

Texas Emergency Services Retirement System

Board Meeting Minutes

September 6, 2023 8:30 a.m.

Holiday Inn Austin Town Lake

20 North IH 35 Austin, Texas 78701

Members Present:

Pilar Rodriguez, Chairman

Jerry Romero, Vice Chair

Edward Keenan, Secretary

Matthew Glaves, Trustee

Rod Ryalls, Trustee

Brad Landi, Trustee

Members Absent:

Stephanie Wagner, Trustee

Nathan Douglas, Trustee

Staff and Others Present:

Jessica O'Brien, Acting Executive Director, TESRS

Susan Johnson, Staff Service Officer, TESRS

Brent Zunker, Benefits Specialist, TESRS

Michael Villanueva, Executive Assistant, TESRS

Rosalind Hunt, Assistant Attorney General

A.J. Weber, Lauterbach & Amen, L.L.P. (Via Zoom)

Lindsey Rappeport, Lauterbach & Amen, L.L.P. (Via Zoom)

Tiffany White

Annette Holmes

Alicia Duleba, Jackson Walker, L.L.P.

Chuck Campbell, Jackson Walker, L.L.P.

Brian Smith

Chairman Rodriguez called the meeting to order at 8:30 a.m.

1) Roll Call and Excuse of Board Member Absences

Michael Villanueva, Executive Assistant, called the roll. Six board members were present. Trustee Wagner was absent. Chairman Rodriguez announced that a quorum of the board was present.

2) Invitation for Public Comment

Chairman Rodriguez called for public comment. No public comments were made.

No action was taken on this agenda item.

Chairman Rodriguez had announcement that Stephanie Wagner had submitted her resignation to the governor's office and the governor has accepted her resignation. Chairman Rodriguez wanted to recognize Stephanie Wagner's years of service on the Board of Trustees.

Chairman Rodriguez informed the board that they will move out of order onto agenda item 9.

9) EXECUTIVE CLOSED SESSION: Personnel matters regarding the appointment, employment, compensation, evaluation, reassignment, duties, discipline, or dismissal of the Executive Director.

Chairman Rodriguez announced that the time 8:31 a.m. and the board will now go into executive closed session to discuss Item 9 on the agenda, pursuant to Texas Government Code Section 551.074. The board will discuss personnel matters regarding the appointment, employment, compensation, evaluation, reassignment, duties, discipline, or dismissal of the Executive Director.

The board reconvened the meeting at 9:03 a.m. No action was taken regarding the agenda 9 item. Chairman Rodriguez asked for a motion for a 20-minute recess. The motion was passed by the board.

The board reconvened the meeting at 9:26 a.m. after a 20-minute recess.

Chairman Rodriguez informed the board that they will go back into closed session pursuant to Texas Government Code Section 551.074 to discuss personal matters.

The board reconvened the meeting at 9:59 a.m. and no action was taken during the closed session.

3) Approval of Minutes for August 14, 2023 Meeting

Trustees Glaves moved to adopt the minutes for August 14, 2023 as presented. The motion was seconded by Vice-Chairman Romero and unanimously passed by the board.

4) Financial Budget Report

- A. FY2023 Non-Appropriated Budget and Expenditures**
- B. FY2023 Appropriated Budget and Expenditures**
- C. FY2024 Non-Appropriated Budget Adoption**

A.J. Weber and Lindsey Rappeport, Lauterbacht & Amen, L.L.P. via Zoom presented information regarding the Non-Appropriated Fund Budget for FY 2023 (Managed) Cash

Basis Expenditures as of August 31, 2023, Appropriated Fund Budget for FY 2023 Cash Basis Expenditures as of August 31, 2023, Proposed Non-Appropriated Fund Budget for FY 2024.

Chairman Rodriguez asked A.J. Weber to work with Jessica O'Brien on the appropriated budget as it relates to exceptional. That Chairman Rodriguez had a document that was dated January of the year and another one dated approximately May of this year regarding exceptional. Chairman Rodriguez wanted a report regarding the appropriated budget that relates to exceptional at the next board meeting.

Chairman Rodriguez called for a motion to adopt the FY 2024 Non-Appropriated Budget as presented. Vice-Chairman Romero motion to adopt the FY 2024 Non-Appropriated Budget. The motion was seconded by Trustee Glaves and unanimously passed by the board.

5) Human Resources

A. Employee Handbook Outline

Dr. Susan Johnson, Staff Service Officer, presented the Employee Handbook Outline. Dr. Johnson stated that the last time the Employee Handbook was updated was between 2017 and 2018. Susan stated the Employee Handbook has approximately 29 policies currently and that the current Employee Handbook draft outline has more than 80 policies items. Susan think some of the issues, concerns and problem is that we have in the agency are due to not having a well-documented policies and procedures that the agency can be consistent with employees. She stated that some of these policies comes from the HR Assessment Checklist that she presented at the last board meeting. Susan gave some information about some of the new policies items being added such as due process, how to handle complaints, employee conduct, workforce, staff evaluations, merits, bonus and promotions. A board member asked Susan where can we pull the state policies from and she explained that this information coming from human resources statues, and other state agencies. She states that by doing it helps us of not reinventing the wheel on something that has already been created. That we just make modification to the policies to fit our agency. A board member asked if the Employee Handbook will be available online. Susan responded that the Employee Handbook will be available online and hardcopy version. That the employee will have access to both versions and that employee will also be able to acknowledge the hardcopy version. Susan mention once the Employee Handbook is ready for review she will reach out to the board.

No motion was taken on the agenda item.

6) Board Training Opportunities

Jessica O'Brien, Acting Executive Director, presented Board Training Opportunities. Jessica informed the board about the minimum education training that the Pension Review Board

is requiring. That New trustees and system administrators are required to complete the 7-hour core training program within their first year of service, and the 4-hour continuing education (CE) requirement every two years thereafter. Trustees and system administrators may only receive CE credit hours after they have completed the core requirement and they have reached their one-year anniversary of service. Jessica informed the board about the upcoming TLFRA Educational Conference held on October 1st – 3rd, 2023 in Corpus Christi, Texas. The TLFRA Conference will provide non-core CE Forum training hours. She informed board if anyone is interested in attending to her know.

No motion was taken on the agenda item.

7) System Activity Report

A. Year End Member Numbers

Jessica O'Brien, Acting Executive Director, presented Year End Members Numbers that show the Pensioner Payouts, Count of Active and Vested Terminated Members and Department Count by Contributions Rates. Jessica stated that the Pensioner Payouts beginning of September 1, 2022 through August 31, 2023, that we started the year with \$672,093 and that we ended the year with \$699,880. There were two increases in November 2022 of \$906,000, due to two off duty death in Dalhart. Also, in December 2022 was the second peak at \$770,000 and those are due to thirteen checks with pensioners. Jessica informed the board regarding Pension System Activity – Count of Active and Vested Terminated Members. We have 3,343 active members, 1,689 vested terminated members and 3,929 payees' members. She then discussed the Department Count by Contributions Rates of 190 active departments. There are 55% departments that are at \$36 per member per month, 29% departments are at \$40 to \$100 per member per month and 16% departments are at \$105 to \$490 per member per month, as you can see that the trend is at \$36.00.

Chairman Rodriguez had brought up that many years back that the cost for members used to be at \$12.00 before they went up to \$36.00 to right the system. Chairman Rodriguez asked if there has been any discussion about when they might have a look again at the pay or payments that are coming in or at the \$36.00. Chairman Rodriguez asked how long will that sustain the system and has any discussion been talked about. Chairman Rodriguez stated that we should look into doing actual study into department contributions rates.

B. Contract Updates

Jessica O'Brien, Acting Executive Director, gave a brief update on contracts that TESRS is working on.

C. Board Tablets

Jessica O'Brien, Acting Executive Director, gave a brief update on board tablets. She received four more tablets and those tablets will get configured soon. The tablets will be

available next year for use.

D. Agency Website

Jessica O'Brien, Acting Executive Director, provided update to TESRS website. Jessica explained that the current web hosting company would be able to provide services anymore. Jessica is in the process of moving our website to a new web hosting provider and the website will be up and down throughout next month. Jessica stated that style of the website might not look perfect but to bear with us as we transition that migration over a year.

A board member asked Jessica if this will affect the Tolls system, but Jessica stated that Tolls system was a different issue. The Toll system was a maintenance issue and they are still currently working on that issue. Another board member asked about billings from TOL, if they are accessible in system or they mailed out. Jessica stated that they are accessible from the system, but if they are not able to access them we can do work around in providing them.

No Motion was taken on these agenda item.

8) Proposed Board Meeting Dates, Locations and Agenda Items

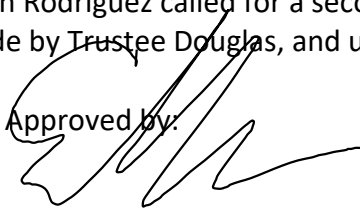
Jessica O'Brien proposed the next board meeting will be Thursday, November 30th. The board members agreed for November 30th.

No Motion was taken on these agenda item.

10) Adjourn

Chairman Rodriguez called for a second motion to adjourn at 10.24 a.m. The second motion was made by Trustee Douglas, and unanimously passed by the board.

Minutes Approved by:



Edward Keenan, Secretary

____11/22/23____
Date