



MINUTES

Benefits and Services Committee

Public Meeting held in-person and telephonically on March 9, 2023 at 10:00 a.m. CT
Pursuant to Texas Govt. Code 551.127

Committee Members Present/(Absent)

Diana Thomas, Committee
Chair
Chris Noak†
(Leslie Pool)
Anthony Ross
Brad Sinclair

Other Board Trustees Present/(Absent)

Mike Benson
Kelly Crook
Michael Granof
(Dick Lavine)
(Yuejiao Liu)
(Amy Hunter)

Others Present

Staff:

Christopher Hanson
Sarah McCleary
Russell Nash
Teresa Cantu*
Jenni Bonds
Yun Quintanilla
Mehrin Rahman
Cathy Edwards*
Michelle Mahaini*
David Kushner*

Guests:

Paige Saenz, General
Counsel
Ryan Falls, GRS
Lewis Ward, GRS
Ashley Rendon, PRB*

*Present telephonically

† present via videoconference

1 Call roll of Committee members

Committee Chair Diana Thomas called the meeting to order at 10:01 a.m. The following Committee members were present in person: Thomas, Ross, Sinclair. The following Committee member was present via videoconference: Noak.

Committee Chair Thomas asked if there were any members of the public who wished to speak, either now or during an agenda item. There were no comments.

2 Review order of business and establish meeting objectives

Committee Chair Thomas reviewed the order of business and meeting objectives with the Committee. No changes were made to the order of business.

3 Review 2023 Benefits and Services Committee Work Plan

Mr. Christopher Hanson reviewed the 2023 Benefits and Services Committee Work Plan. Mr. Hanson reported that there was originally to be a disability application in this meeting, but due to the doctor's availability, that application will be heard prior to the full Board meeting in March. If approved, the delay will not affect the recipient's payments.

4 Consider approval of the November 10, 2022 and January 19, 2023 Benefits and Services Committee meeting minutes

Mr. Anthony Ross moved to approve the November 10, 2022 and January 19, 2023 Benefits and Services Committee minutes as presented. Mr. Brad Sinclair seconded, and the motion passed 4-0.

Michael Benson arrived at 10:29 a.m.

5 Discuss and consider the December 31 , 2022 actuarial valuation results and actuarial assumptions

Mr. Ryan Falls and Mr. Lewis Ward presented the results of the actuarial valuation as of December 31, 2022. Mr. Falls explained that the main purpose of the valuation is to measure the actuarial liabilities, funded status, and determine the adequacy of current contributions as of the measurement date. The valuation was completed using current assumptions not considering changes contained in the pending state legislation.

Mr. Ward reported on the funding period, funded ratio, actuarial gains and losses, as well as analysis of possible risks to the actuarial health of the System. Mr. Ward also discussed the actuarial impact from investment losses during 2022 and the City's higher-than-expected payroll growth. Other losses were also discussed including the fact that Military service purchases resulted in an annual loss to the System of about \$2.5 million.

Mr. Ward also presented a recommendation to adopt a payroll growth assumption for future risk sharing valuation studies if the new legislation is enacted. Trustees discussed the payroll growth assumption.

Mr. Ross moved to recommend that the Board adopt the actuarial valuation results of December 31, 2022 and adopt a payroll growth assumption of 3.25% for future risk sharing valuation studies. Mr. Sinclair seconded, and the motion passed 4-0.

Michael Granof arrived at 10:43 a.m.

4 Review key meeting takeaways and call for future agenda items

Committee Chair Thomas summarized the actions taken and the information discussed during the meeting and asked for any future agenda items. She reminded Trustees that the disability application would be heard on March 30, 2023 prior to the Board meeting.

As there were no further items to address, the meeting adjourned at 10:51 a.m.

These minutes were approved at the June 15, 2023 meeting.