City of Abilene

Firemen's Relief and Retirement Fund Board Agenda

Notice is hereby given of a meeting of the Firemen's Relief and Retirement Fund Board of the City of Abilene to be held on May 28, 2024 at 9:00 a.m. at City Hall, Finance Conference Room (2nd Floor), 555 Walnut, Abilene, Texas, for the purpose of considering the following agenda items.

CALL TO ORDER

PUBLIC COMMENTS

Public Comments on Any Item on the Agenda

AGENDA ITEMS

1 Consider approval of April 23, 2024 minutes.

2 Consider approval of April 2024 financial statements.

3 Discussion and possible action on the Secretary/Treasurer position.

4 Presentation of FY 2nd quarter results and April 2024 flash report by Tony Kay of Mariner and discussion and possible action on investment policy, asset allocation and investment mangers.

5 Presentation of actuarial study on funding ratio by Lindsey Redman of Foster & Foster and discussion and possible action on contribution rates and funding ratio.

ADJOURNMENT

Notice

In compliance with the Americans with Disabilities Act, the City of Abilene will provide for reasonable accommodations for persons attending meetings. To better serve you, requests should be received forty-eight (48) hours prior to scheduled meetings. Please contact the City Secretary's Office at 325-676-6208. Telecommunication device for the deaf is 325-676-6360.

CERTIFICATION

I hereby certify the above meeting notice was posted on the bulletin board at the City Hall of the City of Abilene, Texas, on the 24th day of May, 2024, at 9:40 a.m.

Shawna Atkinson, City Secretary

MINUTES
ABILENE FIREMEN'S RELIEF AND RETIREMENT FUND

Public notice having been posted, a meeting of the Board of Trustees of the Abilene Firemen's Relief and Retirement Fund was held on Tuesday, April 23, 2024, at 10:30 a.m., at City Hall, Finance Conference Room (2nd Floor), 555 Walnut, Abilene, Texas.

Board Members Present:	Baker Bryant, Chairman Mike Rains, Secretary/Treasurer Kevin Johnson, Trustee Chad Hoes, Trustee Brian Yates, Mayor Designee Ken Dozier, Trustee
Board Members Absent:	Cadon Barrett, Vice-Chairman
Others Present:	Rodney Goodman, Plan Administrator Marjorie Knight, Asst. Finance Director Jon Seabourn, City Attorney Lindsey Redman

1. Chairman Bryant called the meeting to order at 10:30 a.m.

2. There were no Public Comments.

3. A motion was made by Mr. Johnson and seconded by Mr. Hoes to approve the March 26, 2024 minutes. Motion passed unanimously.

4. A motion was made by Mr. Johnson and seconded by Mr. Yates to approve the March 2024 financials. Motion passed unanimously.

5. Lindsey Redman with Foster & Foster presented the actuarial study as of October 1, 2023. She said the normal cost went from 17.04% to 14.74% and the actuarial value of assets dropped $1.94 million since the last study in 2021. The amortization period remained 29.4 years. The funded ratio dropped to 45.5%. The primary source of unfavorable experience was a 2-year average investment return of 2.98%. She said the Actuarial Accrued Liability (AAL) was $131,506,253. A motion was made by Mr. Yates and seconded by Mr. Johnson to accept the actuarial study as presented. Motion passed unanimously.

6. Chairman Bryant discussed what needs to be done for the fund to increase the funding ratio. Ms. Redman said the biggest impact on funding ratio is the contributions to the plan. Increasing contributions rates from the city and members will be considered. Mr. Rains said that adding new firefighters will increase the payroll and help on the asset side. Mr. Yates discussed the benefit cap. No changes can be made to the cap with the current condition of the plan. Mr. Yates asked where we need to be on the funding ratio. The board discussed whether getting to 100% funding was necessary. Mr. Yates said that 80% is usually considered a healthy plan. Mr. Dozier asked why 80%? Ms. Redman said that a plan with a negative cash flow would not be a problem if it was funded at 80%. There was a discussion on how many years it will take to reach the goal of 80% funding. Twenty, twenty-five and thirty years were discussed as options. Chairman Braynt suggested Foster & Foster performing a study to see what it would take to get to 80% funding by 2050. Ms. Redman asked about the new manning and when Station 9 would open. Station 9 is slated to open in January 2026. Mr. Goodman will get Ms. Redman the staffing numbers after the new firefighters are added. Both items will be used for the study. A motion was made by Mr. Johnson and seconded by Mr. Hoes to have Foster & Foster conduct the study. Motion passed unanimously.

7. A motion was made by Mr. Johnson and seconded by Mr. Yates to accept the Form 1000 as presented. Motion passed unanimously.

8. A motion was made by Mr. Johnson and seconded by Mr. Yates to make payment to Gallagher for general liability and fiduciary liability coverage. Motion passed unanimously.

9. A motion was made by Mr. Johnson and seconded by Mr. Yates to make payment to Hund, Krier, Wilkerson & Wright P.C. in the amount of $468.75 for legal services. Motion passed unanimously.

10. The board discussed changing the meeting time and/or day. After discussion, a motion was made by Mr. Johnson and seconded by Mr. Yates to keep the meetings on the fourth Tuesday of the month and move the start time to 9:00. Motion passed unanimously.

There being no further business, the meeting was adjourned at 11:55 a.m.

Mike Rains, Secretary/Treasurer.