



Austin Fire Fighters Relief and Retirement Fund
4101 Parkstone Heights Drive, Suite 270
Austin, TX 78746
Telephone: (512) 454-9567

MINUTES
AUSTIN FIREFIGHTERS RELIEF AND RETIREMENT FUND BOARD OF TRUSTEES MEETING
MONDAY, SEPTEMBER 26, 2022 AT 9:00 AM

Board Members Present

Mayor Steve Adler, Chairman
Doug Fowler, Vice-Chair
Belinda Weaver, Treasurer
Jeremy Burke, Trustee
John Bass, Trustee

Staff and Consultants Present

Anumeha Kumar, Fund Executive Director
John Perryman, Fund CFO
Kendall Twomey, Fund Benefits Manager
Debbie Hammond, Fund Benefits Specialist
Chuck Campbell, Jackson Walker

Community Members Present

Donald Lowe
Rene Vallejo
Michael McGill
Lori Davies, Avenu
Brandi Sanner, Avenu
Jason Chin, Avenu
Rhonda Nerison, LRS
John Katalinch, LRS
Sean Farris, LRS
Virtual attendees not listed

Doug Fowler called the meeting to order at 9:05 am.

Public Comments:

Rene Vallejo wanted to let anyone joining the meeting online know that ARFFA representatives, Rene Vallejo and Donald Lowe, were in attendance.

I. Minutes of the Regular Meeting on August 29, 2022

Jeremy Burke made a motion to approve the minutes of the regular meeting on August 29, 2022. John Bass seconded the motion. The motion passed unanimously.

II. Service Retirement Benefits for two applicants and one beneficiary

Jeremy Burke made a motion to approve the service retirement benefits for two applicants and one beneficiary. Belinda Weaver seconded the motion. The motion passed unanimously.

III. Discuss and consider vendor selection for the pension administration software (PAS) system

Mayor Adler left the meeting at 10:00 am and returned at 10:46 am.

Anumeha Kumar, the Executive Director, provided an overview and summarized the procurement process from last 6- to 7-month period that led up to the selection of two pension administration software system (PAS) vendors as finalists for Board consideration. The finalists, Avenu and Levi, Ray & Shoup (LRS), provided demonstrations of their software systems to the Board. Both PAS

vendors were requested to educate and inform the Board of their Web Portals, Internal PAS Solution, Internal Controls, and Integrated Document Management System during their demonstrations. Following each demonstration, Trustees were given the opportunity to ask the vendors questions.

Anumeha Kumar presented the staff recommendation for the Board to consider entering Best and Final Offer (BAFO) negotiations with LRS. Ms. Kumar proceeded to outline the justifications for the staff recommendation. The justifications included LRS' substantial experience and client base across the United States and numerous implementations within the State of Texas, the excellent user-friendly product, and the less expensive total implementation cost. LRS also has a proven track record and history with AFRRF, which will lend to smoother data migration between Version 1 and the newer system. Belinda Weaver, John Bass, and Mayor Adler voiced their support for the staff recommendation. Jeremy Burke asked questions regarding less expensive products. Mayor Adler made a motion to adopt the staff recommendation to move forward with contract negotiations with LRS. Belinda Weaver seconded the motion. Doug Fowler, John Bass, Belinda Weaver, and Mayor Adler voted aye. Jeremy Burke voted nay. The motion passed. At the conclusion of the 4-1 vote, Mr. Burke asked that the minutes contain a summary of his statement in debate. There was no support for this request as it was recognized that videos of Board meetings are available to the public to see exactly what transpired, and that it would not be appropriate to summarize the statements of only one of the five board members (the other four members all gave statements in support of an alternate position).

IV. Discuss and consider amending the Fund rules to increase the number of DROP distributions allowed from 8 to 12

Anumeha Kumar presented the amended Fund rules that include increasing the number of DROP distributions allowed from 8 to 12. After some discussion, John Bass made a motion to approve the amended Fund rules. Belinda Weaver seconded the motion. The motion passed unanimously.

V. Update on the upcoming Board of Trustee Election

Anumeha Kumar informed the Board of the two finalists for the Board of Trustee Election: Aaron Woolverton and Jeremy Burke. No motion necessary.

VI. Discuss and consider Customer Service Survey (Jeremy Burke)

Jeremy Burke presented his idea for implementing a customer service survey. Doug Fowler agreed. Anumeha Kumar confirmed that staff could create a short survey, as well as an annual customer service survey. After some discussion, the Board agreed to initiate the survey in January 2023. No motion necessary.

VII. Discuss and consider census data and special auditor's report requests from City of Austin

Anumeha Kumar informed the Board of two separate requests from the City of Austin (COA). The first request was from the city Controller's office requesting a Special Auditor's report to assist the Fund staff to gather the census data to provide to the city for their annual financial report and to avoid any potential delays. Anumeha Kumar further informed the Board that in 2021 due to resource challenges at the Fund-level, city's experience trying to gather the census data from the Fund was challenging. Additional discussion ensued regarding the cost associated with this request and the Fund's outside counsel's advice that the city should pay for the any cost associated with this request. Anumeha Kumar informed the Board that the city has agreed to pay for the first year only

and the Fund could accept that and next year Fund staff can try to respond to the census data request to identify any inefficiencies. After some additional discussion, it was agreed that ultimately the entity that benefits from the inefficiencies getting more efficient, will then ultimately pay for the cost associated with the special auditor's report. Mayor Adler made a motion to accept the recommendation for one year. Belinda Weaver seconded the motion. The motion passed unanimously.

The second request pertains to dataset that the Fund's actuaries, Foster & Foster, would provide to a company that the COA has hired to perform financial projections for the city. The city is making this request of all three pension funds in Austin and has agreed to pay for the actuary's work on behalf of the Fund. No motion necessary.

VIII. Discuss and consider securities litigation matter, including Wolf Popper's request to revise the contract

Anumeha Kumar reviewed a request from Wolf Popper, one of Fund's securities litigation firms, to amend their contract to set up a direct data feed to go to a third party. Ms. Kumar recommended the contract should not be amended. After some discussion, Jeremy Burke made a motion to bring in Wolf Popper. With no second, the motion failed. Belinda Weaver requested the Board revisit the securities litigation policy. No motion necessary.

IX. Update on custodian bank, State Street's, fee increase of 5%

Anumeha Kumar informed the Board that the Fund's custodian bank, State Street, will be increasing its fees by 5%. Fund staff will provide the Board with an update once the letter outlining the fee increase has been received from State Street. Jeremy Burke requested this be shared with Meketa, the Fund's investment consultant. No motion necessary.

X. Executive Director Report (Discussion Only)

Anumeha Kumar notified the Board of two benefit administration-related errors discovered since the previous board meeting and the status of correcting those errors.

Anumeha Kumar informed the Board that the RFP for Actuarial Services was distributed and posted a week ago. Jeremy Burke shared some concerns regarding the process for choosing final candidates. Ms. Kumar reassured the Board that staff will not make any recommendations to the Board. The Board will make the final decision.

Next, the board reviewed the financial statements. There was some discussion regarding travel expense. Belinda Weaver requested the Board review the travel policy. Chuck Campbell reminded the Board that the travel policy will be reviewed during the annual ethics policy training at the January 2023 board meeting. Jeremy Burke mentioned that in previous years a list of approved conferences had been provided to Trustees.

Finally, Anumeha Kumar reminded the Board that the proposed budget for 2023 will be presented at the next board meeting, and that she would also provide updates regarding the PAS contract negotiations.

XI. Call for future agenda items
No discussion and no motion necessary.

Hearing no objections, Doug Fowler adjourned the meeting at 12:20 pm.

Board Members

Mayor Steve Adler, Chair

Doug Fowler, Vice-Chair

Belinda Weaver, Treasurer

Jeremy Burke, Trustee

John Bass, Trustee