# 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 September 24, 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 August 27, 2024 minutes.

2 Consider approval of August financial statements.

3 Discussion and possible action on funding ratio, amortization period, contribution rates and goals for the plan.

4 Discussion and possible action on fixed income search to replace Western Asset.

**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 20th day of September, 2024, at 9:45 a.m.*

*Kaitlin Richardson,* Deputy 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, August 27, 2024, at 9:00 a.m., at City Hall, Finance Conference Room (2nd Floor), 555 Walnut, Abilene, Texas.

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| **Board Members Present:** | Baker Bryant, Chairman<br>Marjorie Knight, Secretary/Treasurer<br>Cadon Barrett, Vice-Chairman<br>Kevin Johnson, Trustee<br>Chad Hoes, Trustee<br>Brian Yate, Mayor Designee<br>Ken Dozier, Citizen Member |
| **Board Members Absent:** | None |
| **Others Present:** | Rodney Goodman, Plan Administrator<br>Kelley Messer, City Attorney<br>Tony Kay, Mariner, by video conference<br>Joey Kincaid, Deputy Chief |

1. Chairman Bryant called the meeting to order at 9:00 a.m.

   Chairman Bryant asked if there were any Public Comments. Chief Kincaid questioned why some items he had wanted on the agenda were not on the agenda. Ms. Messer said that the board follows the City Council rules as to how items get placed on the agenda. Chief Kincaid continued and that he does not want to retire but wants to keep working. He handed out a proposed plan that would allow an individual to retire but continue working but also paying in contributions to the fund to make up for the lost contributions from a new hire. He asked why you have to quit to draw your benefit. With his plan, he said it would be a win, win for the department and the individual. The department would be able to keep longer tenured and more knowledgeable firefighters, and the firefighter would benefit from drawing his pension. Chief Kincaid said the board needed to change section 1.07 of the plan document. He also suggested the retiree could pay a penalty to retire and keep working. He requested it be on a future agenda. Chief Kincaid also asked about the meetings being available by video conferencing. The board could not respond to his comments.

2. A motion was made by Mr. Barrett and seconded by Mr. Johnson to accept the July 23, 2024, minutes, as presented. Motion passed unanimously.

3. A motion was made by Mr. Barrett and seconded by Mrs. Knight to accept the July 2024 financial statements. Motion passed unanimously.

4. Tony Kay, with Mariner Institutional, the July flash report. He said the portfolio was well diversified and the plan had a good allocation of assets. He said the lion's share of returns came from equity investments. He said the new investment, Carlyle, will complement Deerpath. He talked about the legal cost the board had questioned about getting started with Carlyle. He said the fund was structured as an evergreen fund and partnership with 200+ pages in the document which took the attorneys hours to go through. He also said a side letter was needed with the other 5 TLFFRA plans that had invested as well. Each plan had charges for their plan and secondary charges for the group that were split evenly between the 6 plans. He said he would let the board know about the legal cost of any future investments. He then continued with the July report. He said YTD that the plan was up $7.5 million, real estate has been down but YTD the fund was up 16.86% and the equity portion was up 24.6% YTD. Mr. Kay said that Western Asset was not performing well, and we need to look at alternatives for the fixed income portion of the portfolio. He will bring back a search soon. He also said for the June 30th quarterly report that domestic equities were the place to be and that the Vanguard Total Stock Market Fund had the bulk of the returns. Mr. Yates asked about the international portion of the portfolio and if it was too high. Mr. Kay said they would watch the international returns but that the 15% allocation was good right now. He said the SMID cap should perform better if there is a soft landing. Mr. Kay said that the U.S. equity market is the best place to be currently.

5. Chairman Bryant started the discussion on contribution rates, funding ratio the fund's amortization period. He said that we cannot hold the amortization period at a fixed period. Mr. Yates said planning for the amortization rate to go to zero does not help us. He said we don't want a fixed rate but need to cover liabilities and don't need to go to zero years. He said that a 15–20-year period would help the liability go down. He also said we need to show the City how much the plan needs and why. Mr. Johnson asked how much time we have to put a plan in place. Chairman Bryant said we need to have a plan by the end of the year. Mr. Yates said we need to know what we want, such as removing the cap and that the cost to the City is better than the alternative of the plan becoming insolvent. Chairman Bryant said that the PRB wants the plan to index the cap up or remove it completely and to increase our funded ratio. Mr. Barrett suggested polling the members to see what they wanted. Mr. Johnson said we need to follow the PRB suggestions. It was decided that we will discuss the plan's goals at next month's meeting.

6. The board convened in executive session at 10:18 pursuant to Texas Government Code Section 551.0785 Deliberations Involving Medical or Psychiatric Records of Individuals. The board reconvened into open session at 10:24. There was no action taken in the closed session.

7. A motion was made by Mr. Johnson and seconded by Mr. Barrett to approve disability retirement benefits to Jon Michael Brown effective July 31, 2024. Motion passed unanimously.

8. A motion was made by Mr. Barrett and seconded by Mr. Johnson to approve retirement benefits to Frank Tucher, effective July 11, 2024. Motion passed unanimously.

There being no further business, the meeting was adjourned at 10:27 a.m.

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Marjorie Knight, Secretary/Treasurer.