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 March 25, 2025 at 10:30 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 acceptance of the February 20, 2025 minutes.

2 Consider approval of the February 2025 financial statements.

3 Discussion with Lindsey Redman of Foster & Foster about actuarial items such as contribution rates, funding ratio, possible future studies, amortization period and other actuarial items and possible action on items.

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 March, 2025, at 9:30 a.m.

Kaitlin Richardson, Deputy City Secretary, TRMC

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, February 25, 2025, at 9:00 a.m., at City Hall, Finance Conference Room (2nd Floor), 555 Walnut, Abilene, Texas.

Board Members Present:	Baker Bryant, Chairman Cadon Barrett, Vice-Chairman Marjorie knight, Secretary/Treasurer Kevin Johnson, Trustee Brian Yates, Mayor Designee Chad Hoes, Trustee
Board Members Absent:	Ken Dozier, Trustee
Others Present:	Rodney Goodman, Plan Administrator Kelley Messer, City Attorney Stacey McGee, Roberts & McGee, CPA Tony Kay, Mariner Institutional Lindsey Reman, Foster & Foster Candy Flores, Chief Joey Kincaid, Deputy Chief Kegan Carey, Firefighter Scott Hewitt, Firefighter Tammy Fogel, Citizen Robert Hanna, City Manager Weldon Hurt, Mayor

1. Chairman Braynt called the meeting to order at 9:04 a.m. after moving to the council chambers for more seating.

   Chairman Bryant asked if there were any Public Comments. There were no public comments.

2. A motion was made by Mr. Barrett and seconded by Mr. Johnson to approve the November 2024 and January 2025 minutes. Motion passed unanimously.

3. A motion was made by Mr. Johnson and seconded by Mr. Barrett to approve the January 2025 financial statements. Motion passed unanimously.

4. Stacey Mcgee with Roberts & McGee CPA presented the FY 2024 financial audit. She said the preparation was much better this year as the alternative investments were all up to date in the financials. She commented that one of the real estate investments showed a different value than Frost Bank was showing. She said the fund's total assets increased for fiscal year ended September 30, 2024, by $9,622,844 or 17.74%. She also said there were a few adjusting entries that were mainly on alternative investments. A motion was made by Mr. Barrett and seconded by Mr. Johnson to accept the audit as presented. Motion passed unanimously.

5. Tony Kay with Mariner Institutional presented the FY 25 1st quarter report. He said the fund was down .5% for the quarter and bonds had a tough year and quarter. He said the Federal Reserve was indicating there would be less rate cuts going forward. He said the S&P was up 25% and fixed income eked out a positive return. Mr. Kay also said going forward, he was hoping for better performance from the SMID sector. He said we are overweight equites while waiting on some capital calls. He said Barrow was down more than the index because they were underweight Japan. He said Deerpath was up 10.76% since inception. For January, the fund was up 2.28%.

6. Lindsey Redman, with Foster & Foster presented the 10/01/2024 actuarial study. Ms. Redman said the amortization period fell to 22.1 years and the funding ration increased slightly to 45.5%. The normal cost went from 14.71% to 13.72% due to the benefit cap and the more members in the second tier. She also mentioned that the payroll increased to $21.3 million from $18.3 million from the previous year. Mr Johnson asked why the rate of return was 6.39%. Ms. Redman said that on page 15 it shows how the actuarial rate is determined. It is calculated using a 5-year smooth average. She then presented several studies showing lowering the assumed rate of return from 7.5% to 7.0%, an 80% funded ratio and all tier 2 members going to tier 1. She presented an additional study of removing the cap by indexing it up by 2.5%, 2.0% and $1,500 per year. All the studies were combined to show the effect of lump sum payments of $50, $60 and $70 million payment to the fund. If possible, the plan would be to move the assumed rate of return to 7.0%, move everyone to tier 1 and index the cap up. A motion was made by Mr. Johnson and seconded by Mr. Barrett to accept the 10/01/2024 actuarial study as presented. Motion passed unanimously.

7. A motion was made by Mr. Johnson and seconded by Mr. Barrett to approve payment to Robert & McGee in the amount of $10,400 for the FY 2024 audit. Motion passed unanimously.

8. A motion was made by Mr. Barrett and seconded by Mr. Johnson to approve the termination of benefits to Pearl Pilgreen effective January 18, 2025. Motion passed unanimously.

There being no further business, the meeting was adjourned at 10:54 a.m.

Marjorie Knight, Secretary/Treasurer.