 benchmark mix. He added that the Fund had more consistently exceeded its 7.3% actuarial target on a 10-year lookback since 2018 than it had during the prior twenty years. Trustee Bass thanked Mr. Lally for his comments and contended that performance should be judged over an even longer period, since the average pension liabilities duration is longer than ten years. He also emphasized the importance of considering returns in a total portfolio context and on a risk-adjusted basis, rather than making unrealistic comparisons against volatile stocks that were not appropriate for a diversified pension fund. No motion necessary.

## b. 4Q24 Investment Report

Aaron Lally stated that performance for 4Q24 has been mixed, with areas of both outperformance and underperformance. He explained that the Fund had performed well relative to national peers over long-term periods but had underperformed over one-year periods for the past two years. Mr. Lally emphasized that it was important for the board not to allow peers to dictate their investment decisions. He informed the board that their allocations complied with their policy and that Meketa would guide them through an annual evaluation of their allocation targets in May. He applauded the board and the boards prior for adopting a plan and sticking to it and explained that consistent exposure has compounded to produce strong long-term outperformance. Mr. Lally reported that the Fund ended 2024 with \$1.16 billion in assets. No motion necessary.

### c. Texas Peer Analysis

Aaron Lally noted that the agenda item was based on a prior suggestion from Trustee Fowler. He stated that the Texas Pension Review Board (PRB) had great data online, including a pension plan comparison tool, which Meketa used as a starting point for their analysis. He detailed the municipal peer group that Meketa had selected, which consisted of general employee, police, and fire plans in large Texas cities with over approximately \$1 billion in assets. He noted that AFRF was among the smaller sized plans relative to that peer group, with the three Houston plans being the largest. Mr. Lally reported that with an 86% funding status, AFRF was one of the best funded plans out of the Texas peer group, exceeded only by two of the Houston plans, and ranked high relative to national peers as well. Regarding actuarial assumptions, Mr. Lally stated that all plans had a similar goal with nothing notable to report. Regarding the 10-year annualized return, Mr. Lally stated that the Fund also performed near the top of the municipal peer group at 7.6%, with the three Houston plans showing slightly better results. Trustee Weaver asked why a ten-year horizon had been used for the return comparison, to which Mr. Lally stated that long-term returns were more meaningful from the perspective of an infinitelife pension plan and also encompassed the shorter-term returns. Mr. Lally followed up with a second peer group, with data through 9/30/2024, over a mix of trailing short and long-term periods, which illustrated how some of the best performing Houston plans appeared to underperform when viewed from a short-term perspective. He concluded that over short-term

periods, such as the past couple years, the movement of public and private markets produced performance metrics that did not always accurately reflect the overall long-term performance of a pension plan. He stated that focus should not be placed on any one bad year, but rather on long-term accumulation and consistently producing strong results without prolonged negative streaks. Trustee Fowler expressed his appreciation for the comparisons, noting their importance during a period of change. Mr. Lally stated that Meketa would consider repeating the exercise every couple of years. No motion necessary.

### d. Manager Recommendations

Aaron Lally presented his first recommendation. He informed the board that the Fund had a small weight of 1% invested in Westwood Large Cap Value, which included US stocks in large companies with a value tilt. He explained that Westwood had performed well and had beaten their benchmark over the long term, but as AFRF continued the path of implementing the passive framework and simplifying their portfolio, Meketa recommended liquidating the strategy and moving approximately \$10 million into the S&P 500 to benefit from similar exposure at a lower cost. Trustee Fowler made a motion to terminate Westwood and reallocate the proceeds of approximately \$10 million into the SSGA S&P 500 index. Trustee Weaver seconded the motion. The motion passed unanimously.

Aaron Lally presented his second recommendation. He explained that Highclere was an active manager that invested in stocks of smaller companies in non-US developed nations, and that while nothing was inherently wrong with the manager, their fees were high, and their results had been consistently subpar over the years that Meketa had been monitoring them. Mr. Lally identified three options for board consideration, which included replacing the strategy with a passive index fund, replacing the strategy with an enhanced index fund, or remaining with Highclere and seeking a significant fee discount. Mr. Lally reported that Meketa's attempts to seek a discount from Highclere had been unsuccessful so far. He emphasized the importance of remaining invested in the small cap asset class over the long term instead of terminating the strategy at a low. Mr. Lally further explained that a passive index fund would be the cheapest option for maintaining exposure in the asset class, while the enhanced index fund would be more expensive, but significantly less than the active manager. He stated that the enhanced index would be Dimensional, a large mutual fund asset manager, with whom the Fund already has exposure in emerging markets. Mr. Lally reported that Dimensional had a history of outperformance and would be easy for the Fund to implement. Trustee Weaver explained that she had been monitoring Highclere for a long time and that due to their consistent underperformance, the board should not consider keeping Highclere. She stated that her preference between the two suitable options would be to reallocate proceeds to Dimensional. Trustee Bass expressed confidence that the asset class would eventually rebound but noted that there was no guarantee that Highclere would. He explained that while it was not advantageous to trade out at a loss, if the manager failed to rebound or potentially closed, it would be best for the Fund to have made that decision as early as possible. He agreed with Trustee Weaver that either replacement strategy would be suitable, but voiced his preference for the purely passive option. Vice Chair Woolverton agreed with terminating Highclere and noted his preference for reallocating to Dimensional. Trustee Fowler made a motion to terminate Highclere and reallocate the proceeds to Dimensional. Trustee Weaver seconded the motion. The motion passed unanimously.

### e. Passive Framework

initiative that had been executed by the board and Meketa during the prior year. He stated that while there were different perspectives regarding the benefits of active versus passive management, Meketa gravitated toward being selective and actively investing only where the fees were justified by performance. Mr. Lally revisited the original passive framework, executed in 2023 and 2024, which moved 10% of the plan from actively managed strategies to existing passive indices within the plan. He stated that the move had resulted in fee savings of approximately \$800,000 annually. Mr. Lally further explained that the process had been very formulaic, with both quantitative and qualitative considerations, and had moved \$10 million each month from well-performing active managers into the passive framework. He asked the board to consider whether they would like to continue to increase passive exposure through the Passive 2.0 framework, which would feature the same goal and fee savings, but with a more subjective approach to avoid being solely invested in the biggest base index funds (like the SP500 or MSCI EAFE). He explained that instead of moving \$10 million each month, Meketa would occasionally recommend a full termination or movement of larger amounts, such as the board had done with the termination and reallocation of Highclere to Dimensional. Mr. Lally also asked the board to consider whether they would like to count enhanced index funds, such as Dimensional, as part of the passive strategy. He reiterated that asset classes are more important than individual managers in long-term investments, and therefore passive investment provided the most efficient long-term exposure to the market. Trustee Fowler made a motion to approve the Passive 2.0 Framework as presented. Trustee Weaver seconded the motion. The motion passed unanimously. Trustee Bass added that only purely passive strategies should be counted toward the passive framework for simplicity and to avoid any subjectivity on the matter. Mr. Lally voiced his support for that decision and informed the board that their index fund provider, State Street Global Advisors (SSGA), had provided a new fee schedule which would result in an immediate \$50,000 annual fee saving for the Fund on their index products.

III. Consider third reading and adoption of proposed changes to the Investment Policy Statement (IPS)

Vice Chair Woolverton offered a reminder that Fund statute required the board to approve the IPS at three consecutive meetings, and that the board had granted first approval at the December 2024 meeting, second approval at the January 2025 meeting, and would presently consider the final adoption of the IPS. Trustee Fowler made a motion to approve the IPS on third reading as it was presented in December 2024. Trustee Weaver seconded the motion. The motion passed unanimously.

IV. Consider adoption of proposed changes to the Investment Policy Operating Procedures

Vice Chair Woolverton explained that the Investment Policy Operating Procedures was a separate but related document to the IPS, which did not require three readings, but did follow a member comment process as set forth in the Fund Rules. He stated that the policy was first approved at the December 2024 meeting for member comments and had been posted to the Fund's website accordingly. Anumeha Kumar stated that staff had received comments from one member, which were shared with the board in accordance with the policy. Vice Chair Woolverton confirmed that he had received the comments. Trustee Fowler made a motion to approve the Investment Policy Operating Procedures as presented. Trustee Weaver seconded the motion. The motion passed unanimously.

V. Update on Texas Legislative Session 89(R), including status of City of Austin and AFRF pension reform bills for a Voluntary Funding Soundness Restoration Plan (FSRP)

Anumeha Kumar provided the board with a bill tracking report from the Pension Review Board (PRB) for Texas Legislative Session 89(R), which was currently in session, and reported that the House Pensions Committee had been announced and the committee has posted for its first organizational hearing the following week. Ms. Kumar noted that the PRB report included several statewide retirement system bills and several cost-of-living adjustment (COLA) related bills. At a local level, Ms. Kumar explained that among the bills filed for municipal systems, Representative Bucy had filed House Bill 2802 (HB 2802) on behalf of the City of Austin with proposed pension reforms for the Fund. Ms. Kumar highlighted several components of the City's bill and noted that while some were anticipated, others were new to the Fund. She explained that HB 2802 proposed an increase to the board size from five to seven, which the Fund agreed with, but would also change the structure of the board to replace the Mayor with a City Council member as presiding officer, replace the City Treasurer with the Chief Financial Officer, and would add two citizen members, one of which would be appointed by City Council and the other appointed by the board. Ms. Kumar emphasized that the proposed change to the board structure would not include an additional firefighter position, which the Fund disagreed with. Regarding the COLA provision, Ms. Kumar explained that HB 2802 proposed continuing the current ad hoc COLA structure, but with a new escalating threshold test to be set in statute, and with City Council approval to be required for the COLA to be granted. Ms. Kumar added that HB 2802 proposed a 25-year amortization period for the actuarially determined employer contribution (ADEC) funding policy, with a 5% corridor up and down, and a potential member contribution increase of up to 2% if the corridor was breached. Trustee Fowler asked for confirmation of his understanding that the financial stability test for the ad hoc COLA provision would essentially "move the goalpost" by becoming increasingly strenuous over time. Ms. Kumar confirmed that the test would become more strenuous every five years as laid out in the bill. She added that the COLA provision would not resolve the structural issue that had been identified by the Working Group, in which COLAs were funded entirely by investment gains. Ms. Kumar stated that the Fund was still actively working to get their own bill filed. No motion necessary.

### VI. Consider Securities Litigation Matter

Alyca Garrison explained that one of the Fund's securities litigation monitoring firms had brought a case to the Fund for consideration, but in the time since the agenda was posted, the facts of that case had changed such that their recommendation was no longer to seek lead plaintiff status. Ms. Garrison reported that they had gone through the process as set forth in policy and had spoken with the firm, but there was no recommendation for the board at that time. No motion necessary.

- VII. Executive Director Report, including the following (Discussion Only)
  - a. General comments

### No general comments.

Pension Administration System (PAS) software update, including changes to retiree payroll processing

Anumeha Kumar informed the board that staff had entered the final stage of the software development process and were on track to complete the upgrade by the end of the year. She explained that the software would be implemented in 2026 after a period of parallel processing with the legacy system and would be followed by a phased-in release of the MemberDirect portal. Ms. Kumar described the current procedures for retiree payroll processing, which

required duplication of work in two systems of record between the PAS software and the external portal for State Street, which would then complete the payroll processing for the Fund. Ms. Kumar explained that the new PAS software would be more sophisticated and secure and would provide staff with the capability of processing payroll entirely in-house, which would be more efficient and allow for a uniform and interactive interface between the PAS software, the electronic document management system (EDMS), and the member portal. She further explained that while State Street would continue to serve as the Fund's custodian bank, having State Street process payroll incurred additional fees and would lead to additional expenses and challenges with the software development, both in terms of customizing the software to interact with State Street and in terms of making important documents, such as 1099s, available to members through the MemberDirect portal. Ms. Kumar stated that bringing payroll in-house would require additional work from staff, but staff had been willing to take on the additional workload to ensure proper payroll processing, to make the process more efficient within one system of record, and to reduce costs for the Fund. Ms. Kumar informed the board that the retiree payroll processing change would take effect in January 2026. Vice Chair Woolverton requested a fee-savings estimate, to which John Perryman reported approximately \$8,000 per quarter. Ms. Kumar clarified that it would cumulate to approximately \$34,000 annually. Trustee Weaver voiced her support for the decision both from an internal controls perspective and from a cost-savings perspective.

b. Newsletter Update

Anumeha Kumar reported that the February newsletter had been published the day prior and was available to members on the Fund's website.

c. Internal financial statements, transactions, and Fund expense reports for month ending January 31, 2025

Anumeha Kumar stated that there was nothing notable to report. The trustees had no questions regarding the financial statements.

VIII. Roadmap for future meetings

The trustees had no questions or requests regarding the roadmap.

IX. Call for future agenda items

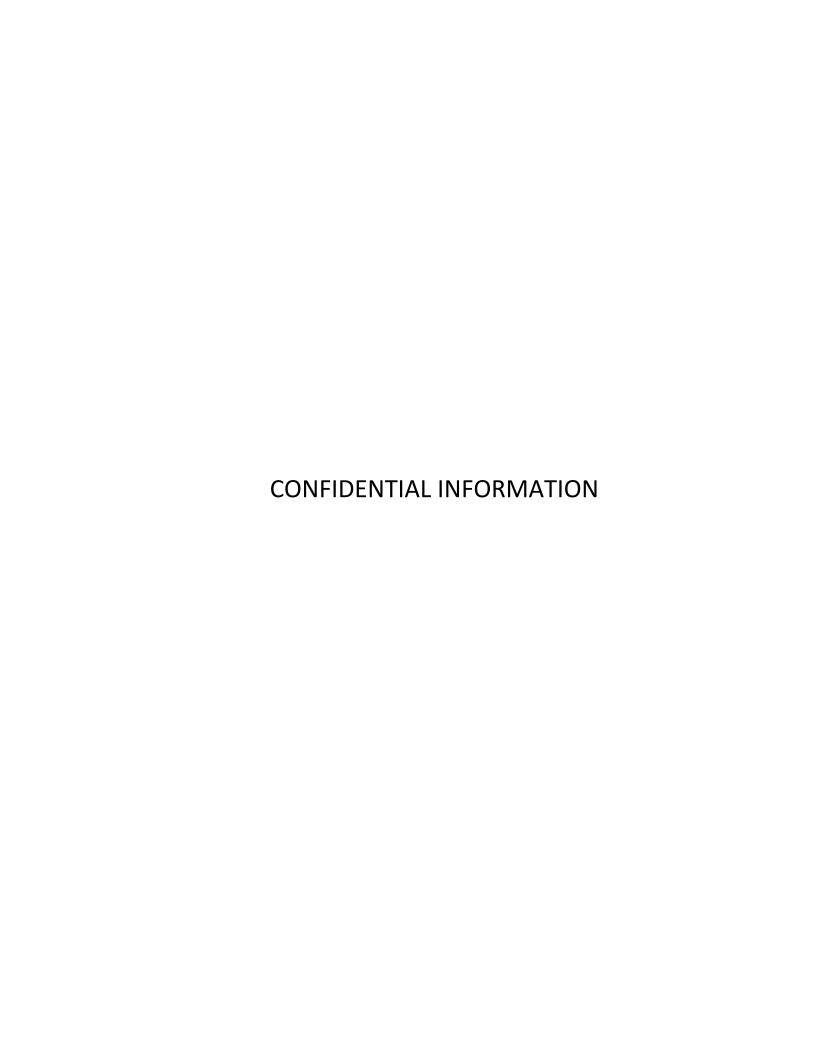
No future agenda items were called for.

Hearing no objections, Vice Chair Woolverton adjourned the meeting at 10:19am.

### **Board Members**

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







### **RECENT HISTORY**

#### 2021

AFRF experienced strong returns and was close to 100% (MVA) funded. Austin firefighters **do not participate in social security**; therefore, the Fund's governing statute includes a provision for an ad hoc COLA in years of strong financial health. The AFRF actuary performed a financial stability test that determined a 5.4% (CPI-U) COLA could be granted in accordance with statute.

#### 2022

AFRF started experiencing financial stress following the market dip. The COLA granted in 2021 created a wider funding gap because the gains that should have been reserved for future investment losses had been depleted.

#### 2023

AFRF proactively established a working group to seek changes to the AFRF funding structure to ensure long-term sustainability. This action was taken on a voluntary basis, prior to those changes being required under the existing law. Upon thorough review, the working group identified the primary cause of the financial stress to be the structural issue of using investment gains to pay ad hoc COLAs.

#### CITY OF AUSTIN PEER SYSTEMS

AFRF is **better funded** at 79.6% (MVA) and will continue to have a significantly **lower unfunded liability** post-reform. Firefighters are also the only COA employees who **do not receive social security benefits** and have the **second highest member contribution rate in Texas** at 18.7%. (*Data 12/31/23*)



~\$380 Million
Post-Reform Projection





\$2.3 Billion
Current Unfunded Liability





\$763 Million
Current Unfunded Liability





# **SB 2345**

Voluntary Funding Soundness Restoration Plan for Austin Firefighters Retirement Fund (AFRF)

by Senator Schwertner

#### **BILL BACKGROUND**

- AFRF has a long history of being well-funded with strong investment returns and a better funding status and lower unfunded liability than its COA peers.
- SB 2345 proposes a long-term solution by addressing the structural issues with ad hoc COLAs, lowering the overall cost of the Fund by reducing benefits for new hires, moving to a more appropriate ADEC funding model, and improving the governance structure.
- SB 2345 provides pension reform using a similar funding structure as the City of Austin peer systems.

#### **BILL SUMMARY**

#### **Reduced Benefits for New Hires and Current Actives**

(New Hires - hired on or after 1/1/2026)

- Smaller retirement annuity benefit for new hires
- Stronger early retirement penalty for current actives; no early retirement option for new hires
- Modified DROP lump-sum program (lower cost)

### **More Appropriate Funding Model**

- ADEC replaces the fixed rate, currently at 22.05%
- Determined annually with COA review and input
- ADEC includes a portion to pay off the existing liability
- Corridor included as a guardrail for increase/decrease; member contribution increase and COLA freeze also offered to limit potential funding burden on COA

#### **Improved Governance Structure**

- AFRF Board increase from 5 to 7 trustees, adding one firefighter and one citizen appointed by the City of Austin
- Mayor may appoint a designee to ensure participation

#### **Modified COLA Structure**

• Financially sustainable COLA option design

#### **COLA SUMMARY**

COLAs are necessary benefit adjustments for some Austin firefighters to retain purchasing power in retirement without social security protection.

#### **Current Ad Hoc COLA**

- Only paid when AFRF is financially sound
- Unpredictable and not fiscally responsible; PRB discourages the use of ad hoc COLAs
- Significant contributor to the current funding deficit; ad hoc COLAs spend investment gains instead of maintaining reserves to withstand challenging market periods

#### **Fixed Prefunded COLA**

- SB 2345 provides a modest 1% COLA that would not begin until age 62 or later, like social security
- It is more responsible to prefund COLAs through contributions; prefunded COLAs are not subject to inflation volatility
- Prefunded COLAs provide predictability for both retired firefighters and COA budget planning
- The 1% COLA would be a **reduction** from the historic annual average of 2% granted by AFRF over the last 40 years
- For current active members and new hires, a member choice provision restricts members from both receiving COLAs and participating in the lump sum DROP program; they will be required to select one option upon retirement
- One-time cost of \$89 million for retiree COLA; no future cost expected due to member preference for DROP under the member choice provision

## **VERSUS SB 2162 (COA)**

- SB 2162 does not fix the broken structure; it aims to minimize short-term costs for COA by perpetuating existing challenges that increase funding risks and long-term costs
- Maintaining the broken ad hoc structure will make it harder to grant COLAs to retirees
- The ad hoc structure will increase the likelihood of an ADEC corridor breach – resulting in increased COA and firefighter contribution rates due to depletion of AFRF investment gains



March 20, 2025

# **Teacher Retirement System of Texas**

Bill Number	Author/Sponsor	Caption	Companions	Last Action
<u>HB 2</u>	Buckley	Relating to public education and public school finance.		3/6/2025 H Left pending in committee
<u>HB 3</u>	Buckley	Relating to the establishment of an education savings account program.	SB 2 by Creighton, Similar	3/12/2025 H Left pending in committee
HB 120	Bell, Keith	Relating to career and technology education programs in public schools, the Rural Pathway Excellence Partnership (R-PEP) program, and a high school advising program, including funding for those programs under the Foundation School Program, and to the new instructional facility allotment and the permissible uses of funding under the Foundation School Program.		3/18/2025 H Reported favorably as substituted
HB 1057	Bhojani	Relating to placement on the minimum salary schedule and service credit in the Teacher Retirement System of Texas for certain public school career or technology education teachers.		3/7/2025 H Referred to subcommittee on Academic & Career-Oriented Education by Speaker

HB 1166	Raymond	Relating to retirees of the Teacher		3/7/2025 H
		Retirement System of Texas who resume		Referred to
		certain employment with a school district.		Pensions,
				Investments, &
				Financial Services
HB 1257	Bryant	Relating to the compensation of public		3/10/2025 H
		school educators, the public school finance		Referred to Public
		system, public school prekindergarten and		Education
		kindergarten programs, and the school		
		health and related services program.		
HB 1596	Plesa	Relating to cost-of-living increases	HB 2087 by Martinez;	3/12/2025 H
		applicable to certain benefits paid by the	HB 2319 by Hernandez,	Referred to
		Teacher Retirement System of Texas.	Duplicate	Pensions,
				Investments &
				Financial Services
HB 2087	Martinez	Relating to cost-of-living increases	HB 1596 by Plesa; HB	3/14/2025 H
		applicable to certain benefits paid by the	2319 by Hernandez,	Referred to
		Teacher Retirement System of Texas.	Duplicate	Pensions,
				Investments &
				Financial Services
HB 2130	Dean	Relating to the payment of certain		3/14/2025 H
		employer contributions for retirees of the		Referred to
		Teacher Retirement System of Texas who		Pensions,
		resume service.		Investments &
				Financial Services
HB 2163	Allen	Relating to benefits paid by the Teacher		3/14/2025 H
		Retirement System of Texas.		Referred to
				Pensions,
				Investments &
				Financial Services

HB 2319	Hernandez	Relating to cost-of-living increases applicable to certain benefits paid by the Teacher Retirement System of Texas.	HB 1596 by Plesa; HB 2087 by Martinez, Duplicate	3/14/2025 H Referred to Pensions, Investments & Financial Services
HB 2419	González, Mary	Relating to special education and special education funding under the Foundation School Program.		3/17/2025 H Referred to Public Education
HB 2554	Allen	Relating to the payment of certain employer contributions for employed retirees of the Teacher Retirement System of Texas.		3/17/2025 H Referred to Pensions, Investments & Financial Services
HB 3128	Bhojani	Relating to retirees of the Teacher Retirement System of Texas who resume certain employment with a school district.		3/20/2025 H Referred to Pensions, Investments & Financial Services
HB 3221	Tepper	Relating to certain employer contributions to the Teacher Retirement System of Texas.	SB 1128 by Middleton, Identical	3/20/2025 H Referred to Pensions, Investments & Financial Services
HB 3245	LaHood	Relating to requiring school districts to annually provide information regarding employee benefits to district employees, retired district employees, and their families.		3/20/2025 H Referred to Public Education
HB 3857	Bucy	Relating to cost-of-living adjustments applicable to certain benefits paid by the Teacher Retirement System of Texas and a		3/5/2025 Filed

		biennial study on providing additional cost- of-living adjustments based on the effects of increased inflation.		
HB 4029	Guillen	Relating to retirement benefits for certain law enforcement officers who are members of the Teacher Retirement System of Texas, including the creation of a supplemental program retirement fund.		3/7/2025 Filed
HB 4096	Schatzline	Relating to a limitation on the salary of school administrators of school districts.		3/7/2025 Filed
HB 4161	Muñoz	Relating to cost-of-living increases applicable to certain benefits paid by the Teacher Retirement System of Texas.		3/10/2025 Filed
HB 4319	Toth	Relating to the establishment of service credit in the Teacher Retirement System of Texas for certain military service by members of the Texas National Guard.		3/11/2025 Filed
HB 4837	Anchia	Relating to employer contributions for retirees of the Teacher Retirement System of Texas who resume certain employment with a public school.	SB 2491 by Parker, Identical	3/13/2025 Filed
HB 4945	Ashby	Relating to a study conducted by the Teacher Retirement System of Texas on the feasibility of offering alternative service retirement benefits to Texas A&M Forest Service wildland firefighters that are members of the retirement system.		3/13/2025 Filed
HB 5156	Bryant	Relating to cost-of-living adjustments applicable to certain benefits paid by the Teacher Retirement System of Texas.		3/14/2025 Filed
HB 5322	Barry	Relating to benefits paid by the Teacher Retirement System of Texas		3/14/2025 Filed

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HB 5429	Bryant	Relating to salary deductions for certain		3/14/2025 Filed
		benefits approved by the Teacher		
		Retirement System of Texas for certain		
		public educational entity employees.		
HB 5627	Capriglione	Relating to the creation of the Texas		3/14/2025 Filed
		Commission on Public School Teacher		
		Retirement Funding Transparency.		
<u>SB 2</u>	Creighton, Bettencourt,	Relating to the establishment of an		2/25/2025 H
	Campbell, Hagenbuch,	education savings account program.		Referred to Public
	Hinojosa, A., King,			Education
	Middleton, Parker,			
	Paxton			
SB 26	Creighton	Relating to public education, including the		2/27/2025 H
		rights and compensation of public school		Received from the
		educators and funding for teacher		Senate
		compensation under the Foundation School		
		Program.		
SB 27	Creighton	Relating to the rights of public school		02/28/2025 S
		educators and assistance provided to public		Referred to
		schools by the Texas Education Agency		Education K-16
		related to public school educators.		
SB 174	Menéndez	Relating to a cost-of-living adjustment		2/3/2025 S
		applicable to certain benefits paid by the		Referred to
		Teacher Retirement System of Texas.		Finance
SB 192	Menéndez	Relating to a grant program to reimburse		2/3/2025 S
		public schools for certain costs associated		Referred to
		with hiring retired teachers.		Education K-16
SB 1128	Middleton	Relating to certain employer contributions		2/24/2025 S
		to the Teacher Retirement System of		Referred to
		Texas.		Finance
SB 2491	Parker	Relating to employer contributions for	HB 4837 by Anchia,	3/13/2025 Filed
		retirees of the Teacher Retirement System	Identical	, ,
			•.••.	

of Texas who resume certain employment	
with a public school.	

# **Employees Retirement System of Texas**

Bill Number	Author/Sponsor	Caption	Companions	Last Action
HB 237	Bucy	Relating to a pay raise for certain state	SB 572 by Eckhardt,	2/27/2025 H
		employees.	Identical	Referred to
				Appropriations
HB 245	Wilson	Relating to the treatment of military		2/27/2025 H
		service credit in the Employees Retirement		Referred to
		System of Texas as law enforcement or		Pensions,
		custodial officer service.		Investments &
				Financial Services
HB 343	Bucy	Relating to providing a cost-of-living	SB 573 by Eckhardt,	2/28/2025 H
		adjustment applicable to certain benefits	Zaffirini, Identical	Referred to
		paid by the Employees Retirement System		Pensions,
		of Texas.		Investments &
				Financial Services
HB 572	Bell, Cecil	Relating to the purchase of military service		3/3/2025 H
		credit in the Employees Retirement System		Referred to
		of Texas.		Pensions,
				Investments &
				Financial Services
HB 803	Goodwin	Relating to the monthly amount of		3/5/2025 H
		longevity pay for state employees.		Referred to
				Delivery of
				Government
				Efficiency
HB 886	Vasut	Relating to a one-time supplemental		3/6/2025 H
		payment of benefits under the Employees		Referred to
		Retirement System of Texas.		Pensions,

				Investments & Financial Services
HB 1086	Curry	Relating to a cost-of-living adjustment applicable to certain benefits paid by the Employees Retirement System of Texas.		3/7/2025 H Referred to Pensions, Investments & Financial Services
HB 1611	Lujan	Relating to eligibility for custodial officer service in the Employees Retirement System of Texas by certain juvenile correctional officers and caseworkers employed by the Texas Juvenile Justice Department.	SB 1115 by Hinojosa, Identical	3/12/2025 H Referred to Pensions, Investments & Financial Services
HB 2434	Plesa	Relating to the purchase of service credit by certain members of the Employees Retirement System of Texas.		3/17/2025 H Referred to Pensions, Investments & Financial Services
HB 3870	Allen	Relating to certain benefits paid by the Employees Retirement System of Texas.		3/5/2025 Filed
HB 4537	Geren	Relating to service retirement benefits payable by the Employees Retirement System of Texas to certain law enforcement officers and custodial officers.	SB 1737 by Huffman, Identical	3/12/2025 Filed
HB 4694	Lopez, Janie	Relating to benefits available under the Employees Retirement System of Texas for certain retirees who resume membership in the employee class of membership.		3/12/2025 Filed
HB 4497	Shofner	Relating to the compensation, reimbursement of expenses, and		3/12/2025 Filed

		retirement benefits of a member of the State Board of Education.		
HB 5167	Bell, Cecil	Relating to membership in the Employees Retirement System of Texas by certain service members of the Texas National Guard.		3/14/2025 Filed
HB 5191	Smithee	Relating to providing a one-time supplemental payment and a cost-of-living adjustment applicable to certain benefits paid by the Teacher Retirement System of Texas.		3/14/2025 Filed
HB 5632	Guillen	Relating to a change of beneficiary by a retiree of the Employees Retirement System of Texas.		3/14/2025 Filed
SB 48	Zaffirini	Relating to paid leave by certain state employees for the birth or adoption of a child.		2/3/2025 S Referred to Education K-16
SB 572	Eckhardt, Zaffirini	Relating to a pay raise for certain state employees.	HB 237 by Bucy, Identical	2/3/2025 S Referred to Finance
SB 573	Eckhardt, Zaffirini	Relating to providing a cost-of-living adjustment applicable to certain benefits paid by the Employees Retirement System of Texas.	HB 343 by Bucy, Identical	2/3/2025 S Referred to Finance
SB 1115	Hinojosa	Relating to eligibility for custodial officer service in the Employees Retirement System of Texas by certain juvenile correctional officers and caseworkers employed by the Texas Juvenile Justice Department.	HB 1611 by Lujan, Identical	2/24/2025 S Referred to Finance
SB 1737	Huffman, Flores	Relating to service retirement benefits payable by the Employees Retirement		3/19/2025 S Committee repor

		System of Texas to certain law	printed and
		enforcement officers and custodial officers.	distributed
CD 4000	5.1		
SB 1892	Parker	Relating to providing a cost-of-living	3/17/2025 S
		adjustment applicable to certain benefits	Referred to
		paid by the Employees Retirement System	Finance
		of Texas.	
SB 2383	Bettencourt	Relating to the employment of certain	3/12/2025 Filed
		peace officers of the Department of Public	
		Safety.	
SB 2472	Menéndez	Relating to providing a one-time	3/13/2025 Filed
		supplemental payment and a cost-of-living	
		adjustment applicable to certain benefits	
		paid by the Employees Retirement System	
		of Texas.	
SB 2582	Nichols	Relating to the compensation,	3/13/2025 Filed
		reimbursement of expenses, and	
		retirement benefits of a member of the	
		State Board of Education.	
SB 2865	West	Relating to types of benefits offered by the	3/14/2025 Filed
		retirement system.	

# Judicial Retirement System II

Bill Number	Author/Sponsor	Caption	Companions	Last Action
HB 1761	Leach	Relating to the discipline of judges by the	SB 293 by Huffman,	3/14/2025 H
		State Commission on Judicial Conduct,	Identical	Referred to
		notice of certain reprimands, judicial		Judiciary & Civil
		compensation and related retirement		Jurisprudence
		benefits, and the reporting of certain		
		judicial transparency information;		
		authorizing an administrative penalty.		
HB 2064	Holt	Relating to the discipline of judges by the	SB 293 by Huffman	3/14/2025 H
		State Commission on Judicial Conduct,		Referred to

		notice of certain reprimands, judicial compensation and related retirement benefits, and the reporting of certain judicial transparency information; authorizing an administrative penalty.		Judiciary & Civil Jurisprudence
HB 4641	Bonnen	Relating to the resumption of service by certain judicial officers under the Judicial Retirement System of Texas Plan Two.	SB 1738 by Huffman, Identical	3/12/2025 Filed
HB 4080	Vasut	Relating to the compensation of a district judge and the associated retirement benefits of certain other elected state officials.		3/7/2025 Filed
HB 4802	Cook	Relating to certain benefits payable by the Judicial Retirement System of Texas Plan One and the Judicial Retirement System of Texas Plan Two.		3/13/2025 Filed
HB 5128	Leach	Relating to court administration, including the term of a local administrative judge, court administration training, and the compensation of certain administrative judges.	SB 2070 by Zaffirini, Identical	3/13/2025 Filed
HB 5130	Leach	Relating to the additional compensation certain counties pay to judges and justices for extrajudicial services.		3/13/2025 Filed
HB 5171	Hayes	Relating to providing a one-time supplemental payment and an annual cost-of-living adjustment applicable to certain benefits paid by the Judicial Retirement System of Texas Plan One and Judicial Retirement System of Texas Plan Two.		3/14/2025 Filed
SB 293	Huffman	Relating to the discipline of judges by the State Commission on Judicial Conduct, notice of certain reprimands, judicial	HB 1761 by Leach, Identical	3/13/2025 H Received from the Senate

		compensation and related retirement benefits, and the reporting of certain judicial transparency information; authorizing an administrative penalty.		
SB 717	Sparks	Relating to the additional compensation certain counties pay to judges and justices for extrajudicial services.		2/7/2025 S Referred to Finance
SB 1738	Huffman	Relating to the resumption of service by certain judicial officers under the Judicial Retirement System of Texas Plan Two.		3/19/2025 S Vote taken in committee
SB 2070	Zaffirini	Relating to court administration, including the term of a local administrative judge, court administration training, and the compensation of certain administrative judges.	HB 5128 by Leach, Identical	3/7/2025 Filed
SB 2884	Hughes	Relating to an annual salary supplement for a judge of a division of the business court.		3/14/2025 Filed

# Texas Municipal Retirement System

Bill Number	Author/Sponsor	Caption	Companions	Last Action
HB 3161	Villalobos	Relating to member contributions to the	SB 1544 by Hinojosa,	3/20/2025 H
		Texas Municipal Retirement System.	Adam, Identical	Referred to
				Pensions,
				Investments &
				Financial Services
HB 4461	Morgan	Relating to the issuance of obligations by certain counties to pay the unfunded liabilities of the county to a public retirement system.	SB 2904 by Miles, Identical	3/11/2025 Filed

HB 4609	Dean	Relating to participation in, administration	SB 2436 by Parker,	3/12/2025 Filed
		of, contributions to, and benefits under the	Identical	
		Texas Municipal Retirement System.		
SB 1544	Hinojosa, Adam	Relating to member contributions to the	HB 3161 by Villalobos,	3/6/2025 S
		Texas Municipal Retirement System.	Identical	Referred to
				Finance
SB 2436	Parker	Relating to participation in, administration	HB 4609 by Dean,	3/13/2025 Filed
		of, contributions to, and benefits under the	Identical	
		Texas Municipal Retirement System		
SB 2904	Miles	Relating to the issuance of obligations by	HB 4461 by Morgan,	3/14/2025 Filed
		certain counties to pay the unfunded	Identical	
		liabilities of the county to a public		
		retirement system.		

# Texas Emergency Services Retirement System

Bill Number	Author/Sponsor	Caption	Companions	Last Action
HB 4736	Bonnen	Relating to the Texas Emergency Services	SB 2065 by Huffman,	3/13/2025 Filed
		Retirement System	Identical	
SB 2065	Huffman	Relating to the Texas Emergency Services	HB 4736 by Bonnen,	3/7/2025 Filed
		Retirement System.	Identical	

# **General Bills**

Bill Number	Author/Sponsor	Caption	Companions	Last Action
<u>HB 34</u>	Metcalf	Relating to prohibiting the investment of		3/14/2025 H
		state money in certain countries and in		Referred to
		certain private business entities in those		Homeland
		countries.		Security, Public
				Safety & Veterans'
				Affairs

HB 500	Bonnen	Relating to making supplemental appropriations and reductions in appropriations and giving direction and adjustment authority regarding appropriations.		3/14/2025 H Referred to Appropriations
HB 901	Harrison	Relating to a limitation on the salary paid to officers and employees of this state and political subdivisions of this state.		3/6/2025 H Referred to State Affairs
HB 1601	Rosenthal	Relating to the prohibition, prevention, and remedying of certain discrimination.		3/12/2025 H Referred to State Affairs
HB 2783	Garcia	Relating to automatic participation by certain county employees in deferred compensation plans provided by certain counties.	SB 2248 by West, Identical; SB 2559 by West, Identical	3/19/2025 H Referred to Pensions, Investments & Financial Services
HB 3474	Lambert	Relating to the evaluation and reporting of investment practices and performance of certain public retirement systems.		2/27/2025 Filed
HB 3776	Paul	Relating to reporting requirements for a public retirement system that authorizes the system's shares to be voted by a proxy advisor or investment manager.		3/5/2025 Filed
HB 4144	Turner	Relating to supplemental benefits for retired firefighters and peace officers diagnosed with certain diseases or illnesses.		3/10/2025 Filed
HB 4807	Paul	Relating to the fiduciary responsibility of the governing body of the public retirement systems in this state and the investment managers and proxy advisors acting on behalf of those systems.		3/13/2025 Filed

HB 4921	Davis, Yvonne	Relating to restrictions on the use of state funds to benefit private entities that	3/13/2025 Filed
		·	
LID FO1F	Geren	outsource jobs to foreign countries.	3/13/2025 Filed
<u>HB 5015</u>	Geren	Relating to participation by certain	3/13/2025 Filed
		retirement systems in the proportionate	
		retirement program.	0/44/0005 511
HB 5535	Bryant	Relating to types of benefits offered by the	3/14/2025 Filed
		retirement system.	- 1 - 1
<u>SJR 57</u>	Huffman	Proposing a constitutional amendment	3/19/2025 S
		prohibiting the use of state funds to pay for	Committee report
		the obligations of a local public retirement	printed and
		system.	distributed
<u>SB 190</u>	Menéndez, Blanco, Cook,	Relating to the repeal of statutes regarding	2/3/2025 S
	Eckhardt, Gutierrez,	the criminality or unacceptability of	Referred to State
	Johnson	homosexual conduct and to the recognition	Affairs
		of certain same-sex relationship statuses.	
SB 312	Hughes	Relating to the fiduciary responsibility of	2/3/2025 S
		the governing body of the public retirement	Referred to State
		systems in this state and the investment	Affairs
		managers and proxy advisors acting on	
		behalf of those systems.	
SB 667	Hughes	Relating to prohibiting state retirement	3/17/2025 S Left
		systems from investing in certain Chinese-	pending in
		affiliated entities.	committee
SB 1724	Johnson	Relating to certain statutory changes to	3/13/2025 S
		reflect and address same-sex marriages and	Referred to State
		parenting relationships and to the removal	Affairs
		of provisions regarding the criminality or	
		unacceptability of homosexual conduct.	
SB 1912	Eckhardt	Relating to contracting with companies that	3/17/2025 S
<u> </u>		boycott certain energy companies	Referred to
			Natural Resources
			14acarar Nesources

SB 2248	West	Relating to automatic participation by	HB 2783 by Garcia,	3/11/2025 Filed
		certain county employees in deferred	Linda, Identical; SB	
		compensation plans provided by certain	2559 by West,	
		counties.	Duplicate	
SB 2559	West	Relating to automatic participation by	HB 2783 by Garcia,	3/13/2025 Filed
		certain county employees in deferred	Linda, Identical; SB	
		compensation plans provided by certain	2248 by West,	
		counties.	Duplicate	

# Austin Firefighters Retirement Fund

Bill Number	Author/Sponsor	Caption	Companions	Last Action
HB 2802	Bucy	Relating to the public retirement systems	SB 2162 by Flores,	3/19/2025 H
		for employees of certain municipalities.	Identical	Referred to
				Pensions,
				Investments &
				Financial Services
HB 4873	Troxclair	Relating to the administration of,	SB 2345 by Schwertner,	3/13/2025 Filed
		contributions to, and benefits under	Identical	
		retirement systems for firefighters in		
		certain municipalities.		
SB 2162	Flores	Relating to the public retirement systems	HB 2802 by Bucy,	3/10/2025 Filed
		for employees of certain municipalities.	Identical	
SB 2345	Schwertner	Relating to the administration of,	HB 4873 by Troxclair,	3/13/2025 S
		contributions to, and benefits under	Identical	Referred to
		retirement systems for firefighters in		Finance
		certain municipalities.		

# Austin Police Retirement System

Bill Number Author/Sponsor	Caption	Companions	Last Action
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HB 4534	Metcalf	Relating to death benefits provided under	3/12/2025 Filed
		certain police officer retirement systems.	

# Dallas Police and Fire Pension System

Bill Number	Author/Sponsor	Caption	Companions	Last Action
HB 3280	Anchía	Relating to participation in a deferred	SB 1529 by West,	3/20/2025 H
		retirement option plan by members of the	Identical	Referred to
		retirement systems for police and fire		Pensions,
		fighters in certain municipalities.		Investments &
				Financial Services
HB 3987	Davis, Yvonne	Relating to certain distributions from		3/6/2025 Filed
		deferred retirement option plans		
		established under public retirement		
		systems for police and firefighters in certain		
		municipalities.		
HB 3988	Davis, Yvonne	Relating to certain deferred retirement		3/6/2025 Filed
		option plan benefits under public		
		retirement systems for police and		
		firefighters in certain municipalities.		
HB 4280	Davis, Yvonne	Relating to deferred retirement option		3/10/2025 Filed
		plans under the public retirement systems		
		for police and firefighters in certain		
		municipalities.		
HB 4875	Davis, Yvonne	Relating to the board of trustees of the		3/13/2025 Filed
		retirement systems for police and		
		firefighters in certain municipalities.		
SB 1527	West	Relating to the administration of,		3/19/2025 S Vote
		contributions to, and benefits under the		taken in
		public retirement systems for police and		committee
		firefighters in certain municipalities.		

SB 1529	West	Relating to participation in a deferred	HB 3280 by Anchía,	3/6/2025 S
		retirement option plan by members of the	Identical; SB 2590 (88R)	Referred to
		retirement systems for police and fire	by West	Finance
		fighters in certain municipalities.		

# Houston Firefighters' Relief and Retirement Fund

Bill Number	Author/Sponsor	Caption	Companions	Last Action
HB 2688	Harless	Relating to the public retirement systems of		3/18/2025 H
		certain municipalities.		Referred to
				Pensions,
				Investments &
				Financial Services
SB 2234	Creighton	Relating to the firefighters' relief and		3/11/2025 Filed
		retirement fund of certain municipalities.		

# Houston Police Officers' Pension Fund

Bill Number	Author/Sponsor	Caption	Companions	Last Action
HB 3521	Harless	Relating to the police officers' public		2/28/2025 Filed
		retirement system of certain municipalities.		

# El Paso Firemen & Policemen's Pension Fund

Bill Number	Author/Sponsor	Caption	Companions	Last Action
HB 4591	González, Mary	Relating to contributions to and benefits		3/12/2025 Filed
		under certain fire and police pension funds.		



# Austin Firefighters Retirement Fund Amended Operating Budget Fiscal Year 2025

riscai	Teal 2025			
	2025	2025		
	Approved	Amended	Value	Percen
	Budget	Budget Request	Change	Chang
dministrative Expenses				
Salaries and Benefits				
Salary - Executive Director	244,800.00	-	-	
Salary - Staff	511,500.00	-	-	
Health Insurance - Staff	127,310.00	-	-	
Health Insurance - Retired Staff	6,000.00	-	-	
Payroll Taxes	58,504.00	-	-	
SEP Contribution	182,825.00	-	-	
Subtotal	1,130,939.00	-	-	
SS Retiree Payroll Process Fees	34,000.00	-	-	
Building	22,943.00	-	-	
Utilities	6,775.00	-	-	
Office Expenses	18,950.00	-	-	
Computer and Software	34,300.00	-	-	
Insurance	42,800.00	-	-	
Travel	23,500.00	-	-	
Operational Cost	24,000.00	-	-	
vestment Expenses				
Financial Consulting Fee	229,650.00	-	-	
Investment Management Fees	1,800,000.00	-	-	
Bank Custodian Services	117,000.00	-	-	
ofessional Services Expenses				
Accounting	25,000.00	-	-	
Actuarial Fees				
COLA & Additional Travel	10,000.00	-	-	
Actuarial Valuation	46,300.00	-	-	
Pension Funding Research	86,000.00	186,000.00	100,000.00	
Legal Fees				
Administrative	132,000.00	-	-	
Board Meeting	18,000.00	-	-	
Investment Review	50,000.00	-	-	
Summary Plan Descr, Records Retention & Forms	150,000.00	-	-	
Pension Funding Research/Legislation (2024/2025)	200,000.00	-	-	
Legislative Consulting	72,000.00	-	-	
Medical Disability Review	3,000.00	-	-	
Pension Software	670,000.00	-	-	
	•			
Total Firmanese	4 047 157 00	E 047 157 00	100 000 00	2.0
Total Expenses	4,947,157.00	5,047,157.00	100,000.00	2.0



# Austin Firefighters Retirement Fund Operating Budget Fiscal Year 2025

	Approved	Jan - Feb	Remaining	Percent
	Budget	Expensed	Budget	Expended
Administrative Expenses				
Salaries and Benefits				
Salary - Executive Director	244,800.00	44,166.66	200,633.34	18.04%
Salary - Staff	511,500.00	79,833.34	431,666.66	15.61%
Health Insurance	127,310.00	20,964.88	106,345.12	16.47%
Health Insurance - Retired Staff	6,000.00	300.24	5,699.76	5.00%
Payroll Taxes	58,504.00	9,806.71	48,697.29	16.76%
SEP Contribution	182,825.00	31,000.00	151,825.00	16.96%
Subtotal	1,130,939.00	186,071.83	944,867.17	16.45%
SS Retiree Payroll Process Fees	34,000.00	-	34,000.00	0.00%
Building	22,943.00	684.48	22,258.52	2.98%
Utilities	6,775.00	479.65	6,295.35	7.08%
Office Expenses	18,950.00	1,663.60	17,286.40	8.78%
Computer and Software	34,300.00	3,383.80	30,916.20	9.87%
Insurance	42,800.00	-	42,800.00	0.00%
Travel	23,500.00	50.00	23,450.00	0.21%
Operational Cost	24,000.00	9,993.10	14,006.90	41.64%
Investment Expenses				
Financial Consulting Fee	229,650.00	37,616.00	192,034.00	16.38%
Investment Management Fees	1,800,000.00	398,570.88	1,401,429.12	22.14%
Bank Custodian Services	117,000.00	30,757.70	86,242.30	26.29%
Professional Services Expenses				
Accounting	25,000.00	-	25,000.00	0.00%
Actuarial Fees				
Actuarial Valuation	46,300.00	-	46,300.00	0.00%
COLA & Additional Travel	10,000.00	-	10,000.00	0.00%
Pension Funding Research	86,000.00	10,810.00	75,190.00	12.57%
Legal Fees				
Administrative	132,000.00	20,000.00	112,000.00	15.15%
Board Meeting	18,000.00	3,000.00	15,000.00	16.67%
Investment Review	50,000.00	-	50,000.00	0.00%
Summary Plan Descr, Records Retention & Forms	150,000.00	-	150,000.00	0.00%
Pension Funding Research/Legislation (2024/2025)	200,000.00	34,934.00	165,066.00	17.47%
Legislative Consulting	72,000.00	8,000.00	64,000.00	11.11%
Medical Disability Review	3,000.00	-	3,000.00	0.00%
Pension Software	670,000.00	310.00	669,690.00	0.05%
Total Expenses	\$ 4,947,157.00	\$ 746,325.04	\$ 4,200,831.96	15.09%

# Austin Firefighters Retirement Fund Contributions and Deductions (Unaudited) as of February 28, 2025

# **Additions**

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Co	ntr	าตเ	utic	ons

City of Austin Contribution (22.05%)	5,188,695.52
Fire Fighter Contribution (18.7%)	4,400,390.31
Interest -Bank	82,191.44
Commission Recapture	2,858.31
Class Action Proceeds	-
Securities Litigation Recovery	896.04
Total Contributions	\$ 9,675,031.62

# **Deductions**

Total Nethree Payron Expenses	<del>→ 11,330,302.31</del>
Total Retiree Payroll Expenses	\$ 11,356,562.51
PAC Dues	1,493.00
Misc.	3,299.88
Union Dues	4,564.87
Benevolent Fund	-
Retiree W/H Tax Payable	1,302,976.29
Vision Ins.	7,956.56
Dental Ins	77,639.12
Medical Ins.	513,845.30
Retirees Monthly Annuity	9,444,787.49

# **Pension Lump Sum Expenses**

Total Pension Lump Sum Expenses	\$ 6,162,171.00
DROP Distributions	6,083,143.19
Contribution Refunds	79,027.81

# Austin Firefighters Retirement Fund Profit & Loss vs Actual January through February 2025

	Total		
	Jan - Feb	Budget	% of Budget
dinary Income/Expense			
Income			
City of Austin Contrib (22.05%)	5,188,695.52	27,242,000.00	19.05%
Commission Recapture	2,858.31	5,000.00	57.17%
Fire Fighter Contrib (18.7%)	4,400,390.31	23,108,000.00	19.04%
Securities Litigation Recovery	896.04		
Other Income			
Class Action Proceeds	0.00	5,000.00	0.00%
Interest - Frost Bank	2,499.60	5,000.00	49.99%
Interest - State Street	79,200.90	300,000.00	26.40%
Securities Lending - State St.	490.94	9,000.00	5.45%
Total Income	9,675,031.62	50,674,000.00	19.09%
Operating Expenses			
Administrative Expenses			
Payroll Expenses			
Payroll Expenses - Other	124,000.00	756,300.00	16.40%
Health Insurance - Staff	20,964.88	127,310.00	16.47%
Health Insurance - Retired Staff	300.24	6,000.00	5.00%
Taxes	9,806.71	58,504.00	16.76%
SEP Contribution	31,000.00	182,825.00	16.96%
Total Payroll Expenses	186,071.83	1,130,939.00	16.45%
SS Retiree Payroll Process Fees	0.00	34,000.00	0.00%
Building Expenses			
Assessment toward 2019 Project	199.64	1,883.00	10.60%
Building Maintenance/Improvemen	0.00	15,250.00	0.00%
Condo Association Dues	484.84	5,810.00	8.34%
Utilities			
Electric	108.85	2,250.00	4.84%
HVAC Program	0.00	50.00	0.00%
Internet & Cable & Telephone	289.96	3,500.00	8.28%
Water, Waste, Drainage	80.84	975.00	8.29%
Total Utilities	479.65	6,775.00	7.08%
Total Building Expenses	1,164.13	29,718.00	3.92%
Office Expenses			
Furniture (FFE)	0.00	2,000.00	0.00%
Meeting Refreshments	124.63	1,600.00	7.79%
Notary Services		250.00	0.00%
Office Maintenance	594.00	3,600.00	16.50%
Office Supplies (Office supplies expense)	24.07	2,500.00	0.96%

# Austin Firefighters Retirement Fund Profit & Loss vs Actual January through February 2025

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	Jan - Feb	Budget	% of Budget
Postage and Delivery	440.90	5,000.00	8.82%
Printing and Reproduction	480.00	4,000.00	12.00%
Total Office Expenses	1,663.60	18,950.00	8.78%
Computer and Internet Expenses			
Hosting & Other Expenses	122.54	3,000.00	4.08%
Laptop/Computer	0.00	3,000.00	0.00%
Software/IT Services	3,261.26	28,300.00	11.52%
Total Computer and Internet Expenses	3,383.80	34,300.00	9.87%
Insurance Expense			
Board & Directors Liability Ins	0.00	29,600.00	0.00%
Commercial	0.00	2,000.00	0.00%
Cybersecurity Ins.	0.00	10,000.00	0.00%
Workers Comp Ins. (Workers Comp)	0.00	1,200.00	0.00%
Total Insurance Expense	0.00	42,800.00	0.00%
Travel Expense			
Lodging/Transportation/Per Diem	0.00	16,000.00	0.00%
Registration fees	50.00	7,500.00	0.67%
Total Travel Expense	50.00	23,500.00	0.21%
Operational Cost			
Association Fees (TXPERS /NCEPRS)	9,080.00	9,100.00	99.78%
Election Services	146.44	4,400.00	3.33%
Death Verification Services	0.00	4,200.00	0.00%
Operational Cost - Other	766.66	6,300.00	12.17%
Total Operational Cost	9,993.10	24,000.00	41.64%
Investment Expenses			
Bank Custodian Services	30,757.70	117,000.00	26.29%
Financial Consulting Fee	37,616.00	229,650.00	16.38%
Investment Management Fees	398,570.88	1,800,000.00	22.14%
Total Investment Expenses	466,944.58	2,146,650.00	21.75%
Professional Fees			
Audit	0.00	25,000.00	0.00%
Actuarial Fees			
Actuarial Valuation	0.00	46,300.00	0.00%
COLA & Additional Travel	0.00	10,000.00	0.00%
Pension Funding Research	10,810.00	86,000.00	12.57%
Total Actuarial Fees	10,810.00	142,300.00	7.60%

# Austin Firefighters Retirement Fund Profit & Loss vs Actual January through February 2025

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	Jan - Feb	Budget	% of Budget
Legal Fees			
Administrative	20,000.00	132,000.00	15.15%
Board Meeting	3,000.00	18,000.00	16.67%
Investment Review	0.00	50,000.00	0.00%
Summary Plan Descr, Records Retention & Forms	0.00	150,000.00	0.00%
Pension Funding Research/Legislation (2024/2025)	34,934.00	200,000.00	17.47%
Total Legal Fees	57,934.00	550,000.00	10.53%
Legislative Consulting	8,000.00	72,000.00	11.11%
Medical Disability Review	0.00	3,000.00	0.00%
Pension Software			
Pension Software PG I	310.00	50,000.00	0.62%
Pension Software PG IV	0.00	620,000.00	0.00%
Total Pension Software	310.00	670,000.00	0.05%
Total Professional Fees	77,054.00	1,462,300.00	5.27%
Total Operating Expenses	746,325.04	4,947,157.00	15.09%
Monthly Pension Retiree Payroll			
Retirees Monthly Annuity	9,444,787.49	56,000,000.00	16.87%
Medical Ins.	513,845.30	3,700,000.00	13.89%
Dental Ins	77,639.12	466,000.00	16.66%
Vision Ins.	7,956.56	47,000.00	16.93%
Retiree W/H Tax Payable	1,302,976.29	7,750,000.00	16.81%
Benevolent Fund	0.00	59,000.00	0.00%
Misc.	3,299.88	20,000.00	16.50%
PAC Dues	1,493.00	9,200.00	16.23%
Union Dues	4,564.87	25,000.00	18.26%
Total Monthly Pension Retiree Payroll	11,356,562.51	68,076,200.00	16.68%
Pension Lump Sum			
Contribution Refunds	79,027.81	1,000,000.00	7.90%
DROP Distributions	6,083,143.19	30,000,000.00	20.28%
Total Pension Lump Sum	6,162,171.00	31,000,000.00	19.88%
Total Expense	18,265,058.55	104,023,357.00	17.56%

# Austin Firefighters Retirement Fund Assets & Liabilities Report (Unaudited) as of February 28, 2025

# **Assets**

Checking/Savings	
Frost Bank - Benefits	223,041.38
Frost Bank - Operating	7,980.07
State Street T009-Cash Agg	10,814,353.65
Total Checking/Savings	11,045,375.10
Investigation and a fair value	
Investments, at fair value	272 410 449 00
Domestic Equites	273,419,448.00
Fixed Income Securities	352,810,862.39
International Equities	264,563,720.65
Real Asset	27,691,170.27
Private Equity	162,943,029.79
Real Estate	86,738,408.38
Total Investments	1,168,166,639.48
Total Assets	\$ 1,179,212,014.58
Total Assets  Liabilities	\$ 1,179,212,014.58
	\$ 1,179,212,014.58
Liabilities  Current Liabilities	
Liabilities	5,741.86
Liabilities  Current Liabilities  Payroll Liabilities	
Liabilities  Current Liabilities  Payroll Liabilities  Operating Admin Liabilities	5,741.86
Liabilities  Current Liabilities  Payroll Liabilities  Operating Admin Liabilities  Investment Liabilities  Professional Liabilities	5,741.86 6,345.62 -
Liabilities  Current Liabilities  Payroll Liabilities  Operating Admin Liabilities  Investment Liabilities  Professional Liabilities  Long Term Liabilities	5,741.86 6,345.62 - 139,155.75
Liabilities  Current Liabilities  Payroll Liabilities Operating Admin Liabilities Investment Liabilities Professional Liabilities  Long Term Liabilities  DROP (Guaranteed 5%)	5,741.86 6,345.62 - 139,155.75
Liabilities  Current Liabilities  Payroll Liabilities  Operating Admin Liabilities  Investment Liabilities  Professional Liabilities  Long Term Liabilities	5,741.86 6,345.62 - 139,155.75

# Austin Firefighters Retirement Fund Balance Sheet As of February 28, 2025

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ASSETS	
Current Assets	
Checking/Savings	
Frost Bank - Benefits	223,041.38
Frost Bank - Operating	7,980.07
State Street T009-Cash Agg	10,814,353.65
Total Checking/Savings	11,045,375.10
Other Current Assets	
Investments	
DEQ	
SSgA S&P 500 Flagship Fund	133,835,582.61
VAUGHAN NELSON	62,548,036.72
Westfield Capital Management	65,838,027.68
Westwood Capital	11,197,800.99
Total DEQ	273,419,448.00
FI	273,419,440.00
ABERDEEN	67,219,614.15
Loomis Sayles Core Plus Bond	48,400,223.88
Pacific Asset Management	24,962,253.50
Pyramis Tactical Bond (Fidelity	27,955,631.69
SSgA Bond Fund	124,469,783.91
SSGA TIPS	59,803,355.26
Total FI	352,810,862.39
IEQ	
Baillie Gifford	38,500,406.52
DFA Emerging Markets	28,400,731.42
Highclere	30,387,932.80
SSgA MSCI EAFE Fund	131,461,948.70
TT International	35,812,701.21
Total IEQ	264,563,720.65
NR	
Aether Real Assets II	1,816,232.81
Aether Real Assets III	8,263,383.67
Aether Real Assets IV	9,255,270.02
Aether Real Assets V	8,356,283.77
Total NR	27,691,170.27
PE	
57 Stars Global Opportunity	5,517,345.78
Arcmont (Bluebay)Direct Lending	1,816,464.97
Constitution Ironsides Fund VII (50/50)	2,724,294.39
Constitution Ironsides III	1,522,761.17
Cross Creek Capital Partners II	8,401,339.28
Cross Creek Capital Parts III	9,562,849.83
Deutsche Bank SOF III	1,234,721.24
Dover Street X	35,762,024.25
Greenspring Global Partners V	6,560,781.99
GREENSPRING VI	10,082,398.92
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# Austin Firefighters Retirement Fund Balance Sheet As of February 28, 2025

Harbourvest 2013 Direct	2,990,548.03
HarbourVest Coinvestment 4	7,367,961.03
HighVista Flag V	1,430,876.44
HighVista Flag VI	4,867,173.33
LGT C Europe Small Buyouts 3	1,937,366.09
LGT Crown Asia 2	6,294,228.02
LGT Crown Global Secondaries 2	78,341.00
LGT Crown Global VI	29,100,164.04
LGT Global Secondaries III	1,758,482.00
Partners Group EM 2015	6,946,861.62
Partners Group US Dist PE 2009	59,724.00
Private Advisors Co-Inv FundIII	638,623.01
Private Equity Investors V	1,309,022.35
SVB Strategic Investors Fund IX	14,978,677.01
Total PE	162,943,029.79
RE	
Clarion Partners	64,789,340.00
Crow Holdings Realty Partners X	5,933,258.65
Partners Group Distressed '09	2,730.00
Partners Group RE Second 2011	412,958.90
Partners Group RE Second 2017	10,905,893.37
Portfolio Advisors Fund 5	4,694,227.46
Total RE	86,738,408.38
Total Investments	1,168,166,639.48
Total Other Current Assets	1,168,166,639.48
Total Current Assets	1,179,212,014.58
TOTAL ASSETS	1,179,212,014.58
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Other Current Liabilities	
Payroll Liabilities	5,741.86
Operating Admin Liabilities	6,345.62
Investment Liabilities	0.00
Professional Liabilities	139,155.75
Total Other Current Liabilities	151,243.23
Total Current Liabilities	151,243.23
Long Term Liabilities	
DROP (Guaranteed 5%)	164,788,473.86
% of Total Assets	13.97%
Total Long Term Liabilities	164,788,473.86
Total Liabilities	164,939,717.09

# Austin Firefighters Retirement Fund General Ledger

February 2025

Date	Name	Memo/Description	Split	Amount	Balance
Frost Bank - I	Benefits				
Beginning Ba	alance				\$ 248,209.40
02/06/2025	Austin FF Relief & Retirement Fund	Transfer to Operating	Frost Bank - Operating	-190,000.00	58,209.40
02/14/2025	City of Austin	City and Member's Contributions	-Split-	1,948,076.17	2,006,285.57
02/20/2025	Austin FF Relief & Retirement Fund	Transfer to State Street	State Street T009-Cash Agg	-1,800,000.00	206,285.57
02/28/2025	Frost Bank	Interest Feb 2025	Interest:Interest - Frost Bank	1,028.51	207,314.08
02/28/2025	Austin FF Relief & Retirement Fund	Transfer to State Street	State Street T009-Cash Agg	-1,900,000.00	-1,692,685.92
02/28/2025	City of Austin	City and Member's Contributions	-Split-	1,915,727.30	223,041.38
Total for Fros	t Bank - Benefits			-\$ 25,168.02	\$ 223,041.38

## Frost Bank - Operating

Beginning Balance \$ 15,811.94

02/04/2025	Parkstone Office Condominium Com	Jan 2025	-Split-	-874.17	14,937.77
02/06/2025	Austin FF Relief & Retirement Fund	Transfer to Operating	Frost Bank - Benefits	190,000.00	204,937.77
02/07/2025	City of Austin	Health Insurance Feb 2025	-Split-	-10,720.74	194,217.03
02/07/2025	Meketa Investments	Jan 2025	Fees:Financial Consulting Fee	-18,808.00	175,409.03
02/07/2025	City of Austin	Health Insurance Retired Staff Feb 2025	Payroll Expenses:Health Insurance - Retired Staff	-494.02	174,915.01
02/07/2025	TASC (FSA Health Care)	FSA Feb 2025	-Split-	-433.34	174,481.67
02/07/2025	Schlueter Group	Feb 2025 Legislative Consulting	Professional Fees:Legislative Consulting	-4,000.00	170,481.67
02/07/2025	Jani-King of Austin	Feb 2025	Office Expenses:Office Maintenance	-297.00	170,184.67
02/10/2025	Austin FF Relief & Retirement Fund	L. Adney Reimbursement Payment Feb 2025	Payroll Expenses:Health Insurance - Retired Staff	125.00	170,309.67
02/10/2025	Austin FF Relief & Retirement Fund	L. Adney Health Insurance Payment Feb 2025	Payroll Expenses:Health Insurance - Retired Staff	218.90	170,528.57
02/11/2025	Austin FF Relief & Retirement Fund	Union Reimbursement for Legislative Consulting	Professional Fees:Legislative Consulting	2,000.00	172,528.57
02/20/2025	Frost Bank	Bank Service Charges Jan 2025	Operational Cost:Bank Service Charges	-283.70	172,244.87
02/21/2025	Cheiron	Dec 2024 Analysis, Consulting, and Meetings- Pen	Professional Fees:Actuarial Fees:Pension Funding F	-10,810.00	161,434.87
02/21/2025	Jackson Walker	Legislative Matters Dec 2024	Professional Fees:Legal Fees:Pension Funding Res	-34,934.00	126,500.87
02/21/2025	Fidelity	Q4 2024 Investment Management Fees	Fees:Investment Management Fees	-21,887.96	104,612.91

otal for Fros	t Bank - Operating			-\$	7,831.87	\$ 7,980.07
02/28/2025	American Express	Feb 2025	-Split-		-2,569.62	7,980.07
02/28/2025	Payroll	Tax Payment for Period: 02/01/2025-02/28/2025	Payroll Liabilities:Federal Taxes (941/943/944)		-18,307.21	10,549.69
2/28/2025	Payroll	Pay Period: 02/01/2025-02/28/2025	Direct Deposit Payroll		-47,731.01	28,856.90
02/27/2025	Jackson Walker	Jan 2025	Professional Fees:Legal Fees:Administrative		-11,000.00	76,587.91
02/27/2025	Jackson Walker	Jan 2025	Professional Fees:Legal Fees:Board Meeting		-1,500.00	87,587.91
02/25/2025	Fidelity	Feb 2025	Payroll Expenses:SEP Contribution		-15,500.00	89,087.91
02/21/2025	Xerox	Feb 2025	Operational Cost		-25.00	104,587.91





## **Road Map of Items for Board Meetings**

## March 2025 Board Meeting

- Annual Ethics and Governance Policy Review
- 89 (R)Texas Legislative Session Update

### **April 2025 Board Meeting**

- Pension Administration System (PAS) implementation update
- 89 (R)Texas Legislative Session Update

## May 2025 Board Meeting

- Meketa 1Q25 Report
- Meketa Asset Study
- 89 (R)Texas Legislative Session Update

### June 2025 Board Meeting

- 89(R) Texas Legislative Session Conclusion Update
- Proposed changes to Fund Policies and Procedures

## July 2025 Board Meeting

- 2024 Actuarial Valuation
- 2024 Financial Audit Report
- 2024 Annual Report
- Pension Administration System (PAS) implementation update
- Mid-year Budget Update

## **August 2025 Board Meeting**

- Meketa 2Q25 Report
- Meketa 2024 Fee Review

### **September 2025 Board Meeting**

- Annual Board of Trustees Election
- Fund Newsletter
- Pension Administration System (PAS) implementation update

### **October 2025 Board Meeting**

- Pension Administration System (PAS) implementation update
- Review of Board Rules

## **November 2025 Board Meeting**

- Meketa 3Q25 Report
- Meketa Annual Fee Review
- Meketa Asset/Liability Study Discussion
- Discussion and Consideration of 2026 COLA
- Update on Trustee Election and possible election certification

### **December 2025 Board Meeting**

- Consideration and approval of 2026 Budget
- 2026 Board Meeting Dates
- Executive Director Evaluation

### **January 2026 Board Meeting**

- Vice-Chair Election
- Annual DROP Account Statements
- Revisit maximum number of DROP distributions permitted
- End-of-year Budget Report