



Austin Fire Fighters Relief and Retirement Fund
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MINUTES
AUSTIN FIRE FIGHTERS RELIEF AND RETIREMENT FUND BOARD OF TRUSTEES MEETING
MONDAY, DECEMBER 12, 2022 AT 9:00 AM

Board Members Present

Doug Fowler, Vice-Chair
Belinda Weaver, Treasurer
John Bass, Trustee

Staff and Consultants Present

Anumeha Kumar, Fund Executive Director
John Perryman, Fund CFO
Gina Gleason, Fund Board & Operations Specialist
Shira Herbert, Fund Accounting Specialist
Chuck Campbell, Jackson Walker
Anais Stevens, Jackson Walker
Wendy Sanchez, Provaliant
Jay Masci, Provaliant
Jeff Heckler, Schlueter Group
Jason Fogle, Complete IT
Edward Adame, Complete IT

Community Members Present

Rene Vallejo
Donald Lowe
Michael McGill
Virtual attendees not listed

Vice-Chair Fowler called the meeting to order at 9:13am.

Mayor Adler and Trustee Burke were not in attendance.

Public Comments:

No public comments.

I. Minutes of the Regular Meeting on November 30, 2022

Trustee Weaver made a motion to approve the minutes of the regular meeting on November 30, 2022. Trustee Bass seconded the motion. The motion passed unanimously.

II. Service retirement benefits for one applicant and one beneficiary

Trustee Bass made a motion to approve the service retirement benefits for one applicant. Trustee Weaver seconded the motion. The motion passed unanimously. Vice-Chair Fowler requested a moment of silence to honor the firefighter who had passed. Trustee Weaver made a motion to approve the benefits for one beneficiary. Trustee Bass seconded the motion. The motion passed unanimously.

III. Recognition of outgoing trustee, Jeremy Burke

Vice-Chair Fowler presented a resolution and plaque to Trustee Burke on behalf of the Board and the Fund staff. As Trustee Burke was not in attendance, Vice-Chair Fowler confirmed that Anumeha Kumar would mail the plaque to him. Trustee Bass acknowledged the amount of

commitment and effort required to serve as a trustee and thanked Trustee Burke for his 12 years of service. No motion necessary.

IV. Discuss and consider approval of proposed 2023 Budget

Anumeha Kumar and John Perryman presented the proposed operating budget to the Board and explained each section of the budget. Kumar noted that \$20 million of the budget increase was due to accounting for the lump sum contribution refunds and DROP distributions that had not been previously accounted for in the budget. Kumar expressed mindfulness of the 2023 COLA decision when considering staff pay and emphasized that staff salaries had not been increased from the amount proposed to the Board earlier in the year. From a retention standpoint, Kumar requested the Board consider a budget line item for staff merit and retention bonuses. The Trustees all voiced support for the rationale. Trustee Weaver suggested a 6-month review for staff merit increases and indicated that the annual review for the Executive Director historically took place in February. Kumar confirmed that she was working toward implementing a 6-month review for new staff and an annual review for older staff and agreed to bring a proposed Executive Director evaluation process to the January Board Meeting for trustee review. The Trustees asked more clarifying questions regarding items in the budget and staff needs. Trustee Bass re-emphasized that much of the budget increase was a result of accounting for expenses that were previously unaccounted for, rather than a reflection of increased spending. Trustee Weaver made a motion to approve the proposed 2023 budget with the addition of \$20K to the staff retention line item. Trustee Bass seconded the motion. The motion passed unanimously.

V. Discuss and consider approval of Pension Administration Software (PAS) System Contract

Anumeha Kumar informed the Board that negotiations have successfully concluded and the total cost of implementing the PAS System came down to approx. \$4.2 million from \$4.8 million. Kumar introduced Wendy Sanchez and Jay Masci from Provaliant. Sanchez provided background information on the selection process and an overview of the negotiations with LRS. Trustee Weaver asked questions about the original hardware related expense and the warranty period, to which Sanchez clarified that a scanner would be procured by the Fund directly for cost-savings and that post-implementation support covers a ten-year period with locked-in rates. Sanchez listed everything included in the PAS contract and Masci emphasized the reductions achieved beyond those of APRS, that had recently gone through the same process with LRS. Kumar identified the many benefits to the website overhaul included in the contract. The Trustees asked clarifying questions and voiced support for the website overhaul. Sanchez provided an implementation timeline. Trustee Weaver requested that parallel processing extend past the planned one-month period. Kumar confirmed that she would ask for four months. Trustee Weaver made a motion to approve the PAS system contract. Trustee Bass seconded the motion. The motion passed unanimously.

VI. Discuss and consider approval of the Actuarial Services Contract

Anumeha Kumar informed the Board that she had started working with Cheiron and anticipates that a contract will be in place for the January Board Meeting. No motion necessary.

VII. Update on Fund's IT infrastructure upgrade

Anumeha Kumar introduced Jason Fogle and Edward Adame from Complete IT. Adame presented

a brief history of Complete IT and their suite of services. Adame emphasized the importance of cybersecurity and noted the many improvements and upgrades accomplished since Complete IT was contracted with the Fund in July. He praised Kumar for taking prompt action in response to their concerns and recommendations. Adame described Complete IT's primary focus on monitoring, threat detection and response and touted their partnerships with BitDefender antimalware and Rocketcyber monitoring and surveillance which assures 24/7 cyber protection for the Fund. The Trustees asked clarifying questions and noted the vast improvement over the previously existing IT infrastructure. Kumar assured the Board that preventative cybersecurity education was a priority and that most staff had already received training.

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

a. General comments

Anumeha Kumar informed the Board that the newsletter will touch on the major areas the Fund has been working on this year and will be released to Fund members no later than the week of December 17th. Trustee Weaver asked how often the newsletter would be released, to which Kumar promised an annual release with the goal of eventually releasing an additional, more technical newsletter in the summer. The Trustees expressed their appreciation and anticipation.

b. Update on upcoming Legislative Session

Anumeha Kumar introduced Jeff Heckler, the Fund's lobbyist from Schlueter Group. Heckler informed the Board that little had changed with the legislature following the election and that they had met with Speaker Dade Phelan at length to discuss pension issues. Heckler expressed his expectation that the upcoming 88th Legislative Session would be cordial and cooperative due to a historic budget surplus of \$27 billion. Trustee Fowler asked a question regarding concerns for the Fund. Heckler assured the Board that the only concern would be a consolidation bill, but such a bill was unlikely. Trustee Bass asked a question about the flow of communication between the Board, the Fund staff, and the Schlueter Group, to which Heckler assured that he would give routine updates on any pension bills filed and encouraged the Board to contact him anytime they have a concern. Kumar assured the Board that staff would keep a close eye on local bills and alert the Board if necessary.

c. Internal financial statements, transactions, and Fund expense reports for month ending November 30, 2022

Anumeha Kumar indicated that expenses were on track for the month. Staff would bring updated November budget including investment updates in January, which was not included due to the December meeting being early in the month.

d. Roadmap for future meetings

Anumeha Kumar explained that the current roadmap contained a high-level overview of projects for 2023 and would resume the traditional roadmaps in January. Trustee Bass suggested that a good focus for 2023 would be to have Meketa provide a framework for more passive investments and a fee reduction measure. Kumar confirmed that she would add that to the list and make Meketa aware. Trustee Bass praised Kumar and the new staff for the amount of work that had been accomplished since coming onboard and listed specific achievements. Vice-Chair Fowler echoed the appreciation.

IX. Call for future agenda items

No future items requested. No motion necessary.

X. Adjournment

Hearing no objections, Vice-Chair Fowler adjourned the meeting at 10:27am.

Board Members

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