

Firemen's Relief & Retirement Fund

March 11, 2019

A regular meeting of the Board of Trustees of the Waxahachie Firemen's Relief and Retirement Fund was held at Waxahachie Fire Station No. 1, 407 Water Street, Waxahachie, Texas on Monday, March 11, 2019 at 8:30 a.m.

Members Present: Gary Myers, Chairman
Scott Safford, Secretary
John Tillery
Lee Statham
Charles Harris, Finance Director

Members Absent: Matt Dorsey, Vice Chairman
David Hill, Councilmember

Others Present: Amber Villarreal, Assistant City Secretary

1. Call to Order

Chairman Gary Myers called the meeting to order.

2. Canvass votes for Active Member and Civilian Member of FR&R Fund

Chairman Myers reported Mr. Scott Safford was the only nomination for Active Member on the FR&R Board to replace Mr. Marcus Brown; therefore, by acclamation, Mr. Safford is appointed to the Board.

Action:

Mr. Lee Statham moved to appoint Mr. John Tillery as a Civilian Member of FR&R Fund. Mr. Scott Safford seconded, All Ayes.

3. Administer Oath of Office to Board Members

{Mr. Charles Harris arrived at 8:34 a.m.)

Assistant City Secretary Amber Villarreal administered the Oath of Office to Mr. John Tillery and Mr. Scott Safford.

4. Reorganize the Board

Action:

Mr. John Tillery moved Mr. Gary Myers be appointed as Chairman. Mr. Lee Statham seconded, All Ayes.

Mr. John Tillery moved Mr. Matt Dorsey be appointed as Vice Chairman. Mr. Lee Statham seconded, All Ayes.

Mr. John Tillery moved Mr. Scott Safford be appointed as Secretary. Mr. Lee Statham seconded, All Ayes.

5. Consent Agenda

- a. Minutes of the regular Firemen's Relief & Retirement Fund meeting of January 14, 2019
- b. Annuity checks for FR&R Retirees and other disbursements for the months of March and April 2019

Action:

Mr. John Tillery moved to approve items a. and b. on the Consent Agenda. Mr. Lee Statham seconded, All Ayes.

6. Consider 2017 Financial Report

Chairman Myers reported he would move this item to a future meeting if additional action is necessary.

7. Hear results from Actuary Study and take any necessary action

Mr. David Sawyer, Retirement Horizons, presented results from the Actuary Study. He explained the study determines whether the funding for the plan is accurate and overall, the fund is doing well. He presented the funds Actuarial Valuation Report noting the total fair value of plan assets was \$17.4 million as of October 1, 2018. The net increase of \$3.2 million over the two-year period is the result of investment returns of \$2.9 million plus total contributions of \$2.3 million less benefit payments and administrative expenses of \$2.0 million. The net rate of return on the Fund was 10.9% for year ending October 1, 2017 and 8.4% for the year ending October 1, 2018. The annualized rate of return for the two-year period was 9.7% compared to the long-term actuarial assumption of 7.0%, producing a net actuarial gain of \$0.83 million compounded over the 2-year period. He explained the actual return on the fund has been higher than 7.0% assumed rate for 7 out of the last 10 years, with an average return of 7.4% over this period (2009-2018). The unfunded actuarial accrued liability was \$6.4 million (73.1% funded status) as of October 1, 2018, compared to \$7.0 million (66.9% funded status) as of October 1, 2016.

Mr. Sawyer explained the mortality assumption is still an important factor in the actuarial valuation process and asked the board to consider changing the plan to include in the study. It was the consensus to add the consideration to the April meeting.

Action:

Mr. John Tillery moved to accept the Actuary Study as presented. Mr. Lee Statham seconded, All Ayes.

8. Set next meeting date and time of Firemen's Relief and Retirement Fund Board

The Firemen's Relief and Retirement Board set their next meeting for Monday, April 8, 2019.

9. Adjourn

There being no further business, the meeting adjourned at 9:38 a.m.

Respectfully submitted,

Amber Villarreal
Assistant City Secretary