

OFFICERS

*Chairman – Mr. Scott Falltrick
Vice-Chairman– Mr. Graham Taylor
Secretary–Mr. Brad King*



TRUSTEES

*Mrs. Paula Barr
Mr. Jim DeWitt
Mr. Jeffrey Timlin
Mr. Rick White*

TCESD#6 Firefighters' Relief and Retirement Fund Board Meeting Minutes May 1, 2019 @ 5:00 P.M. TCESD#6 Headquarters Building – 15304 Pheasant Ln. Ste. #100 Lakeway, Texas 78734

The Board of Trustees and its committees may deliberate and take action on any of the following items:

1. Roll call of board members
Present: Falltrick, Taylor, King, White, DeWitt
Absent: Barr, Timlin
2. Call the meeting to order by Trustee Falltrick
5:00 P.M.
3. Approve January 28, 2019 meeting minutes
Motion to approve minutes made by White, 2nd by Taylor. Motion passes.
4. Frost Bank – First QTR 2019 Report
Brian McGuire spoke from Frost Bank and stated the 1st quarter of 2019 did well. There was a recession in the 4th quarter of 2018, but that has bounced back and we are at 10.75% total return for this quarter. Our 5-year average return per John Crider is 9%. Total market value of the fund is now at \$23,750,083.00 in assets.
We asked Frost Bank to lower our management fees. Frost lowered the fees from .49 basis points to .44 basis points.
5. Peer Review Training – May 9 – 1pm-5pm – May 10 – 8am-12pm
Chairman Falltrick will attend. No expenses are needed from the fund.
6. Actuarial Proposal Discussion/Decision
Chairman Falltrick requested actuarial service proposals from five different firms with a good reputation. Not all proposals were returned to Chairman Falltrick. The board discussed the proposals. Trustee White discussed his experience with his prior 30 years of employment with Milliman and stated that Milliman was a great choice overall. He did abstain from the vote as to not create conflict of interest. The board members discussed the other actuarial proposals and found Rudd and Wisdom, Inc. to be local to Austin/Lakeway with an outstanding reputation. Rudd and Wisdom was also a cheaper option than most of the other proposals. Trustee White left the room and the remaining board members voted.
Motion to proceed with Rudd and Wisdom, Inc. as our actuarial firm made by Chairman Falltrick, 2nd by Taylor.
Motion passed. Trustee White abstained.
7. John Crider – Valuation Study Report/Approval
John Crider presented the three benefit increase studies that had been requested by the board. Crider stated that our pension fund is healthy and is very well managed. The studies resulted in the following three options:

Plan 1- Orphans benefit increase - This benefit is for a child or children who loose both parents at the same time, or if you are a single parent who passes away. The guardianship gets 66% of the members calculated benefit at time of death. This money would be paid out until the children reach adult age.

NOTE: Persons who do not speak English or persons with disabilities who plan to attend this meeting and who may need auxiliary aids or services such as language interpreters or interpreters for the deaf or hearing impaired, readers, large print or Braille, are requested to contact the Board Chairman at (512) 663-6804 two workdays prior to the meeting so that arrangements can be made. This agenda may be amended at the request of the Chairman or a Board Member prior to the meeting to the extent allowed by the Open Meetings Act. The Board may go into executive/closed session regarding any item on the agenda if permitted under the Open Meetings Act, Tex. Govt Code Ann., Ch 551.

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Plan 2- Lowering the normal retirement benefit age from 55 to 53 years of age and 20 years of service. Orphans benefit increase - This benefit is for a child or children who loose both parents at the same time, or if you are a single parent who passes away. The guardianship gets 66% of the members calculated benefit at time of death. This money would be paid out until the children reach adult age.

Plan 3- Moving the current multipliers to the first 20 years being worth 3.4% and every other year being worth 2.2%. Lowering the normal retirement benefit age from 55 to 53 years of age and 20 years of service. Orphans benefit increase - This benefit is for a child or children who loose both parents at the same time, or if you are a single parent who passes away. The guardianship gets 66% of the members calculated benefit at time of death. This money would be paid out until the children reach adult age.

Crider stated that the plan was healthy and conservative enough to put all three study reports into place. There were concerns about how the plan would look in fifty years with all three benefit options in place. Crider explained that he had three conservative strategies when he calculates the benefit studies for our plan. This strategy helped him confidently say that all three studies could be put in place. Crider stated he would also be working with Rudd & Wisdom to assist in the transition of actuary issues.

Motion was made by Trustee Falltrick to accept the study report made by John Crider,
2nd by Trustee White. Motion passes.

Motion made by Trustee Falltrick to have the membership vote on proposed plan 3, 2nd by Trustee Taylor.
Motion passes

8. Chairman's Updates:

A. John Crider paid \$2496.00 – For GASB 68

B. TAS paid– Software Fee's (February - April 2019) – \$1,500.00 – Administrative Fee's (Jan – Apr 2019) - \$440.00 –
Total - \$1,940.00

i. Motion made to pay TAS \$1,940.00 by Trustee Taylor, 2nd by DeWitt. Motion passes

C. Separated Employee Refund - \$47,246.66

D. Montemayor Hill & Bender paid - \$2,000.00 – Audit Fee

E. TXPERS paid - \$300.00 – Conference Registrations for Trustees Falltrick, Taylor, & King

F. TXPERS Conference (APR 7-10) Expenses - \$1,798.52 – 3 Hotel rooms and parking for 3 vehicles. \$531.21 – Food Costs. Total - \$2,329.73

9. REQUEST FOR FUTURE AGENDA ITEMS & MEETING DATES

The board discussed possibly changing the meeting times to the morning, however this did not work well for some board members and will be tabled.

10. ADJOURN

Motion to adjourn by Trustee Falltrick, 2nd by DeWitt. Meeting adjourned at 6:42 P.M.

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