



BOARD OF TRUSTEES MEETING REGULAR MEETING AGENDA

Monday, November 18, 8:30am

The regular meeting will be held in the **Board and Commissions Room at Austin City Hall, 301 W 2nd Street, Austin, Texas 78701** and will be open to the public. The meeting will also be available to the public through **signin.webex.com/join** with **meeting number 2555 195 7990** and **password Nov2024**, or through a telephone conference call, **toll-free dial-in number 408-418-9388** with **access code 6682024**. Some non-routine agenda items will have the trustee or individual who requested the item in parentheses.

Public Comments

Members of the public may address the Board of Trustees on any matter during this portion of the meeting. Public comments may be provided in person at the physical location of the regular meeting, virtually through WebEx, or through the toll-free dial-in number provided above. A sign-up sheet will be available at the physical location of the meeting. The Board requests that any member of the public who desires to address the Board virtually sign up to speak in advance by contacting the Fund at **staff@AFRFund.org** **no later than 5:00 p.m. on Friday, November 15, 2024**. All parties are asked to limit comments to 3 minutes. No discussion or action will be taken by the Board during public comments.

To Approve

1. Consent Agenda for the following:
 - a. Minutes of regular meeting of October 25, 2024
 - b. Service retirement benefits for new retirees, beneficiaries, and alternate payees

To Discuss and Possibly Act On

2. Initiatives for 2025 Legislative Session, including the following:
 - a. Consider AFRF Working Group pension reform proposal for a Voluntary Funding Soundness Restoration Plan (FSRP)
 - b. Requested presentation on City of Austin proposed pension reform for AFRF by Ed Van Eenoo, Chief Financial Officer, City of Austin
3. Meketa 3Q24 Investment Performance review, including the following:
 - a. Economic and Market Update
 - b. 3Q24 Investment Report



- c. Investment Practices and Performance Evaluation (IPPE) Responses
 - d. Investment Policy Statement and Operating Procedures Review
 - e. Annual Fee Review for Public Markets
4. Consider 2025 Cost of Living Adjustment (COLA)
 5. Update and possible board certification of 2024 Board of Trustee Election results

For Discussion Only

6. Executive Director Report, including the following
 - a. General comments
 - b. Draft internal financial statements, transactions, and Fund expense reports for month ending October 31, 2024
7. Roadmap for future meetings
8. Call for future agenda items

Austin Firefighters Retirement Fund
4101 Parkstone Heights Drive, Suite 270
Austin, TX 78746
(512) 454-9567

NOTE: The Board of Trustees of the Austin Firefighters Retirement Fund may meet in Executive Session on any item listed above in accordance with and as authorized by the Texas Open Meetings Act, Texas Government Code Ch. 551.

NOTE: The City of Austin is committed to compliance with the American with Disabilities Act. Reasonable modifications and equal access to communications will be provided upon request. Meeting locations are planned with wheelchair access. If requiring Sign Language Interpreters or alternative formats, please give notice at least 2 days (48 hours) before the meeting date. Please contact our office at (512) 454-9567 for additional information; TTY users route through Relay Texas at 711.

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AFRF
AUSTIN FIREFIGHTERS
RETIREMENT FUND

**MINUTES
BOARD OF TRUSTEES MEETING
FRIDAY OCTOBER 25, 2024, 8:30AM**

Board Members Present

Mayor Kirk Watson, Chair
John Bass, Vice Chair
Belinda Weaver, Treasurer
Doug Fowler, Trustee
Aaron Woolverton, Trustee

Staff and Consultants Present

Anumeha Kumar, AFRF Executive Director
John Perryman, AFRF CFO
Debbie Hammond, AFRF Benefits Manager
Gina Gleason, AFRF Board & Operations Specialist
Shira Herbert, AFRF Accounting & QC Specialist
Amy Thibaudeau, AFRF Benefits Specialist
Chuck Campbell, Jackson Walker
Alyca Garrison, Jackson Walker
Anais Stevens, Jackson Walker

Community Members Present

Rene Vallejo
Ed Van Eenoo, City of Austin
Kate Alexander, City of Austin
Virtual attendees not listed

Mayor Watson called the meeting to order at 8:37am.

Public Comments:

No public comments.

- I. Consent Agenda for the following:
 - a. Minutes of the regular meeting of September 30, 2024
 - b. Service retirement benefits for new retirees, beneficiaries, and alternate payees

Trustee Fowler made a motion to adopt the minutes. Trustee Woolverton seconded the motion. The motion passed without objection. Mayor Watson noted that there had been no new benefits to approve.

- II. Initiatives for 2025 Legislative Session, including the following:
 - a. AFRF Working Group pension reform proposal for a Voluntary Funding Soundness Restoration Plan (FSRP)

Anumeha Kumar informed the board that while there had been no change to the proposal since the September board meeting, the Working Group had engaged in further discussion with the City of Austin, who maintained the same concerns regarding the increase to the unfunded liability tied to the proposed modified COLA structure for current retirees. She stated that the Working Group would continue to work with the City within the constraints of the legislative timeline. Vice Chair Bass provided a high-level recap of the proposal, stating that it addressed the structural problems of the plan from a long-term perspective, dramatically lowered the cost of the plan, and recognized the notion that repeated increases to contributions during periods

of market volatility would eventually become untenable. He stated that a 1% deferred automatic COLA would be a good solution to providing inflation protection to retirees that is both predictable and funded. He emphasized that the proposed COLA structure would not add an additional cost to the plan but would recognize the existing cost of the current ad hoc COLA structure and would lower that existing cost over the long term. Ms. Kumar provided some additional context, stating that COLAs had been prefunded through the 1990s, but since the 2000s, there had been more than a decade in which no COLA could be granted due to funding challenges. Ms. Kumar described a legislative change that had been made in 2013, which added and tied an ad hoc COLA to a feasibility test which resulted in COLAs being granted from 2015 until 2021. She further explained that the main issue with the current ad hoc COLA structure was that it functioned like a gain-sharing COLA, which eliminated \$70 million in investment gain cushioning since implementation that could have prevented the Fund from reaching its current “at-risk” status.

Mayor Watson expressed his appreciation for the responsible and proactive approach that the board had taken, stating that it was imperative to act voluntarily rather than to wait for the situation to deteriorate in complication and expense. Mayor Watson voiced his support for providing a predictable COLA but questioned the proposal’s \$71 million increase to the unfunded liability, which would translate to \$89 million in 2026. Ms. Kumar confirmed that the current unfunded liability on a market value basis would increase from \$297 million to \$369 million due to the proposed COLA and explained how it would be paid down over the 30-year amortization period. Mayor Watson expressed further concern regarding the expense of adding a COLA benefit, to which Ms. Kumar stated that the Fund has granted a 2% annual COLA on average over the past forty years. If that average annual COLA had been valued, she continued, the current unfunded liability would have exceeded \$500 million. Ms. Kumar concluded that the short-term cost of \$71 million would fix a long-term structural issue and that failing to address the issue would only push the cost down the line. Mayor Watson stated that funding soundness and retiree purchasing power protection were two different issues and expressed his concern about bringing a proposal to the legislature that would appear to make funding soundness worse. He concluded that he was not prepared to move to approve the proposal until there was a clear plan to address the payment of the proposed COLA provision within the context of the FSRP.

Trustee Fowler recounted that the Working Group had recently presented to the Pension Review Board, who received the proposal well, but the City of Austin representative, Diana Thomas, concluded that the proposed COLA provision would be unfair to the other systems. Trustee Fowler countered her opinion by stating that firefighters have historically had higher contribution rates than Austin Police Retirement System (APRS) and City of Austin Employees Retirement System (COAERS), firefighters do not participate in social security like APRS and COAERS, and firefighters gave up pay raises in 1997 and 2010 to restore AFRF’s funding status. He added that the City’s contributions were currently the second lowest in the state compared to other large cities and that AFRF’s unfunded liability is significantly lower than that of both APRS and COAERS. He concluded that the discrepancy between COLA enhancements and inflation since 2002 has resulted in a 40% loss of buying power for retirees, which was problematic to him as a trustee representing the firefighters. Mayor Watson reiterated that there were two issues that needed to be addressed, and voiced his opinion that the proposal did not sufficiently blend the two issues. Trustee Fowler further explained that the Working Group endeavored to be cognizant of new hires and the concerns of the Fire Chief regarding maintaining an attractive pension benefit from a recruitment standpoint. He stated that the Fund appeared to be at an impasse with the City of Austin and questioned the next steps to

move forward. Ms. Kumar expressed her hope that they would continue to work with the City to reach agreement before bringing the proposal, including the COLA provision, to the board to consider for adoption at the November board meeting, scheduled for November 18, 2024, then move forward with the legislative process. Mayor Watson repeated that there were two issues that needed to be addressed and stated that he would need to better understand why the City's proposal was not adequate in blending those two issues before he would be willing to vote for the Working Group's proposal. Vice Chair Bass explained that their shared desire to provide a form of inflation protection would have to come at a cost, and that the existing ad hoc COLA structure had already been a cost to the Fund even though it had never been fully accounted for. He stated that recognizing the cost of a COLA would be the first step toward funding it appropriately on a moving-forward basis to avoid similar funding distress in the future. Mayor Watson agreed but reiterated his concerns about entering a legislative session with pension reform proposal that adds a cost. Ms. Kumar noted that the new tier included in the proposal was very close to the City's proposal, which would bring the City's long term contribution cost down to under 7%, still without social security contributions, resulting in a significantly lower cost for the City within 15-20 years. Mayor Watson restated his opinion that the proposal was not good enough to vote for due to the increased unfunded liability. At the invitation of Mayor Watson and Ms. Kumar, Ed Van Eenoo shared his opinion that the increase in the unfunded liability was the primary issue keeping the City and the Working Group from achieving a mutually agreed upon proposal. He stated that a lower benefit tier and increased contributions were the most important pieces for restoring the funding status, then questioned how the unfunded liability would be negotiated and equitably shared between the City and the Fund if it were to increase.

Trustee Weaver expressed her hope that the Fund and the City would come together with a joint proposal and asked for clarification on the legislative timeline. Ms. Kumar stated that the goal was for the board to consider the proposal at its November board meeting, and if approved, start the process of moving the bill through the Texas Legislative Council. She informed the board that early bill filing would start on November 11 and the legislative session would begin in January. She added that it would be a challenging legislative process to navigate. Mayor Watson noted that pre-filing the bill would not impact the outcome, since the bill would be specific to the Fund and the City of Austin. Vice Chair Bass revisited the terminology used in the COLA discussion and emphasized that recognizing a cost is synonymous with revealing a cost, not with adding a cost. He stated that it was an important distinction to remember as the Fund and the City continued negotiations. Mayor Watson thanked the board for engaging in the discussion. No motion necessary.

- b. Consider granting authorization to Executive Director with respect to legislative initiatives

Mayor Watson stated that the board was not ready to grant authorization to the Executive Director with respect to legislative initiatives. No motion necessary.

III. Executive Director Report, including the following (Discussion Only)

- a. General comments

No general comments.

- b. Pension Administration System (PAS) implementation update

Anumeha Kumar informed the board that deliverable two was currently in progress and would likely be completed by the end of the year. She stated that the PAS implementation remained on track and within budget. Trustee Weaver requested a reminder about what the second deliverable phase entailed, to which Ms. Kumar provided a brief overview of each of the three design phases.

- c. Internal financial statements, transactions, and Fund expense reports for month ending September 30, 2024

Anumeha Kumar stated that there were no noteworthy items on the financial statements aside from the increased actuarial services expense attributed to legislative work.

- IV. Roadmap for future meetings

The trustees had no questions or requests regarding the roadmap.

- V. Call for future agenda items

No future agenda items were called for.

Hearing no objections, Mayor Watson adjourned the meeting at 9:18am.

Board Members

Mayor Kirk Watson, Chair
John Bass, Vice Chair
Belinda Weaver, Treasurer
Doug Fowler, Trustee
Aaron Woolverton, Trustee

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CONFIDENTIAL INFORMATION

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INITIATIVES FOR THE 89TH LEGISLATIVE SESSION

In connection with the Voluntary Funding Soundness Restoration Plan

1. Benefit Reforms

- a. Modified benefits for new “tier” hired on or after January 1, 2026
- b. Reduced DROP interest in periods of negative investment returns
- c. Other administrative clean up changes

2. COLA Restructuring

- a. Ensure benefit adequacy by providing purchasing power protection to the only Austin workforce without social security through “member choice” feature
- b. Member choice option provides financial flexibility and benefit sustainability by allowing members to choose between either DROP or modified COLA
- c. Provide deferred COLA that is prefunded and automatic to make costs more predictable and financially sustainable
- d. Transition measures for retirees and “grandfathered” group of current actives in order to avoid adverse effects

3. Actuarially Determined Funding Model

- a. Move to actuarially determined employer contribution rate with “corridor” similar to other City pension plans and risk-sharing features
- b. Maintain fixed rate for member contributions
- c. Carve out legacy liability for predictable funding by the City

4. Governance

- a. Allow Mayor trustee position to appoint designee from City Council
- b. Consider alternative structures that maintain a member-majority Board
- c. Provide flexibility with respect to frequency of regular Board meetings



PROPOSED PENSION REFORMS

AUSTIN FIREFIGHTERS RETIREMENT FUND

SEPTEMBER 2024

DRAFT

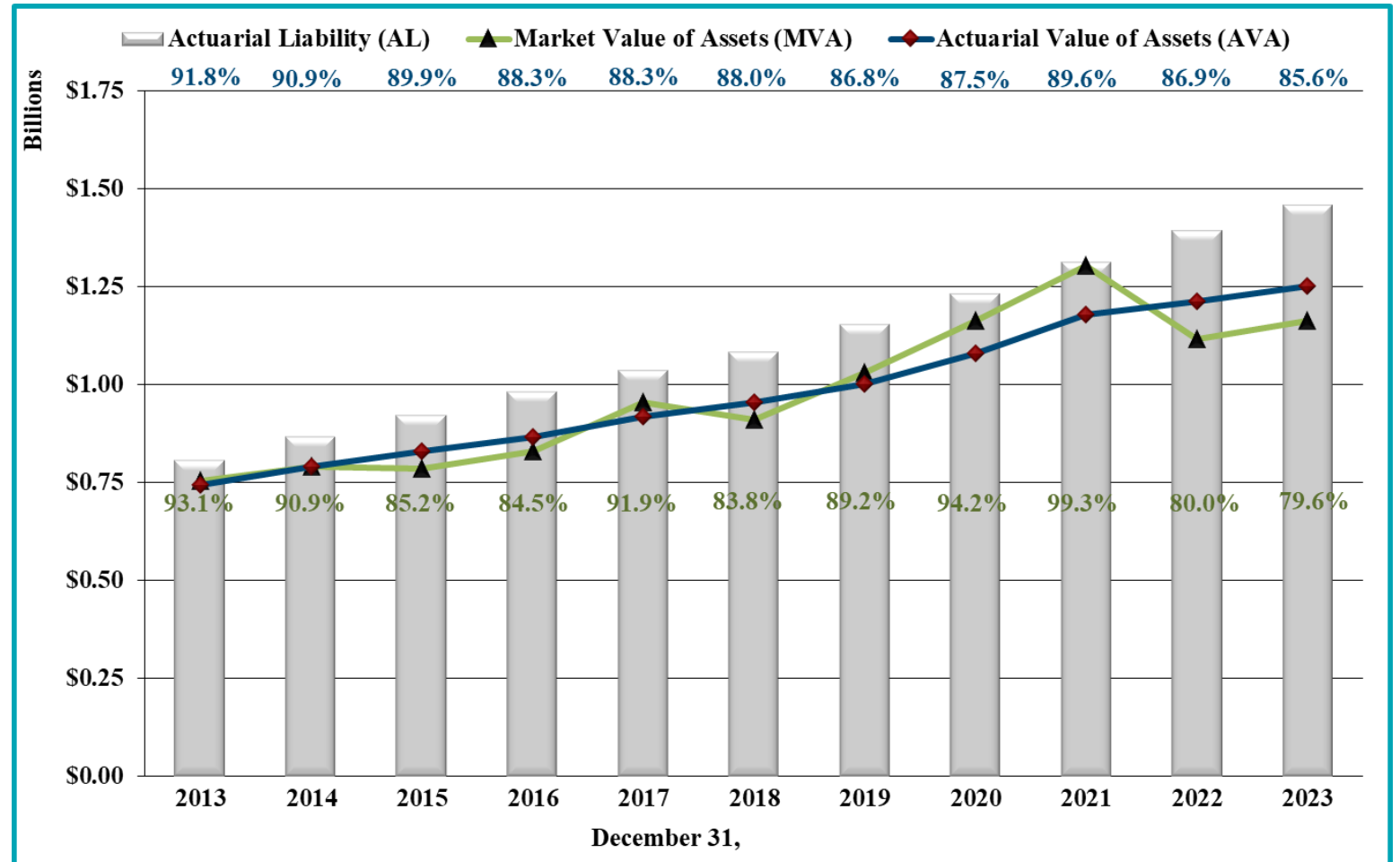
FUND STATISTICS

As of 2023 Actuarial Valuation

Actuarial Accrued Liabilities
\$1.46 Billion
Market Value of Assets
\$1.16 Billion
Funded Ratio
85.6%
Amortization Period
48.6 years
Investment Return Assumption
7.30%
Actual Investment Return (2023)
8.4%
Membership
2241 Members (1246 active, 995 annuitants)

FUND HISTORY

Funded Ratio





PROCESS AND CURRENT STATUS

- Fund Board established a Working Group to look at potential pension reform
- Working Group established goals for the reforms
- Began communications with the City of Austin and the membership, including its Retirement Plan Committee
- Developed these proposed benefit reforms considering such communications and working with the Fund actuary and attorney
- These proposals are in draft form only and are simply an update
 - Have NOT been formally adopted by the Board
 - Have NOT been agreed to by the City of Austin



PRINCIPLES OF BENEFIT REFORMS

- To ensure the Fund has sufficient assets in the long-term to preserve the ability to pay promised benefits.
- To ensure the Fund delivers an adequate level of benefits to our members
- To address the funding structure to better match Fund liabilities
- To provide a more predictable COLA that can be adequately pre-funded
- To provide members financial flexibility to structure their retirement income
 - Allow members to choose the DROP vs guaranteed COLA
- To incorporate transition measures in order to prevent adverse effects relating to proposed changes
 - Accelerated DROP withdrawals or “rush to retirement”
- To take action now to save costs

CURRENT RETIREES

- Modify the existing COLA Structure
 - **Current:** Annual, 100% CPI COLA subject to financial stability test
 - **Proposed:** Guaranteed, deferred 1% COLA
- Retain ability to participate in both DROP and COLA, but not at the same time
- Keep the current level of DROP interest rate, except for periods of negative return

CURRENT RETIREES

Modified COLA Structure

- **Members without DROP Accounts at 1/1/2026:**
 - Members will be eligible for 1% Automatic COLA starting the January 1st after the later of age 62 or 5 years after retirement.

- **Members with DROP Accounts at 1/1/2026:**
 - Members will be eligible for a 1% Automatic COLA starting January 1 following one year after the DROP balance has been completely withdrawn, but no earlier than age 67 or 5 years after retirement.
 - **Note:** Members may choose to keep the balance of DROP Accounts in the Fund past age 67. The 1% Auto COLA would start January 1 following one year after DROP balance is completely withdrawn.

CURRENT RETIREES

DROP Interest Rates

- Fund market return exceeds 0.0% for the calendar year:
5.0% (same as now)
- Fund market return at or less than 0.0% for the calendar year:
2.5%
- May choose to keep the balance of DROP Accounts in the Fund until April 1st of the year after the year in which the member attains age 70 ½ (same as now).
- The 1% Auto COLA would start 1 year after DROP balance is completely withdrawn.

CURRENT ACTIVES

- Modify the existing COLA Structure
 - **Current:** Annual, 100% CPI COLA subject to financial stability test
 - **Proposed:** Guaranteed, deferred 1% COLA at later of age 62 or 5 years

- Members must choose to participate in DROP or receive a COLA
 - Members do not have opportunity for both at the same time
 - Exception for Grandfathered Actives who are currently eligible for normal retirement

- Keep the current level of DROP interest rate, except for periods of negative return (same as retirees)

CURRENT ACTIVES

Modifications to COLA Structure

- **Non-DROP Retirees:** 1% Auto COLA at the later of age 62 or 5 years after retirement.
- **DROP Retirees:** no eligibility for the 1% Auto COLA except for certain members who are grandfathered.

CURRENT ACTIVES

DROP Interest Rates

(Same as Retirees)

- **Pre-retirement:** DROP accumulation period interest rate is 5.0%
- **Post-retirement:**
 - Fund market return exceeds 0.0% for the calendar year:
5.0% (same as now)
 - Fund market return at or less than 0.0% for the calendar year:
2.5%
- Current Actives who retire with a DROP balance choose to be DROP participants---no COLA available except for certain members who are grandfathered.

GRANDFATHERED ACTIVE MEMBERS

- Active members who are eligible for normal retirement on or before 1/1/2026 are “grandfathered”
- COLA eligibility for grandfathered members who retire with DROP Accounts at or after 1/1/2026:
 - Members would have to choose after retirement and before age 62 to either:
 - Continue participating in DROP, earning interest on their DROP account beyond age 62, or
 - Participate in the 1% automatic COLA that would start the later of age 67 or 5 years after retirement
 - If choose to continue with the DROP, no eligibility for the 1% Auto COLA.
 - DROP Interest is the same as Retirees (5% or 2.5% if negative calendar year return)
 - May choose to keep the balance of DROP Accounts in the Fund until April 1 of the year after the year in which the member attains age 70 ½ (same as now)
 - If choose to participate in the COLA, members would have to take a full DROP distribution by age 62.
 - If a member withdraws their entire DROP before age 62, the 1% Auto COLA would start at the later of age 67 or 5 years after retirement

NEW HIRES

*Hired after 1/1/2026

- Multiplier lowered from 3.3% to 3.0%
- Retro-DROP feature removed (Forward DROP only)
- DROP interest rate reduced to 4% or 2% if negative calendar year return
- Contribution Rate reduced from 18.7% to 17.0%
- Normal form of retirement benefit changed to Single Life Annuity (changed from Joint and 75% Survivor annuity)
- No interest credited on returned contributions for non-vested members
- DROP or deferred COLA chosen at retirement, but not both

NEW HIRES

Modified COLA Structure

- **Non-DROP Retirees:** 1% Auto COLA at the later of age 62 or 5 years after retirement.
- **DROP Retirees:** no eligibility for the 1% Auto COLA

NEW HIRES

DROP Interest Rates

- **Pre-retirement**
 - DROP accumulation period interest rate is 4.0%

- **Post-retirement:**
 - Fund market return exceeds 0.0% for the calendar year:
4.0%
 - Fund market return at or less than 0.0% for the calendar year:
2.0%

- Those new hires who retire with a DROP balance choose to be DROP participants - no COLA available.

NEW HIRES

Plan Features	Current	Proposed Legislative Changes
Multiplier	3.30%	3.00%
Avg. Salary Length	36 months	No change
Normal Retirement Eligibility	Age 50 with 10 years of service or 25 years of service at any age	No change
Early Retirement (ER) Eligibility	Age 45 with 10 years of service or 20 years of service at any age	No early retirement offered
Retro-DROP	Up to 7 years, DROP account includes benefits and member contributions accumulated with 5%	No Retro-DROP offered
Forward DROP	Up to 7 years, DROP account includes benefits and member contributions accumulated with 5%	Same as current except DROP account balances accrue interest at 4% during accumulation, upon retirement the DROP balances accrue interest at 4% if the Fund earns over 0% and 2% if the Fund earns at or below 0%
Member contribution rate (New Hire)	18.7%	17.0%
Payment Form	Joint and 75% Survivor	Single Life Annuity
Non-vested terminations	Receive contributions with 5% interest credited	Receive contributions with 0% credited interest
COLA	COLA based on CPI-U paid from NR eligibility, subject to fiscal sustainability	At retirement, must choose either: <ol style="list-style-type: none"> 1. DROP (No COLA) 2. NR with 1% Deferred COLA (No DROP)

ILLUSTRATED COSTS – CURRENT MEMBERS

\$ in Millions

Results Illustrated as of December 31, 2023	Current Design		Pension Reform Proposal
	2% Immediate	0% Immediate	1% Deferred
COLA Assumption			
Actuarial Liability (AL)			
Actives	\$677.0	\$583.5	\$597.6
Inactives, not including DROP balances	883.2	729.8	781.7
DROP Balances	147.2	147.2	152.8
Total Actuarial Liability	\$1,707.4	\$1,460.6	\$1,532.0
Actuarial Value of Assets (AVA)	1,162.7	1,162.7	1,162.7
Unfunded Actuarial Liability (UAL)	\$544.7	\$297.9	\$369.4
Funded Ratio (AVA/AL)	68.1%	79.6%	75.9%
Group A Total Normal Cost	37.9%	31.2%	31.9%
Group B Total Normal Cost			25.9%

*City of Austin Group B Long-Term Normal Cost is 8.91%

FUNDING STRUCTURE

Funding Goals

- Move away from the fixed contribution rate model
- Base funding on Actuarially Determined Contribution (ADC)
- Provide safeguards to both the Fund and City on contribution increases or decreases

ADC with Corridor

- Similar to previous funding reforms in other Texas municipalities
- Projected City Contribution rate for the next 30 years is initially established as the target
 - This target becomes the “Corridor Midpoint”
- The annual contribution rate for the City will fall within a range (or corridor) around the Corridor Midpoint

FUNDING STRUCTURE

Funding Process

- Similar to other Austin retirement systems
- Corridor midpoint will be established initially
- Transition period of three years
- Fund will determine the annual ADC, and City will have the opportunity to review with its own actuary and comment
- Fund will determine actuarial assumptions in connection with experience study, and City will have opportunity to review with its own actuary and comment

FUNDING STRUCTURE

Important Differences from Other Austin Plans

- Corridor based on a percentage of the ADC or a wider flat percentage
- No effect to contributions or benefits once corridor is breached
- No increased member contributions if high end of corridor is breached---Member contribution rate is already one of highest in Texas
- As a result, no feature added for contribution relief or benefit increases if low end of corridor breached

LEGACY UNFUNDED ACTUARIAL LIABILITY (UAL)

- Legacy UAL based on December 31, 2024 actuarial valuation reflecting:
 - Any plan changes included as part of the V-FSRP
 - Actuarial Value of Assets reset to Market Value of Assets as of December 31, 2024*
 - Assumes 2.5% payroll growth assumption
 - Three-year transition to full ADC
 - Legacy UAL payments are fixed dollar amounts

*Future asset experience will be smoothed based on the asset smoothing method adopted by the Board. The current asset smoothing method spreads asset gains and losses over five years.

LEGACY UAL PAYMENTS

Year Ending	Legacy UAL	UAL Payment During Fiscal Year
12/31/2024	\$ 385.9	\$ - *
12/31/2025	403.3	- *
12/31/2026	416.5	15.7
12/31/2027	424.4	21.8
12/31/2028	426.1	28.3
12/31/2029	427.2	29.0
12/31/2030	427.6	29.7
12/31/2031	427.3	30.4
12/31/2032	426.1	31.2
12/31/2033	424.1	32.0
12/31/2034	421.1	32.8
12/31/2035	417.1	33.6
12/31/2036	411.9	34.4
12/31/2037	405.4	35.3
12/31/2038	397.5	36.2
12/31/2039	388.1	37.1
12/31/2040	377.0	38.0
12/31/2041	364.2	39.0
12/31/2042	349.4	39.9
12/31/2043	332.5	40.9
12/31/2044	313.3	42.0
12/31/2045	291.7	43.0
12/31/2046	267.3	44.1
12/31/2047	240.0	45.2
12/31/2048	209.5	46.3
12/31/2049	175.7	47.5
12/31/2050	138.1	48.7
12/31/2051	96.5	49.9
12/31/2052	50.6	51.1
12/31/2053	-	52.4

The UAL payment as a percentage of payroll* is estimated to be:

2026	13.0%
2027	17.6%
2028-2053	22.2%

* Assumes 2.5% increase per year

* Payments based on current fixed rate of 22.05%.

**ACTUARIALY
DETERMINED
CONTRIBUTION**
(without modification)

Actuarially Determined Contribution (ADC) equals the sum of three pieces:

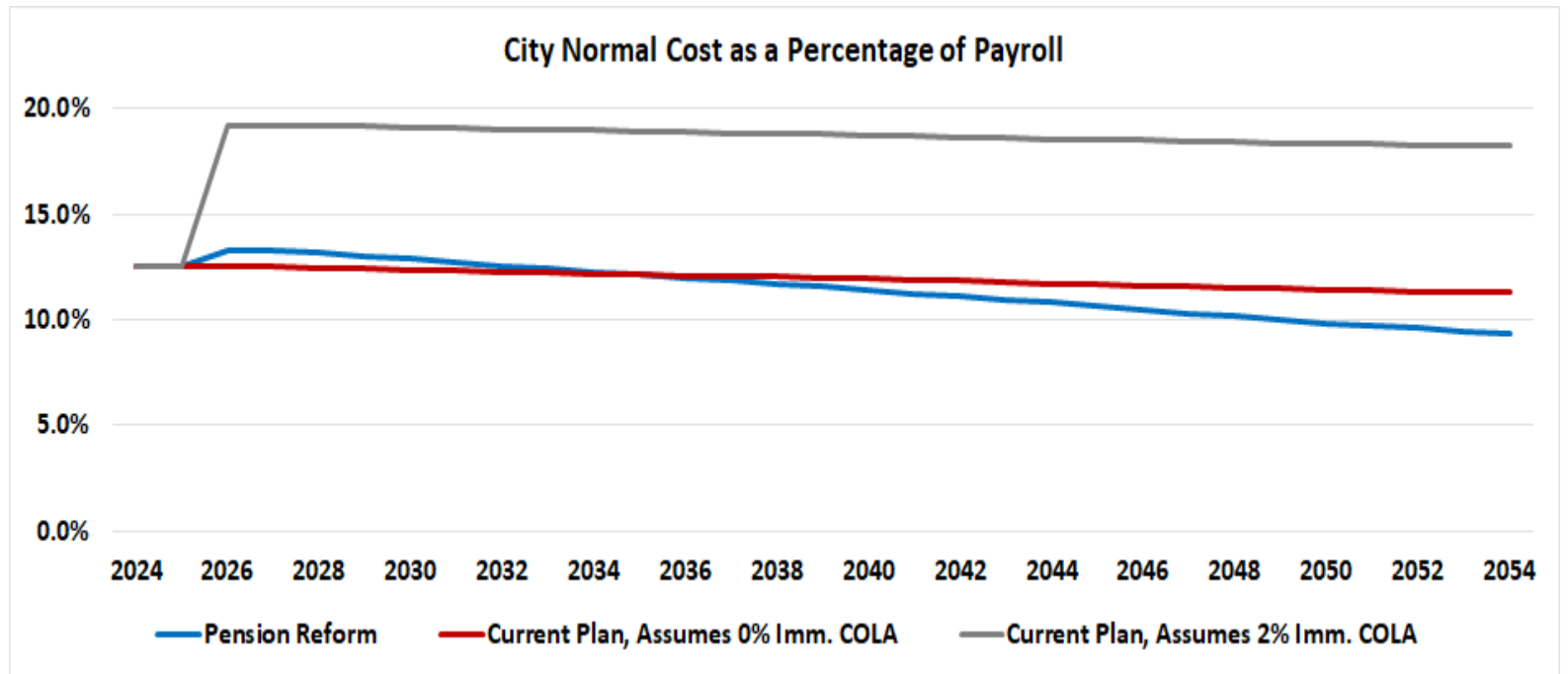
Component	Description
Normal Cost	Based on the Individual Entry Age actuarial cost method
Administration Expenses	Based on the adopted assumption by the Board, currently at 1.25% of payroll
Amortization of UAL	28-year amortization for legacy liability* and 20-year amortization of future UAL from plan experience and assumption changes

* Based on dollar amount schedule determined with the December 31, 2024 actuarial valuation.

TRANSITION TO ADC

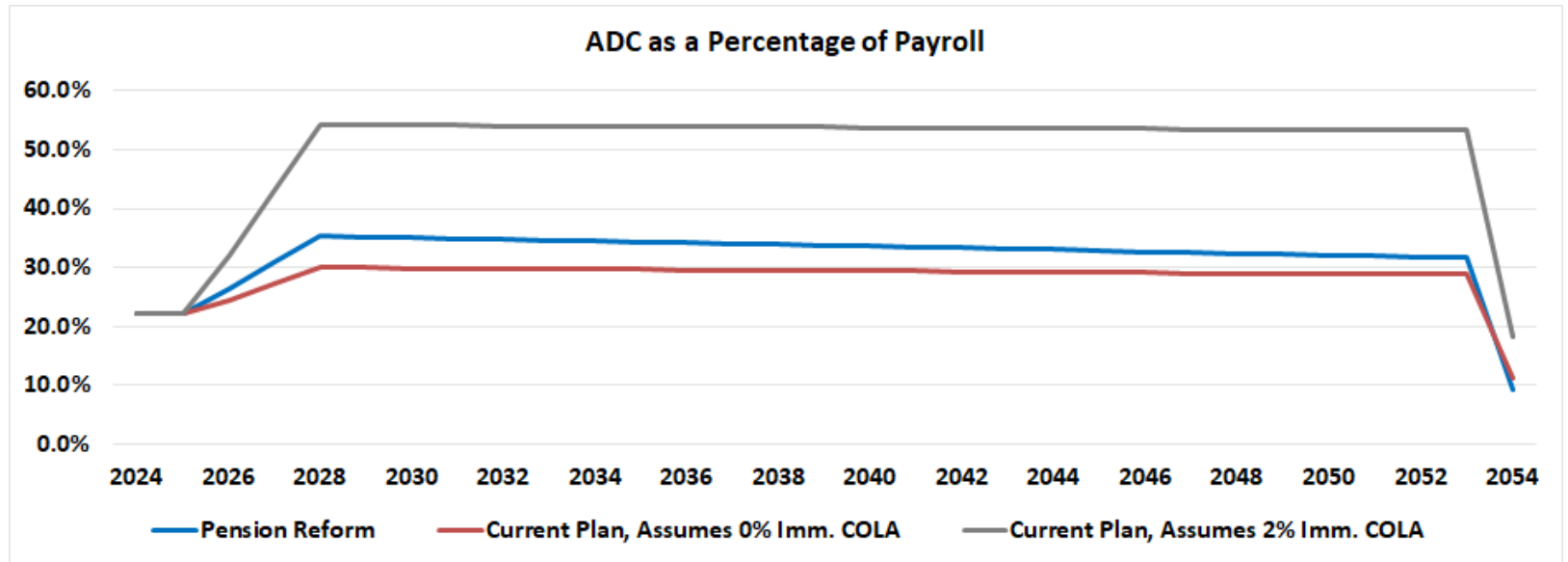
- First effective for the December 31, 2024 actuarial valuation, which impacts the 2026 calendar year contributions
 - 2026 and 2027 calendar year contributions will reflect a transition amount to the full ADC
 - 2028 calendar year contribution will reflect a full ADC contribution
- The Legacy UAL payment will increase by more than 2.5% for the initial years due to the transition to paying the full ADC

COST PROJECTIONS – CITY NC %



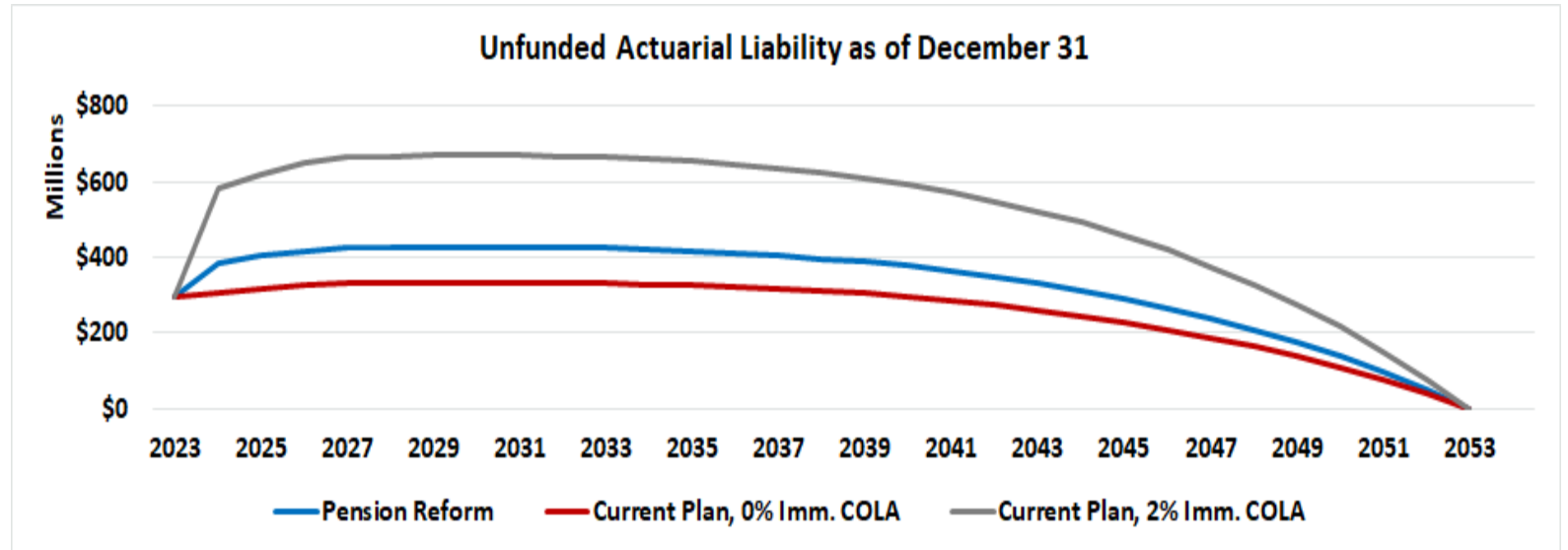
City NC %	Calendar Year					
	2026	2027	2028	2035	2045	2054
Pension Reform	13.3%	13.3%	13.2%	12.1%	10.7%	9.4%
Current Plan, 0% Imm. COLA	12.5%	12.5%	12.5%	12.2%	11.7%	11.3%
Current Plan, 2% Imm. COLA	19.2%	19.2%	19.2%	18.9%	18.5%	18.2%

COST PROJECTIONS – ANNUAL CITY COSTS



ADC	Calendar Year					
	2026	2027	2028	2035	2045	2054
Pension Reform	26.3%	30.8%	35.4%	34.3%	32.8%	9.3%
Current Plan, 0% Imm. COLA	24.5%	27.2%	29.9%	29.6%	29.1%	11.3%
Current Plan, 2% Imm. COLA	32.1%	43.0%	54.2%	53.9%	53.6%	18.2%

COST PROJECTIONS – UAL



UAL	Unfunded Actuarial Liability as of December 31					
	2026	2030	2035	2040	2050	2053
Pension Reform	\$416.5	\$427.6	\$417.1	\$377.0	\$138.1	\$0.0
Current Plan, 0% Imm. COLA	\$327.5	\$335.1	\$326.8	\$295.5	\$108.2	\$0.0
Current Plan, 2% Imm. COLA	\$649.2	\$671.1	\$654.6	\$591.8	\$216.7	\$0.0



APPENDIX



PRB PRINCIPLES OF RETIREMENT PLAN DESIGN

1. Public employers should offer a retirement benefit, and participation in the employer-sponsored primary retirement plan should be mandatory.
2. Contributions to retirement plans should be consistent with the PRB *Pension Funding Guidelines*.
3. Employers and employees should share the cost of the benefit.
4. Retirement plan vesting should occur over a short period, preferably five years or less.
5. Benefits should be designed to place employees on the path to financial security in retirement in consideration of participation or nonparticipation in Social Security.
6. A primary retirement plan should require annuitization of a substantial portion of retirement benefits.
7. In the absence of an immediate and heavy financial need, a retirement benefit should be used only for retirement.
8. Retirement benefits should be protected against the erosion of the benefit's value due to inflation; such benefits should not exceed actual inflation and should be funded in accordance with the PRB *Pension Funding Guidelines*.
9. Employers should provide death and disability benefits.
10. Employers are encouraged to offer plans that are supplemental to the primary retirement plan.
11. Retirement plan governance should represent the interests of all stakeholders, respect fiduciary standards, and be transparent and publicly accountable.
12. Retirement plan assets should be pooled and professionally invested according to prudent investor standards, giving careful consideration to cost.

Source: <https://www.prb.texas.gov/wp-content/uploads/2018/06/Principles-of-Retirement-Plan-Design.pdf>



COA REFORM PRINCIPLES

- A. Honor benefit promises to greatest extent possible
- B. Maintain prudent actuarial assumptions and long-term affordability
- C. Employees and plan sponsor share in system sustainability and risk
- D. Actuarially determined funding approach for City Contributions
- E. Enact more restrictive requirements for implementing future COLAs and benefit enhancements
- F. Establish more balanced board composition
- G. To the extent reforms are implemented, they should be implemented equitably across the systems

Source: *Retirement System Reforms* December 11, 2022



WORKING GROUP GOALS

Benefit Security

Ensuring the Fund has sufficient assets to preserve the ability to pay promised benefits; thereby providing our members with a clear path to achieving retirement security. Our members do not participate in Social Security and AFRF benefits are the only source of retirement income that they have.

Benefit Adequacy

Ensuring the Fund delivers an adequate level of benefits to our members, so they have a decent standard of living in retirement.

Cost Of Living Adjustment (COLA)

Striving to provide COLAs to provide purchasing power protection to retirees to ensure continued benefit adequacy while acknowledging the potential need for adjustments under exceptional circumstances. The Fund has had a well-developed and articulated COLA policy to self-regulate.

Equitable Contribution and Benefit Arrangement across the three Austin Systems

In considering pension reform, recognizing that:

- AFRF has a history of managing the funding health of the plan extremely responsibly. The Fund should be recognized for its good stewardship and not be penalized. In fact, the Fund has a long history of the Board and its active and retired members jointly cooperating to take appropriate action when needed, including increasing member contributions significantly, foregoing COLAs for over a decade, and adopting a responsible COLA policy that has resulted in the discontinuance of COLAs at current funding levels.
- Unlike the members of the other two systems, AFRF members do not participate in Social Security, and any reforms should consider this key difference.

Actuarially Determined Pension Funding Commitment

Ensuring that all benefits for current and future members are consistently and adequately funded through an actuarial determination of required City contributions. Any actuarially determined funding for City contributions should include appropriate determination of the portion of the liability that represents the “legacy liability.”



Fund Sustainability

Continue the almost 50-year history of active and retired members and the plan sponsor sharing in the burden of ensuring Fund sustainability.

Board Composition

Continued recognition of the stewardship and commitment to the Fund by the membership through maintaining a **member-majority board** while recognizing the need for significant City representation by allowing the mayoral position to be filled by either the mayor or a mayoral designee.

RELIANCE

The presentation was prepared solely for the use of the Working Group of the Austin Firefighters Retirement Fund and the City of Austin. Other users of this presentation are not intended users as defined in the Actuarial Standards of Practice, and Cheiron assumes no duty to or liability to such other users.

Data, Methods, and Assumptions

In preparing this presentation, we relied on information, some oral and some written, supplied by the Austin Firefighters Retirement Fund. This information includes, but is not limited to, the plan provisions, employee data, and financial information. We performed an informal examination of the obvious characteristics of the data for reasonableness and consistency in accordance with Actuarial Standard of Practice No. 23.

The actuarial assumptions, data, and methods for the preparation of this report are summarized in the Actuarial Valuation Report as of December 31, 2023, unless noted within this presentation. The assumptions reflect our understanding of the likely future experience of the Fund, and the assumptions as a whole represent our best estimate for the future experience of the Fund. The results of this presentation are dependent upon future experience conforming to these assumptions. To the extent that future experience deviates from the actuarial assumptions, the true cost of the Fund could vary from the results contained within this report. Please also see the Actuarial Valuation Report as of December 31, 2023 for an assessment of risk. Section II of the actuarial report identifies the primary risks to the Fund, including background information and assessment of risk.

Certification and Reliance Statements

The cost estimates for the current and alternative plan designs depend on the assumptions used. For what has been used in this presentation, see the Data, Methods, and Assumptions section above.

RELIANCE

It is imperative to recognize that the analysis provided in this report is based on models estimating such impact. The actual cost of any benefit change will be based on the actual benefits paid by the Fund. As such, if any of the design alternatives are adopted, the ultimate actual financial impact of the plan change will be based on the characteristics and behavior of members actually availing themselves of the adopted change. Thus, the greater the deviations between the actual experience and that assumed in this analysis, the more the costs actually incurred by the Fund may differ. The scope of the assignment resulting in this report does not include either qualitative or quantitative information on how actual costs may vary from those estimated.

Future actuarial measurements may differ significantly from the current measurements in this presentation due to such factors as the following: plan experience differing from that anticipated by the economic or demographic assumptions, changes in economic or demographic assumptions, and changes in plan provisions or applicable law. Actuarial valuations are dependent on assumptions about future economic and demographic assumptions. Actual future experience will never conform precisely to the assumptions and may differ significantly. This deviation is a risk that pension plan sponsors undertake in relying on a pension plan's actuarial valuation results. Please see the Fund actuarial reports for more information related to these risks to the Fund.

This presentation and its contents have been prepared in accordance with generally recognized and accepted actuarial principles and practices and our understanding of the Code of Professional Conduct and applicable Actuarial Standards of Practice set out by the Actuarial Standards Board as well as applicable laws and regulations. Furthermore, as credentialed actuaries, we meet the Qualification Standards of the American Academy of Actuaries to render the opinion contained in this presentation. This presentation does not address any contractual or legal issues. We are not attorneys, and our firm does not provide any legal services or advice.

Elizabeth Wiley, FSA, EA, MAAA, FCA
Consulting Actuary

Heath Merlak, FSA, EA, MAAA, FCA
Principal Consulting Actuary

ACTUARIAL ASSUMPTIONS AND METHODS

The following summarizes actuarial assumptions and methods that are not described in the actuarial valuation report as of December 31, 2023 and were used in the development of this presentation except where explicitly noted in this presentation.

1. Existing DROP Balances

Members with existing DROP balances are assumed to withdraw their balances over the next 3 years, but not later than age 70 ½.

2. Pension Reform

Non-grandfathered active members are assumed to choose the most valuable benefit between the DROP with no COLA and a regular retirement with the 1% automatic deferred COLA. Grandfathered active members are assumed to retire with a DROP and withdraw their balance at the earlier of the valuation assumption and age 62 to be eligible for the 1% COLA deferred to age 67. All current inactive members are assumed to receive the 1% deferred COLA beginning at the latest of age 62, 5 years of retirement, and January 1, 2027.

3. Actuarial Value of Assets

The Actuarial Value of Assets (AVA) is assumed to reset to the Market Value of Assets (MVA) as of December 31, 2024, estimated based on the MVA as of December 31, 2023 and the assumed 7.3% return for the year, and prospectively from December 31, 2024 based on the smoothing method described in the Actuarial Valuation Report as of December 31, 2023.

4. Amortization Method

The actuarially determined contribution is based on a closed, level percentage of pay amortization assuming 2.5% payroll growth. The legacy UAL and any future UAL are amortized over 28 and 20 years, respectively.

5. New Hires

New hire costing is based on a new entrant profile reflecting new members joining the Fund in 2022 and 2023. The profile reflects an average hire age of 29 years and pay of \$60,338.

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Austin Firefighters Retirement Fund

November 18, 2024

Board Meeting

Agenda

1. Economic and Market Update
2. Executive Summary
3. 3Q24 Investment Report
4. IPPE Responses
5. Summary of Proposed Changes to the IPS and Operating Procedures
6. Public Manager Fee Benchmarking
7. Roadmap
8. Appendix
 - Disclaimer, Glossary and Notes

Economic and Market Update

Data as of September 30, 2024

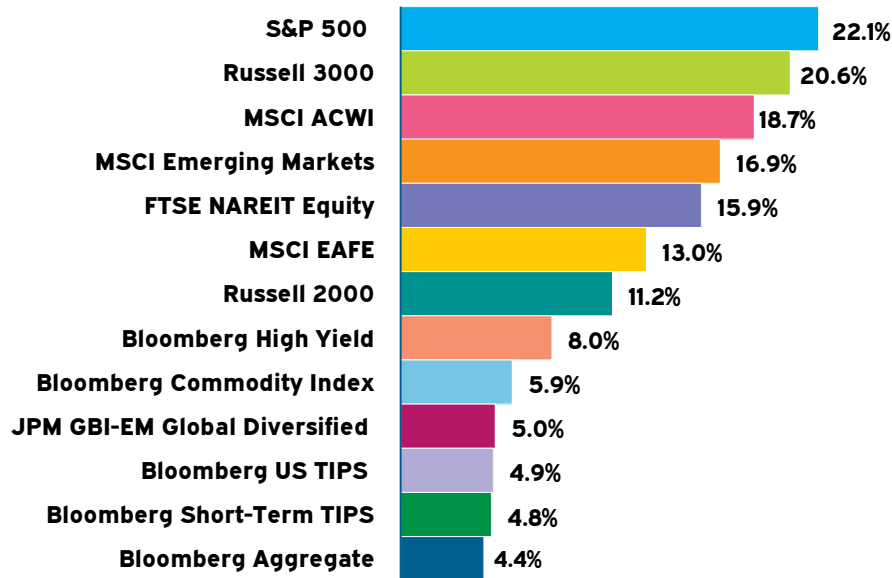
Commentary

In the third quarter, stock and bond markets rallied despite heightened volatility. Central bank indications of future interest rate cuts given declining inflation pressures was a key driver of gains.

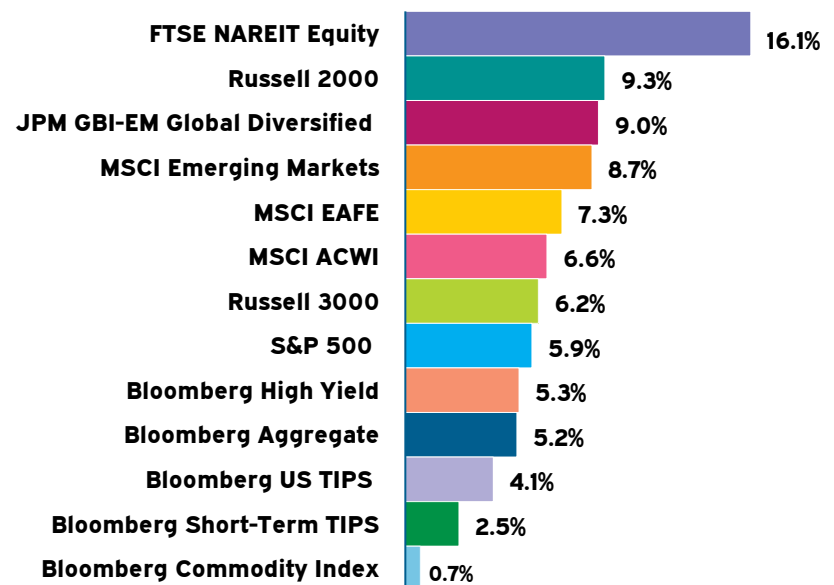
- In September, the Federal Reserve surprised many in the markets with a 50 basis point interest rate cut while the US economy and employment picture remains quite healthy.
- In the third quarter, US equities (Russell 3000) rose 6.2%. The US equity rally broadened, with value and small cap stocks outperforming large cap growth stocks, reversing the narrow leadership trend earlier this year.
- Emerging market stocks (+8.7%) outperformed developed market stocks in the third quarter; in non-US developed markets (+7.3%) value and small cap stocks also beat the broad market.
- After two years of piecemeal policy stimulus, China's policy makers rolled out a significant stimulus package to support equity prices, reduce bank reserve requirements and funding rates, and support current and future mortgage borrowers. In particular, bank loans for listed company share buybacks and purchases drove the MSCI China equity index to rally 23.9% in September and 23.5% for the entire third quarter.
- Fixed income markets also posted positive returns on expectations for additional policy rate cuts this year and next, as inflation pressures recede, and the economy slows.
- Looking ahead, the paths of inflation, labor markets, and monetary policy, China's slowing economy and potential policy stimulus benefits, increased geopolitical tensions, and the looming US election will be key factors.

Index Returns¹

YTD



Q3



→ Major markets finished the third quarter in positive territory despite several spikes in volatility. Falling inflation, resilient growth in the US, and dovish central banks supported stocks and bonds. Rate sensitive sectors, like REITs, particularly benefited from lower interest rates.

→ Year-to-date through September, all major asset classes were positive, led by US equities.

¹ Source: Bloomberg. Data is as of September 30, 2024.

Domestic Equity Returns¹

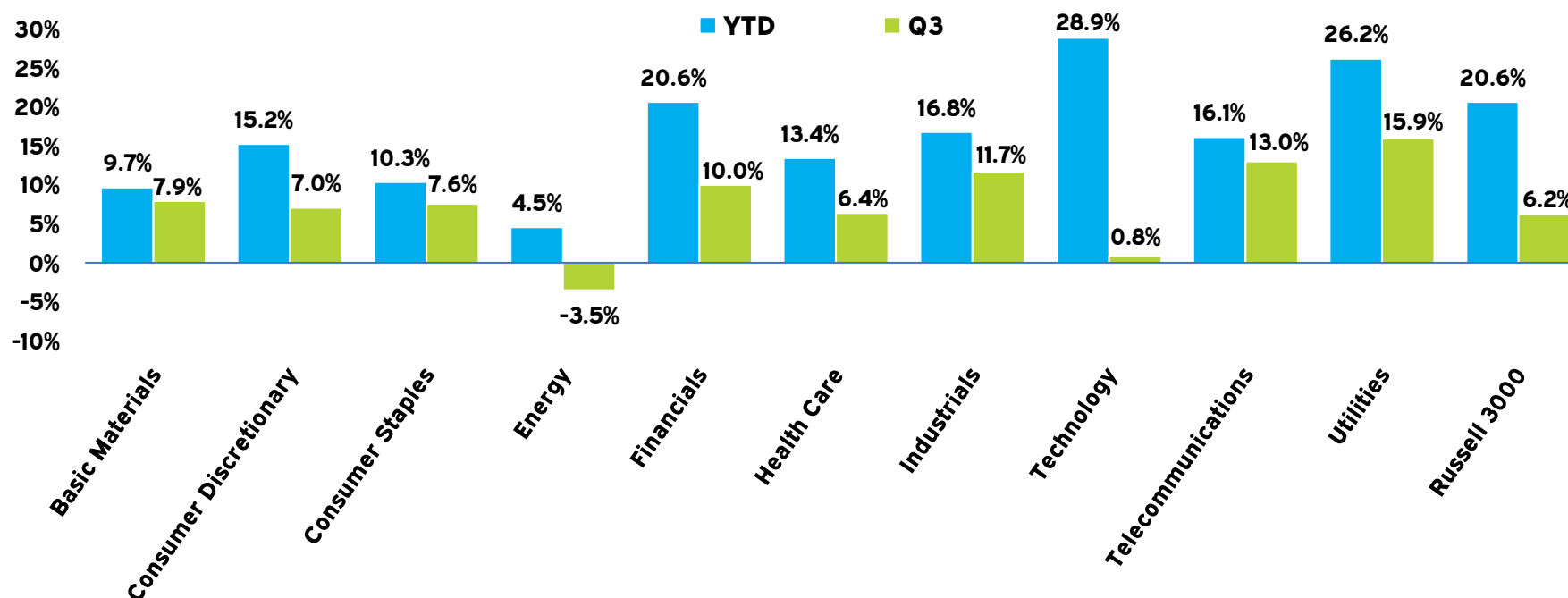
Domestic Equity	September (%)	Q3 (%)	YTD (%)	1 YR (%)	3 YR (%)	5 YR (%)	10 YR (%)
S&P 500	2.1	5.9	22.1	36.4	11.9	16.0	13.4
Russell 3000	2.1	6.2	20.6	35.2	10.3	15.3	12.8
Russell 1000	2.1	6.1	21.2	35.7	10.8	15.6	13.1
Russell 1000 Growth	2.8	3.2	24.5	42.2	12.0	19.7	16.5
Russell 1000 Value	1.4	9.4	16.7	27.8	9.0	10.7	9.2
Russell MidCap	2.2	9.2	14.6	29.3	5.7	11.3	10.2
Russell MidCap Growth	3.3	6.5	12.9	29.3	2.3	11.5	11.3
Russell MidCap Value	1.9	10.1	15.1	29.0	7.4	10.3	8.9
Russell 2000	0.7	9.3	11.2	26.8	1.8	9.4	8.8
Russell 2000 Growth	1.3	8.4	13.2	27.7	-0.4	8.8	8.9
Russell 2000 Value	0.1	10.2	9.2	25.9	3.8	9.3	8.2

US Equities: The Russell 3000 rose +6.2% in the third quarter, bringing the year-to-date results to +20.6%.

- In the third quarter, the previously technology-driven stock rally broadened out as optimism grew over the potential for a “soft landing” of the US economy and as investors reexamined the future of AI-related stocks.
- In this environment, value outperformed growth across the capitalization spectrum and small cap stocks (Russell 2000: +9.3%) outperformed large cap stocks (Russell 1000: +6.1%).
- Despite the third quarter’s rally in value and small cap stocks, large cap growth stocks are the best performing asset class (R1000 Growth: +24.5%) for the year-to-date 2024 due to on-going enthusiasm for AI.

¹ Source: Bloomberg. Data is as of September 30, 2024.

Russell 3000 Sector Returns¹



- With the notable exception of energy stocks, all sectors posted positive returns in the third quarter.
- On the prospect of growing energy demand for cloud computing for AI, utilities were the best performing sector in the third quarter (+15.9%) followed by telecom (+13.0%) and industrials (+11.7%).
- All sectors feature positive returns for the year-to-date period. Technology stocks (+28.9%) continue to lead the broader market, followed by utilities (+26.2%), and financials (+20.6%).

¹ Source: Bloomberg. Data is as of September 30, 2024.

Foreign Equity Returns¹

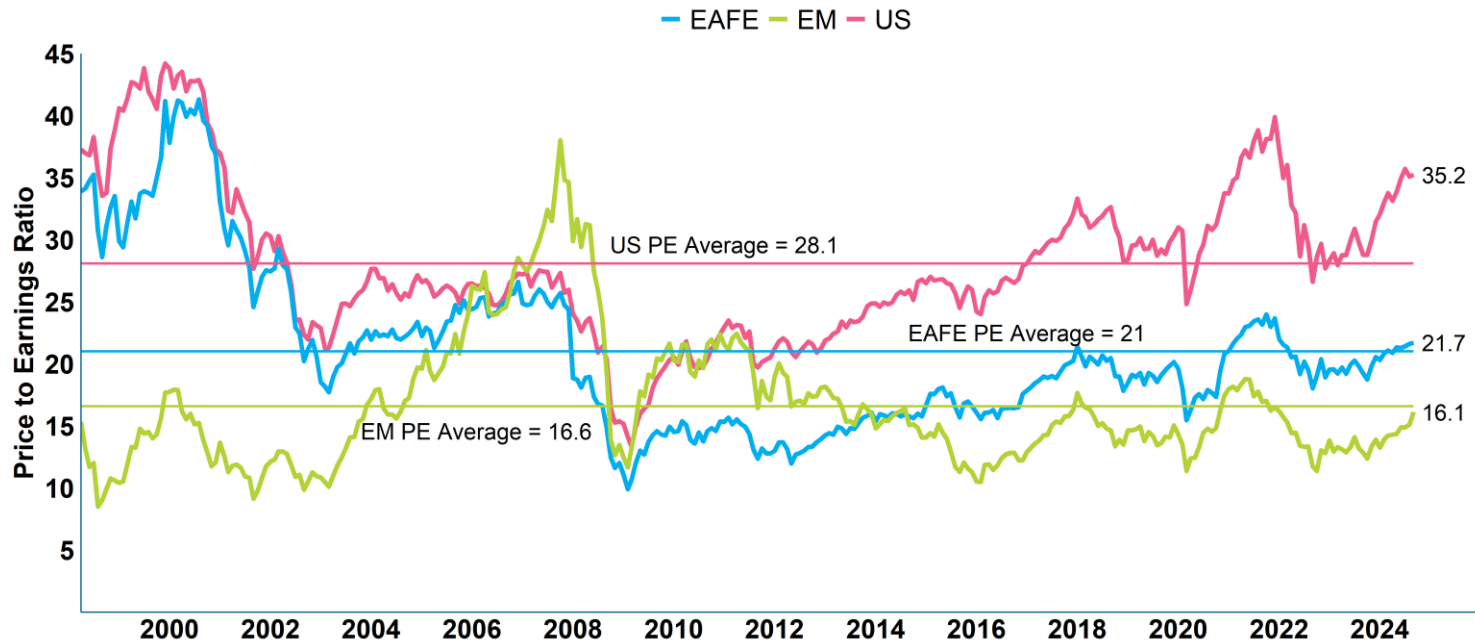
Foreign Equity	September (%)	Q3 (%)	YTD (%)	1 YR (%)	3 YR (%)	5 YR (%)	10 YR (%)
MSCI ACWI ex. US	2.7	8.1	14.2	25.4	4.1	7.6	5.2
MSCI EAFE	0.9	7.3	13.0	24.8	5.5	8.2	5.7
MSCI EAFE (Local Currency)	-0.4	0.8	12.0	17.5	7.9	8.8	7.4
MSCI EAFE Small Cap	2.6	10.5	11.1	23.5	-0.4	6.4	6.2
MSCI Emerging Markets	6.7	8.7	16.9	26.1	0.4	5.7	4.0
MSCI Emerging Markets (Local Currency)	5.6	6.6	18.3	25.0	2.9	7.4	6.5
MSCI EM ex. China	1.3	4.0	12.7	27.4	3.4	8.4	4.8
MSCI China	23.9	23.5	29.3	23.9	-5.6	0.8	3.4

Foreign Equity: Developed international equities (MSCI EAFE) rose +7.3% in the third quarter, while emerging market equities (MSCI Emerging Markets) gained 8.7%.

- Non-US developed market stocks saw similar themes as the US, with value and small cap stocks outperforming large cap stocks in the third quarter, as investors anticipated further rate cuts from the European Central Bank and the Bank of England. Japan’s TOPIX index experienced an over 20% decline at the start of August due to the Bank of Japan’s (BoJ) unexpected rate increase and related pressures on the yen carry trade. It subsequently recovered, though, as the BoJ signaled that further rate increases were not likely.
- In late September, China announced significant stimulus measures to support asset prices resulting in Chinese stocks rallying +23.9% just in September. This led to emerging markets having the best quarterly results (+8.7%).
- The weakening US dollar further supported international stocks, particularly in developed markets.

¹ Source: Bloomberg. Data is as September 30, 2024.

Equity Cyclically Adjusted P/E Ratios¹



- The broad global equity rally lifted stocks' cyclically adjusted price/earnings ratios over the quarter, with US stock valuations finishing well above their long-term 28.1 average.
- Non-US developed market valuations increased to slightly above their long-term average while emerging market stocks are now trading close to their long-term average given the strong recent gains.

¹ US Equity Cyclically Adjusted P/E on S&P 500 Index. Source: Robert Shiller, Yale University, and Meketa Investment Group. Developed and Emerging Market Equity (MSCI EAFE and EM Index) Cyclically Adjusted P/E Source: Bloomberg. Earnings figures represent the average of monthly "as reported" earnings over the previous ten years. Data is as of September 2024. The average line is the long-term average of the US, EM, and EAFE PE values from April 1998 to the recent month-end respectively.

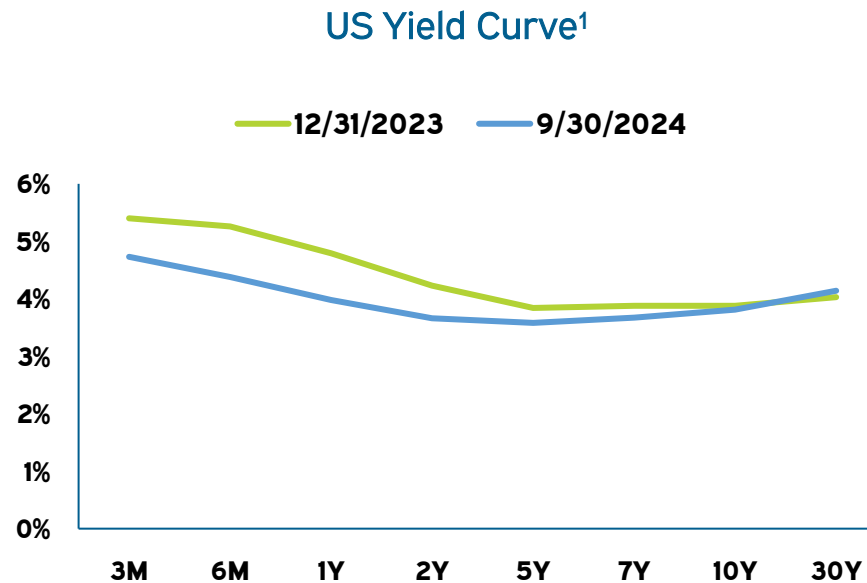
Fixed Income Returns¹

Fixed Income	September (%)	QTD (%)	YTD (%)	1 YR (%)	3 YR (%)	5 YR (%)	10 YR (%)	Current Yield (%)	Duration (Years)
Bloomberg Universal	1.4	5.2	4.9	12.1	-1.0	0.7	2.1	4.5	6.0
Bloomberg Aggregate	1.3	5.2	4.4	11.6	-1.4	0.3	1.8	4.2	6.2
Bloomberg US TIPS	1.5	4.1	4.9	9.8	-0.6	2.6	2.5	3.8	6.9
Bloomberg Short-term TIPS	1.0	2.5	4.8	7.5	2.5	3.6	2.4	3.9	2.4
Bloomberg US Long Treasury	2.0	7.8	2.4	15.4	-8.3	-4.3	1.1	4.2	15.5
Bloomberg High Yield	1.6	5.3	8.0	15.7	3.1	4.7	5.0	7.0	3.4
JPM GBI-EM Global Diversified (USD)	3.4	9.0	5.0	13.4	0.6	0.6	0.6	--	--

Fixed Income: The Bloomberg Universal index rose 5.2% in the third quarter, bringing the year-to-date return into positive territory (+4.9%).

- Fixed income indexes rose in the quarter as rates fell, driven by a continued decline in inflation. This and the weakening labor market led to the Fed cutting interest rates with more cuts expected.
- The broad US bond market (Bloomberg Aggregate) rose 5.2% over the quarter, with the broad TIPS market gaining 4.1%. The less interest rate sensitive short-term TIPS index increased 2.5%.
- Riskier bonds experienced volatility during the quarter but ultimately posted strong results as risk appetite remained strong. Emerging market debt gained 9.0% and high yield rose 5.3%.

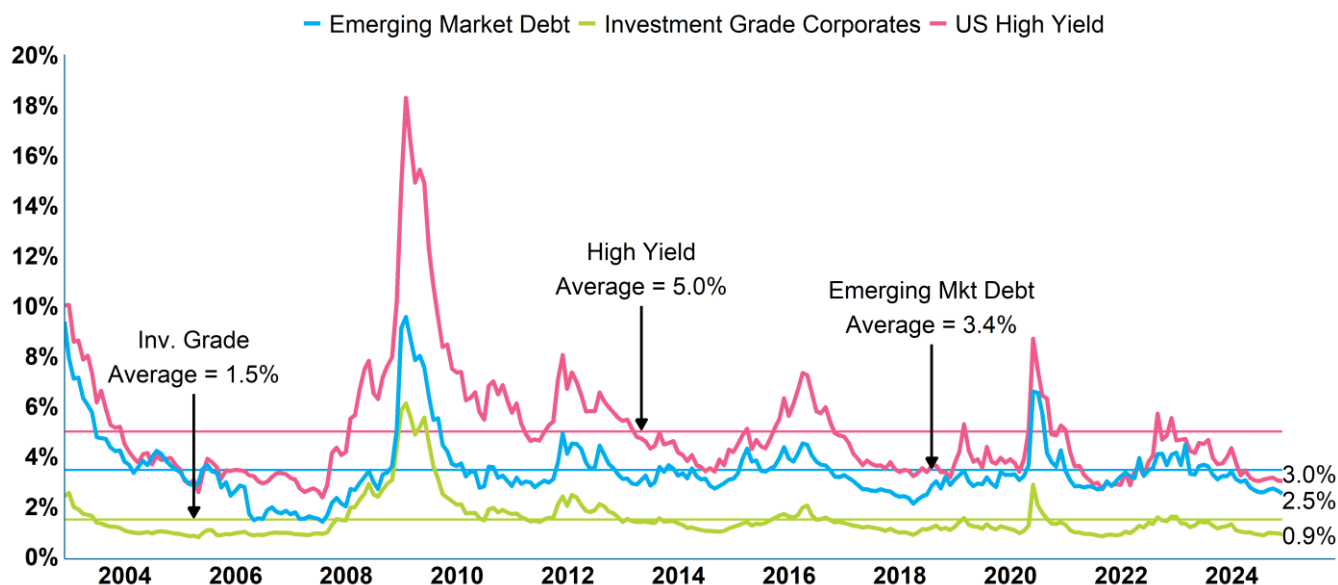
¹ Source: Bloomberg. Data is as of September 30, 2024. The yield and duration data from Bloomberg is defined as the index's yield to worst and modified duration, respectively. JPM GBI-EM data is from J.P. Morgan. Current yield and duration data is not available.



- US interest rates fell over the quarter as economic data continued to soften and the Fed started its rate cutting cycle.
- The more policy sensitive 2-year Treasury yield declined from 4.75% to 3.64% over the quarter, while the 10-year Treasury yield fell from 4.40% to 3.78% over the same period.
- Notably, the portion of the yield curve from 2-years to 10-years was no longer inverted at the end of September, given policy rate cuts and resilient growth. This trend could continue as the Fed likely continues to cut interest rates.

¹ Source: Bloomberg. Data is as of September 30, 2024.

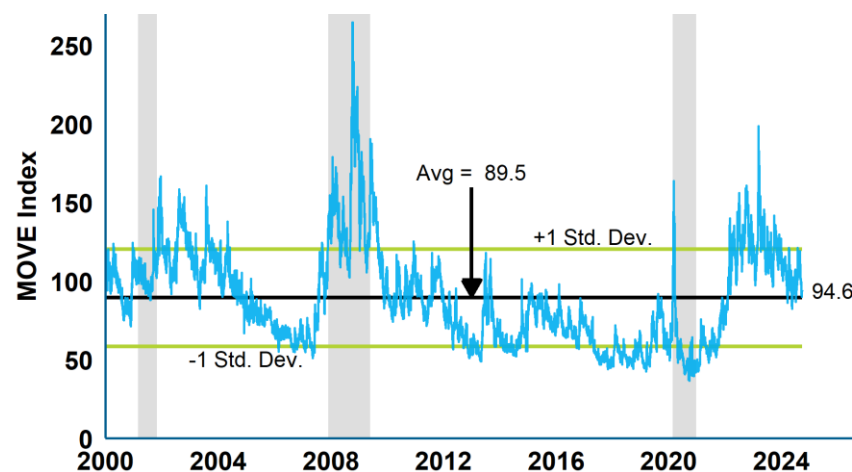
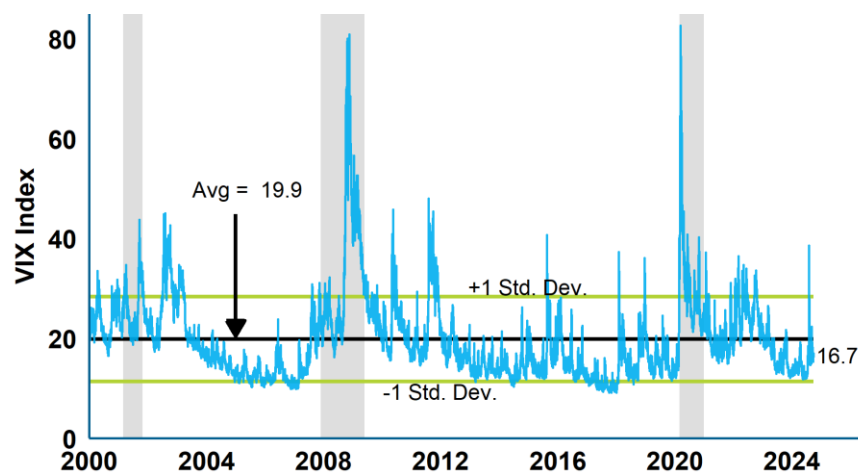
Credit Spreads vs. US Treasury Bonds¹



- Spreads (the yield above a comparable maturity Treasury) widened significantly at the start of the quarter in the volatile environment but declined after, largely finishing where they started.
- All yield spreads remained below their respective long-run averages, particularly high yield.
- Although spreads are relatively tight, yields remain at above-average levels compared to the last two decades, particularly for short-term issues.

¹ Source: Bloomberg. Data is as September 30, 2024. Average lines denote the average of the investment grade, high yield, and emerging market spread values from September 2002 to the recent month-end, respectively.

Equity and Fixed Income Volatility¹



- In the third quarter, equity and bond market volatility experienced periods of elevation due to concerns over the US labor market, the unwinding of the yen-carry trade, and increased geopolitical tensions. Ultimately, both settled well below their respective peaks as additional economic data and the easing of monetary policy calmed investors.
- Volatility levels (VIX) in the stock market spiked above one standard deviation of its long-term average in early August but finished below the long-term average.
- Bond market volatility (MOVE) also fluctuated through the quarter. Uncertainty in the bond market remains above the long-run average as markets continue to reprice the pace of interest rate cuts.

¹ Equity Volatility – Source: FRED. Fixed Income Volatility – Source: Bloomberg. Implied volatility as measured using VIX Index for equity markets and the MOVE Index to measure interest rate volatility for fixed income markets. Data is as of September 2024. The average line indicated is the average of the VIX and MOVE values between January 2000 and September 2024.

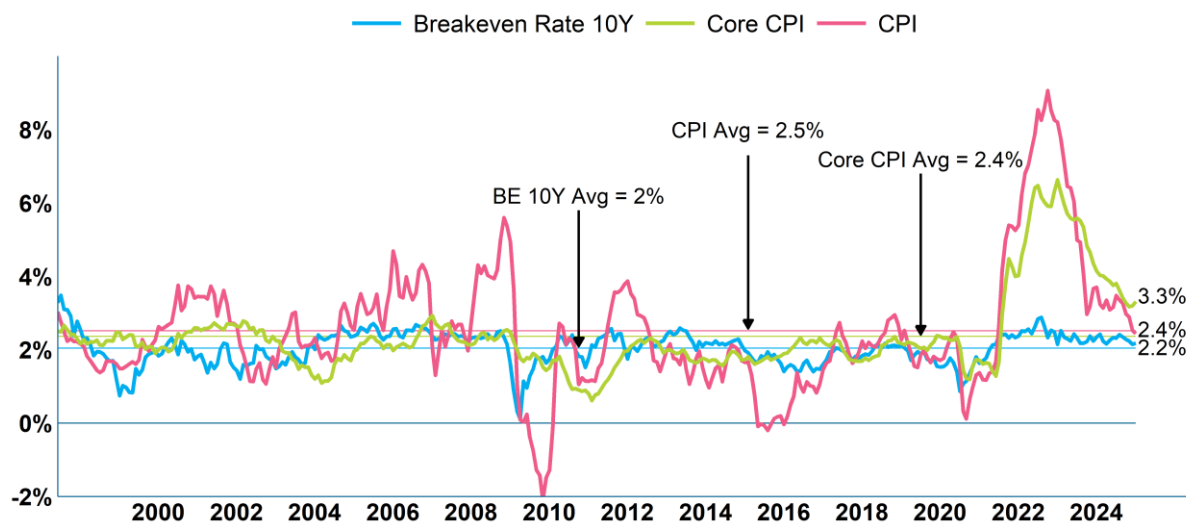
Recent Market Strength: China¹



- On September 24th, Chinese policy makers surprised markets with a suite of policy stimulus measures designed to support stock prices, banks, and mortgage borrowers.
- Banks were asked to extend loans to publicly traded companies for share purchases and buybacks, contributing to significant equity market gains in the last week of the quarter. These policies also contributed to increased foreign demand for Chinese shares.
- The banking sector benefited from a cut to the 1-year medium term lending rate and to their reserve requirement rate.
- Homeowners may also benefit from changes to downpayment minimums and mortgage rate reductions.
- Despite the recent gains in the stock market, questions remain about the ultimate impact of these policies on longer-term growth in China, as well as policy makers' commitment to continue supporting the economy.

¹ Source: Bloomberg. Data as of September 30, 2024.

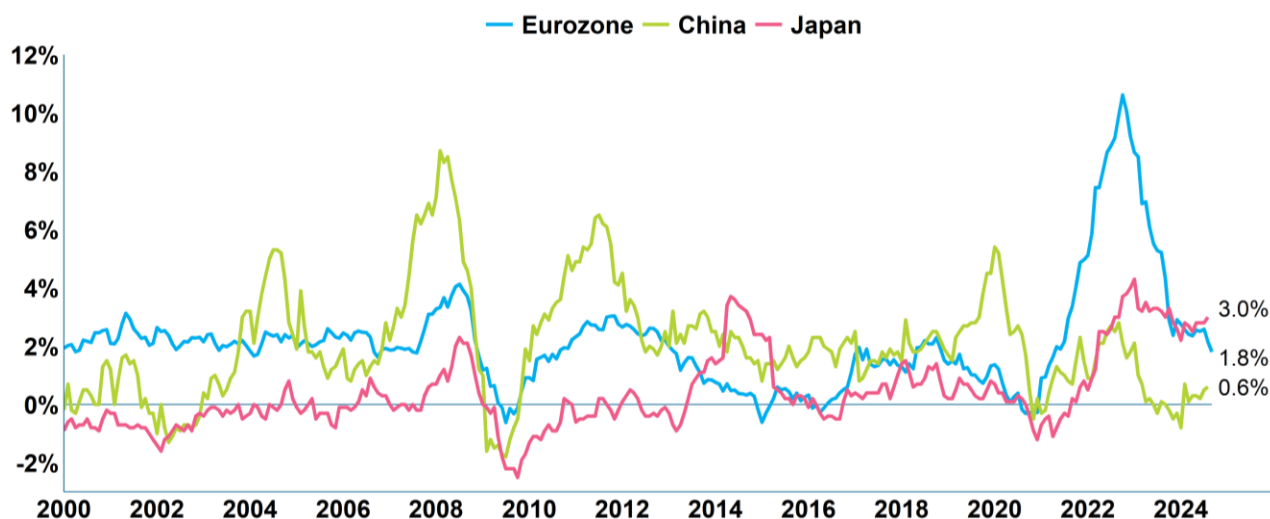
US Ten-Year Breakeven Inflation and CPI¹



- Over the quarter, year-over-year headline inflation continued to decline (3.0% to 2.4%) supporting the Fed’s start to cutting policy rates. The 2.4% September level was the lowest since early 2021.
- Month-over-month inflation increased 0.2% each month over the quarter. Food and shelter costs saw monthly increases, while energy prices largely fell.
- Year-over-year core inflation (excluding food and energy) finished the quarter where it started (3.3%). Shelter (+4.9% YoY) and transportation (+8.5% YoY) remain key drivers of stickier core inflation.
- Inflation expectations (breakevens) have been relatively stable over the last several years. They remain below current inflation levels.

¹ Source: FRED. Data is as September 2024. The CPI and 10 Year Breakeven average lines denote the average values from February 1997 to the present month-end, respectively. Breakeven values represent month-end values for comparative purposes.

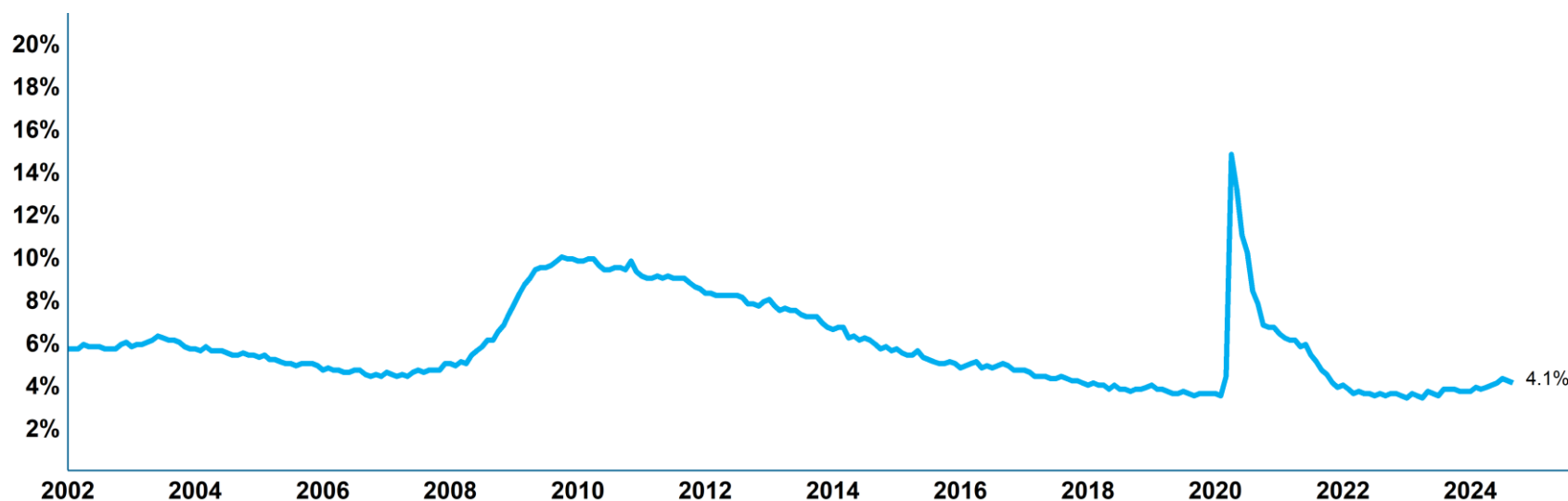
Global Inflation (CPI Trailing Twelve Months)¹



- In the eurozone, inflation fell from 2.5% to 1.8% over the quarter (a level below the US), potentially clearing the way for further rate cuts from the European Central Bank.
- By contrast, inflation in Japan recently increased (2.8% to 3.0%) due in part to higher food, electricity, and gas prices supporting the case for additional interest rate increases by the Bank of Japan.
- In China, inflation increased each of the last seven months, after declines late last year. Recent extreme weather has caused supply issues and contributed to higher prices. Inflation in China remains much lower than in other countries, due to weak consumer spending and as issues in the real estate sector continue to weigh on sentiment.

¹ Source: Bloomberg. Data is as of September 30, 2024, except Japan and China which are as of August 31, 2024.

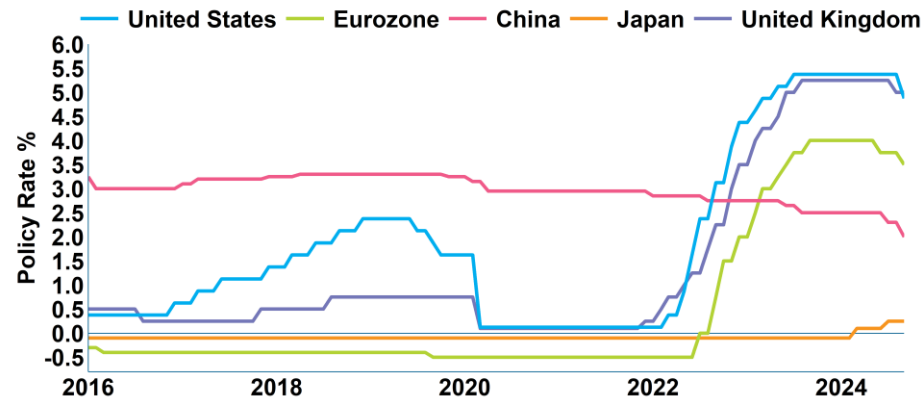
US Unemployment¹



- The US labor market has softened but remains relatively strong. After reaching 4.3% in July, the unemployment rate finished the quarter at the level it started (4.1%), with 6.8 million people looking for work.
- After job gains came in below expectations in July (114k versus 175k) and August (142k versus 165k), contributing to some of the market volatility, they finished strong in September, beating estimates (254k versus 150k). Food services (+69K) and healthcare (+45K) were the largest contributors to the September gains.
- Initial claims for unemployment remain relatively low and year-over-year wage gains remain strong (+4.0%). The number of job openings increased slightly (7.9 to 8.0 million) over the quarter.

¹ Source: FRED. Data is as of September 30, 2024.

Policy Rates¹



- In the US, the Fed reduced interest rates by 0.5% after holding them at a 5.25%-5.50% level for over a year. In their statement they highlighted that they would make additional interest rate cut decisions based on incoming data. Market participants are pricing in roughly two additional cuts in 2024.
- The Bank of England (BoE) and the European Central Bank (ECB) have both started cutting rates. The BoE made a 25 basis points interest rate cut in July while the ECB made two similar cuts in June and September.
- Inflation in Japan remains elevated, prompting Bank of Japan officials to raise the policy rate 0.15% to 0.25% over the quarter after decades at near-zero rates.
- China announced a broad based unexpected stimulus package that included lower interest rates, a reduction in bank reserve requirements, and liquidity for stock investors.

¹ Source: Bloomberg. Data is as of September, 2024. United States rate is the mid-point of the Federal Funds Target Rate range. Eurozone rate is the ECB Deposit Facility Announcement Rate. Japan rate is the Bank of Japan Unsecured Overnight Call Rate Expected. China rate is the China Central Bank 1-Year Medium Term Interest Rate. UK rate is the UK Bank of England Official Bank Rate.

US Dollar vs. Broad Currencies¹



- The US dollar weakened in the third quarter by 4.7% versus other major currencies, influenced by the decline in interest rates and expectations for slower growth.
- It remains at historically strong levels, though, given relatively stronger growth, higher interest rates, and on the prospects of other central banks, potentially easing policy faster than the Fed.
- Looking ahead, the track of policy rates across major central banks will be key for the path of the US dollar from here. If the US economy slows more than expected and the Fed relatedly lowers rates at a faster pace, we could see the dollar weaken further.

¹ Source: Bloomberg. Data as of September 30, 2024.

Summary

Key Trends:

- According to the International Monetary Fund's (IMF) July report, global growth this year is expected to match the 2023 estimate at around 3.2% with most major economies predicted to avoid a recession.
- Key economic data in the US has largely weakened and come in below expectations, causing markets to expect an additional two rate cuts this year after the Fed's initial 0.5% reduction. Uncertainty remains regarding the timing and pace of interest rate cuts in the coming year.
- US consumers could feel pressure as certain components of inflation (e.g., shelter) remain high, borrowing costs stay elevated, and the job market may weaken further.
- A focus for US equities going forward will be whether earnings can remain resilient if growth slows. Also, the future paths of the large technology companies that have driven market gains will be important.
- We have started to see divergences in monetary policy. Some central banks, such as the Fed, European Central Bank, and the Bank of England, have started to cut interest rates and others, like the Bank of Japan, have increased interest rates. This disparity will likely influence capital flows and currencies.
- China appears to have shifted focus to more policy support for the economy/asset prices with a new suite of policy stimulus and signals for more support ahead. It is still not clear what the long-term impact of these policies will be on the economy and if policy makers will remain committed to these efforts.

Executive Summary

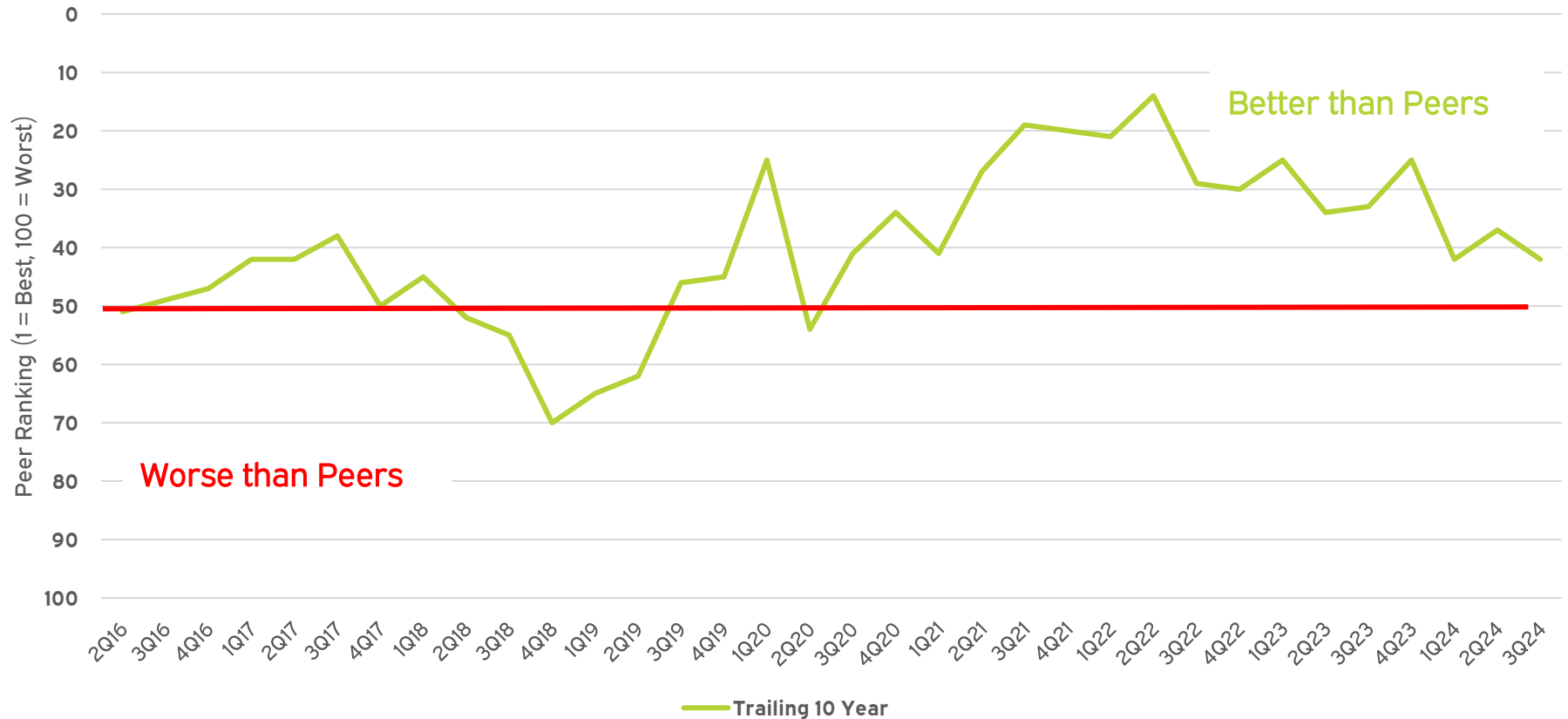
3Q 24 Executive Summary

Category	Results	Notes
Total Fund Performance	Positive	+4.5% (+\$52 mm net investment change)
Performance vs. Benchmarks	Underperformed	4.5% vs. 5.1% (policy benchmark)
Performance vs. Peers ¹	Underperformed	4.5% vs. 4.8% median (64 th percentile)
Asset Allocation Attribution Effects	Positive	Underweight real estate and overweight US equity helped
Active Public Managers vs. Benchmarks	Underperformed	5 of 11 active managers beat respective benchmarks (after fees)
Active Public Managers vs. Peer Groups	Mixed	5 of 10 ² active managers beat peer group median (after fees)
Compliance with Targets	In Compliance	All exposure within policy ranges

¹ InvMetrics Public DB >\$1B net.

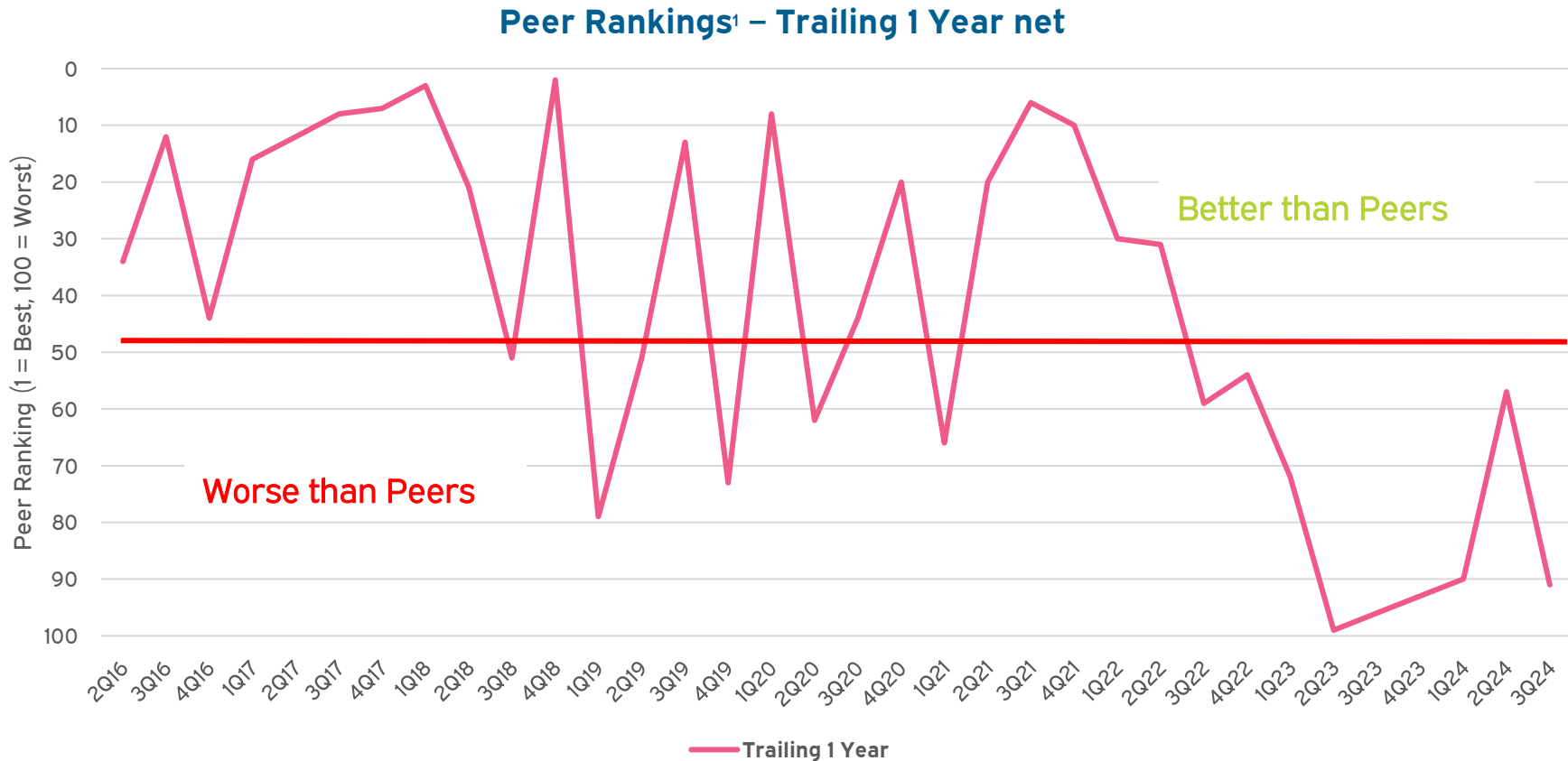
² Excludes Aberdeen EMD. No appropriate peer group for Aberdeen blended currency emerging market debt. Peer groups only exist for local currency or USD strategies.

Peer Rankings¹ – Trailing 10 Years net



→ AFRF consistently (~80% of the time) ranks in the top half of similar sized public pensions when evaluating returns at any moment over a trailing 10 year return perspective.

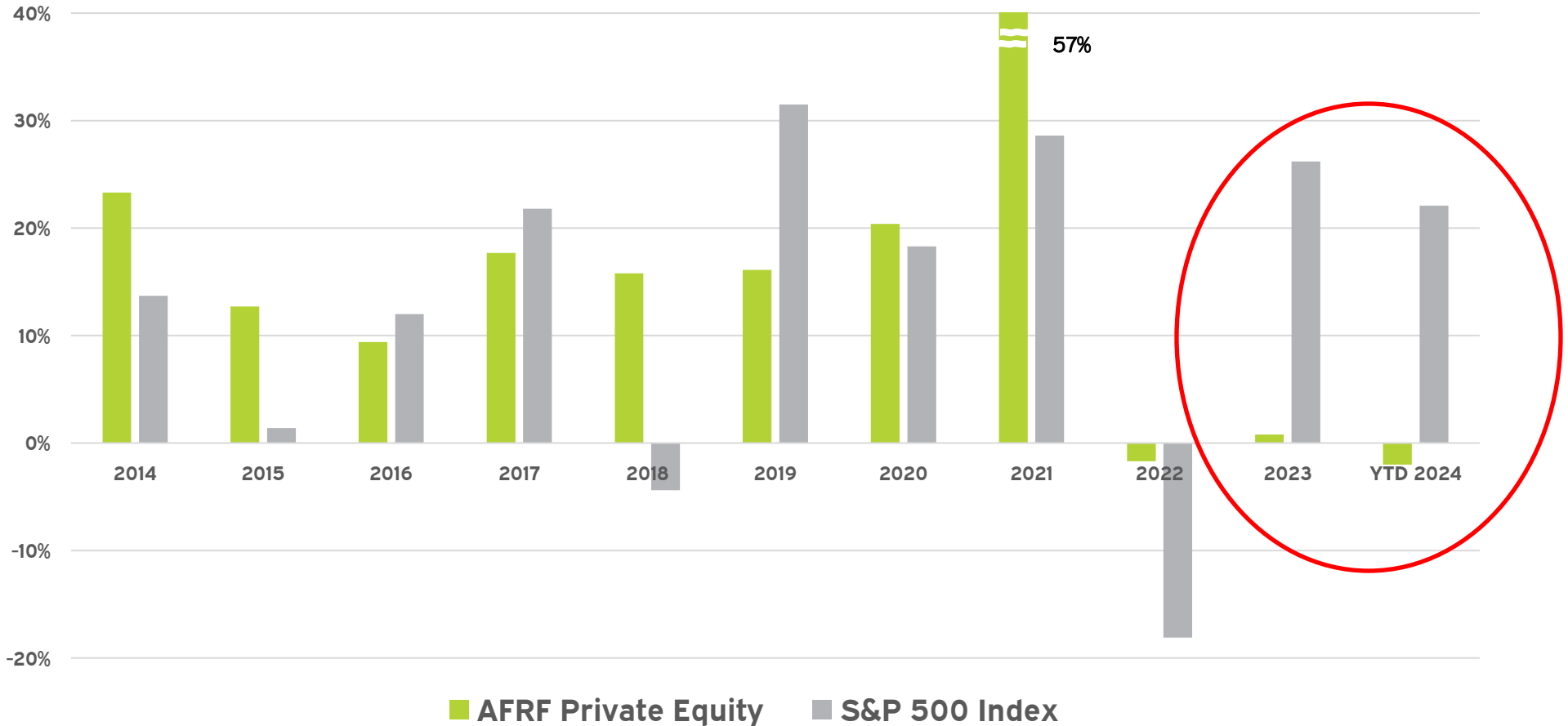
¹ InvMetrics Public DB >\$1B net. or equivalent peer group sub \$1 billion in quarters when AFRF was under \$1 billion.



→ Peer rankings end up being mostly noise when evaluated over just one year period. This shows AFRF peer rankings at the same points in time but when evaluating only on the trailing 1 year period. AFRF outperformed around 60% of the time.

¹ InvMetrics Public DB >\$1B net. or equivalent peer group sub \$1 billion in quarters when AFRF was under \$1 billion.

Driver of Recent History – Private Equity vs. S&P 500

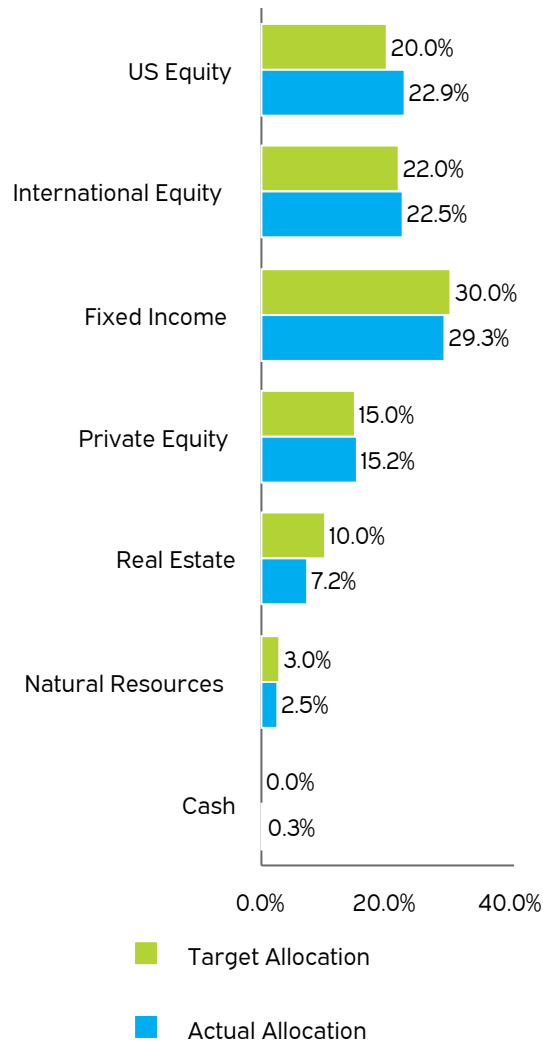


→ Private equity has had a challenging ~3 years after a record year in 2021 (when it generated return over 57% for AFRF). At the same time, the S&P 500 Index has generated very strong returns over the trailing ~2 years. Over time we expect this noise to even out.

3Q24 Investment Report

Total Fund | As of September 30, 2024

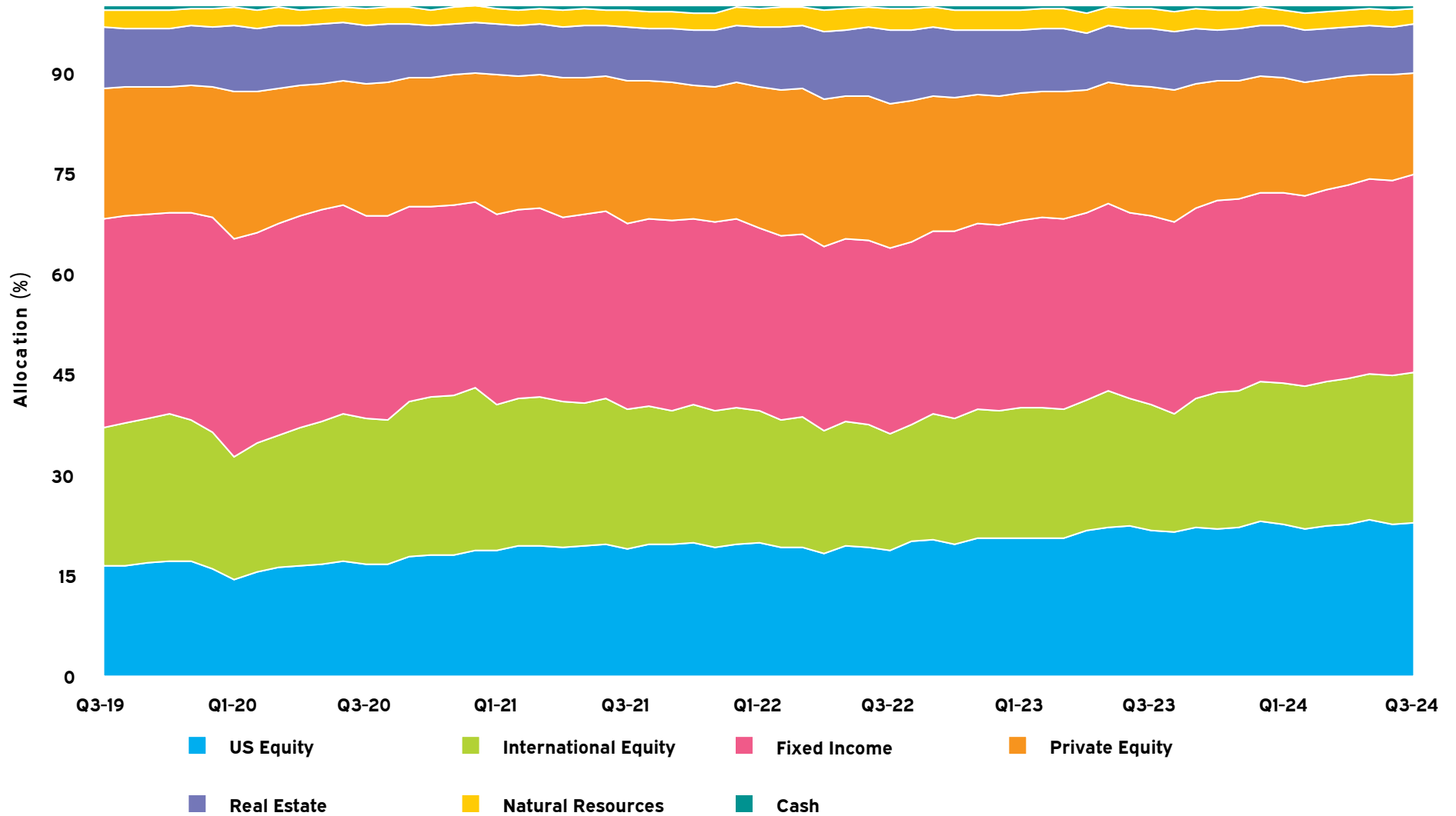
Actual vs. Target Allocation



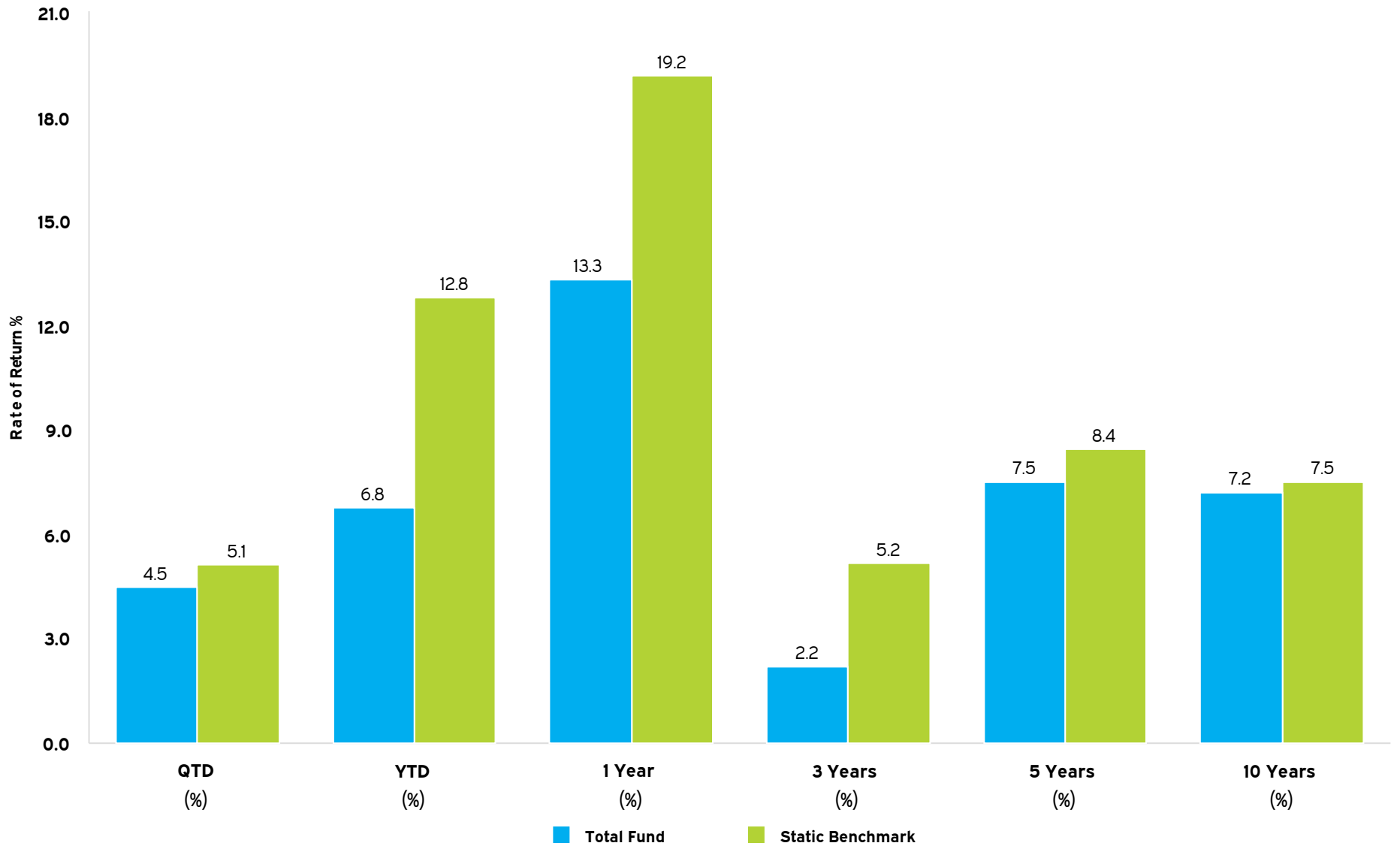
Allocation vs. Targets and Policy

	Current Balance	Current Allocation (%)	Policy (%)	Policy Range (%)	Within IPS Range?
US Equity	\$273,817,919	22.9	20.0	13.0 - 27.0	Yes
International Equity	\$269,723,285	22.5	22.0	15.0 - 29.0	Yes
Fixed Income	\$351,336,444	29.3	30.0	20.0 - 40.0	Yes
Private Equity	\$182,189,364	15.2	15.0	5.0 - 25.0	Yes
Real Estate	\$86,408,750	7.2	10.0	0.0 - 20.0	Yes
Natural Resources	\$29,528,490	2.5	3.0	0.0 - 5.0	Yes
Cash	\$4,180,316	0.3	0.0	0.0 - 5.0	Yes
Total	\$1,197,184,568	100.0	100.0		

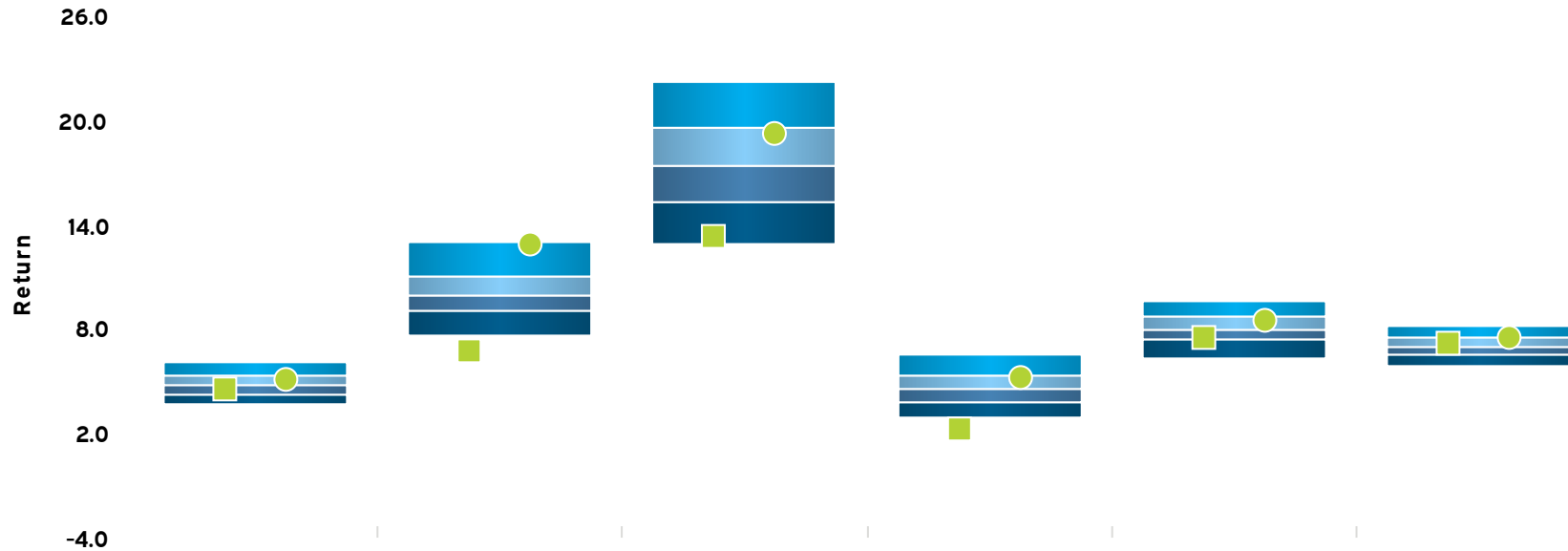
Asset Allocation History 5 Years Ending September 30, 2024



Net Return Summary



InvMetrics All Public DB Plans > \$1B

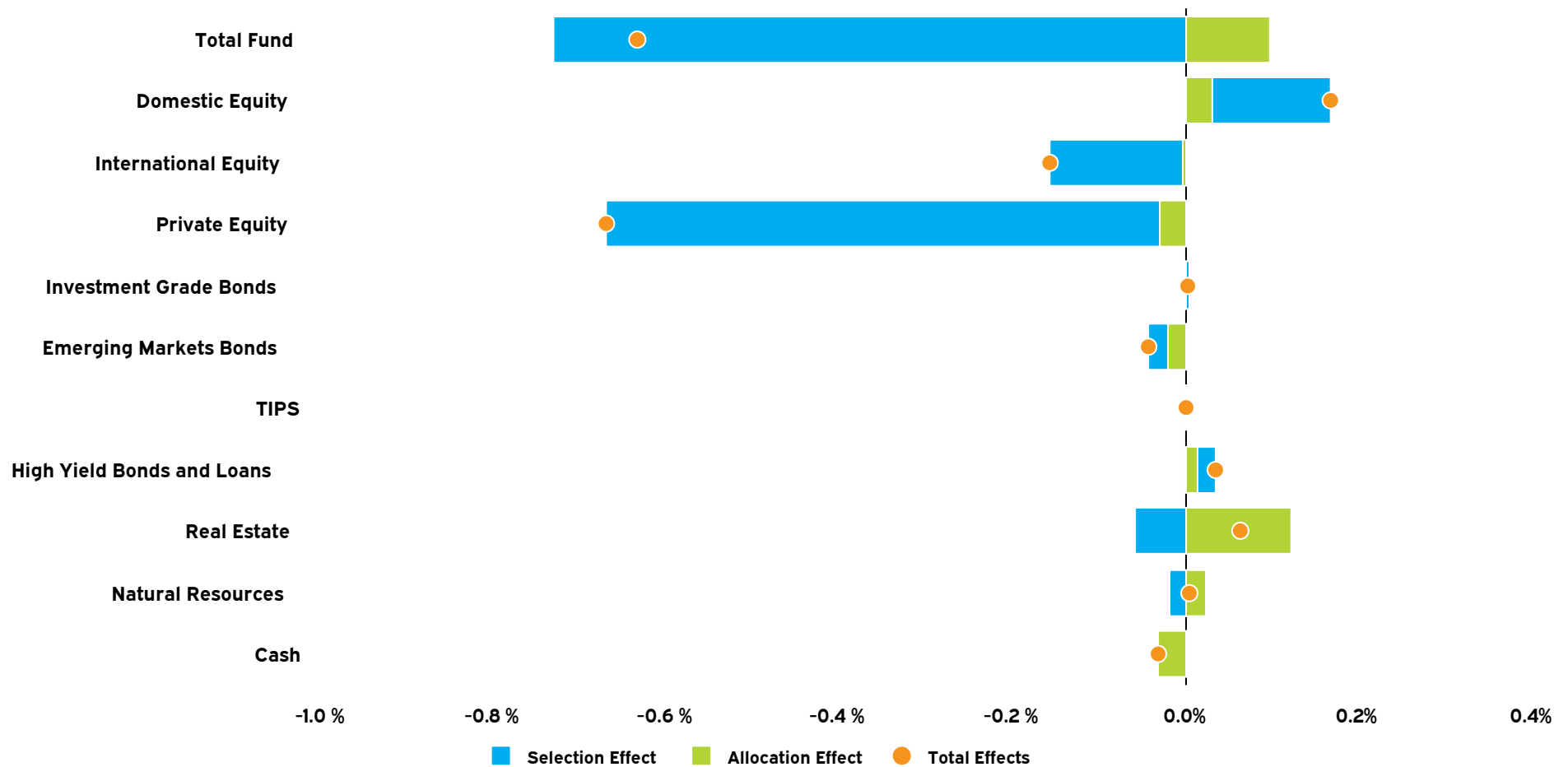


	QTD (%)	YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)
■ Total Fund	4.5 (64)	6.8 (99)	13.3 (91)	2.2 (100)	7.5 (72)	7.2 (42)
● Static Benchmark	5.1 (31)	12.8 (6)	19.2 (27)	5.2 (30)	8.4 (34)	7.5 (25)
5th Percentile	6.1	12.9	22.2	6.5	9.6	8.1
1st Quartile	5.3	11.0	19.5	5.3	8.7	7.5
Median	4.8	9.9	17.4	4.6	8.0	6.9
3rd Quartile	4.3	9.0	15.3	3.8	7.4	6.5
95th Percentile	3.7	7.6	12.9	2.9	6.3	5.9
Population	71	71	71	68	67	65

Parenttheses contain percentile rankings.
Calculation based on monthly periodicity.

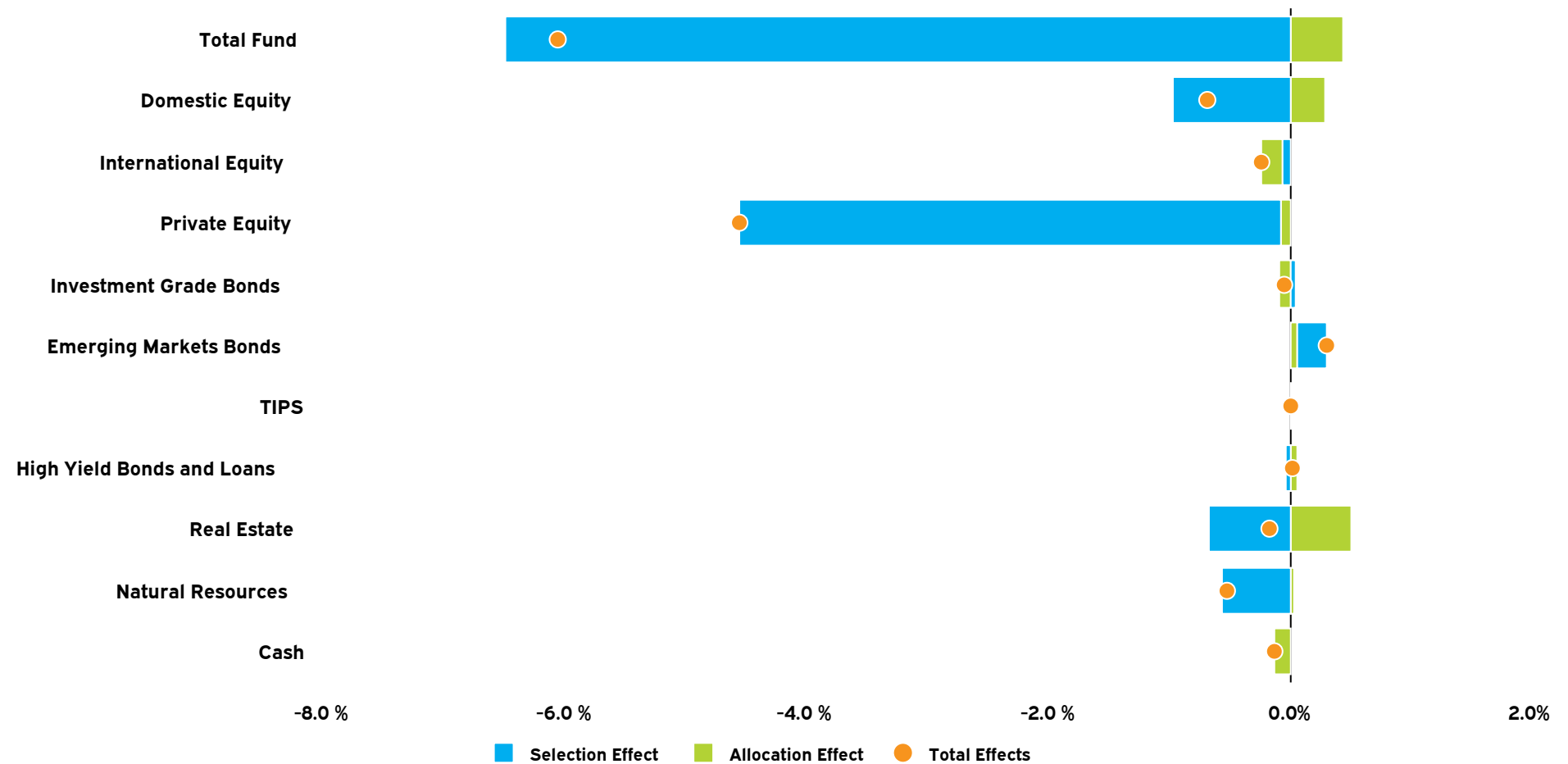
Total Plan Attribution | 1 Quarter Ending September 30, 2024

Attribution Effects 1 Quarter Ending September 30, 2024



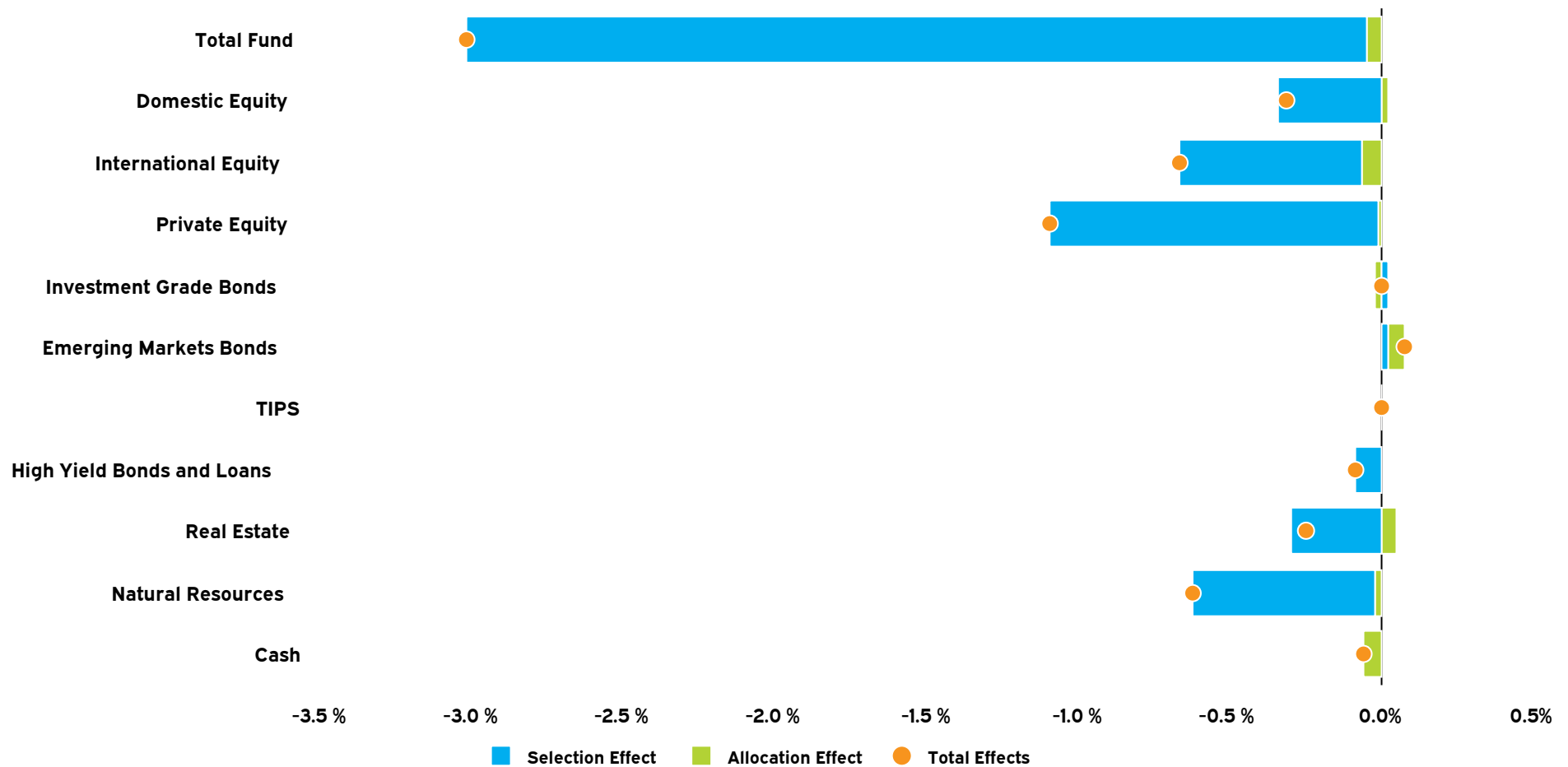
The performance calculation methodology in attribution tables is different from the standard time weighted returns (geometric linkage of monthly returns) found throughout the rest of the report. In attribution tables, the average weight of each asset class (over the specified time period) is multiplied by the time period performance of that asset class and summed. Values may not sum due to rounding.

Attribution Effects 1 Year Ending September 30, 2024



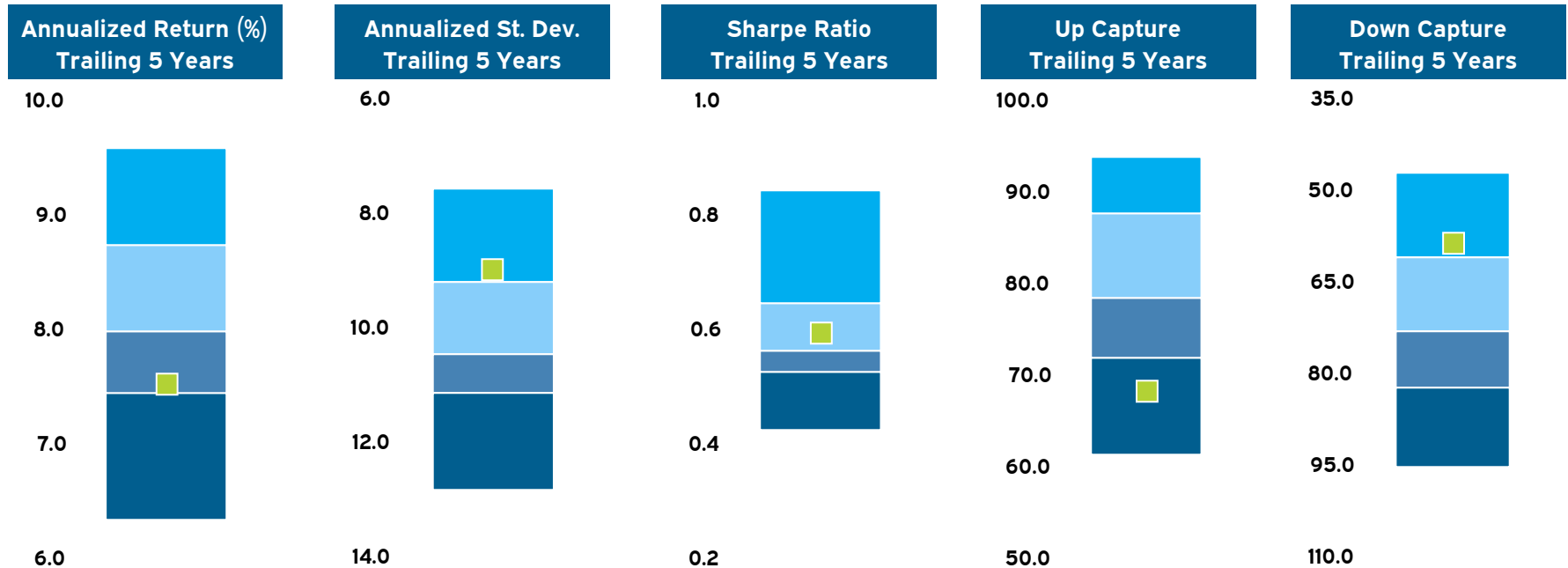
The performance calculation methodology in attribution tables is different from the standard time weighted returns (geometric linkage of monthly returns) found throughout the rest of the report. In attribution tables, the average weight of each asset class (over the specified time period) is multiplied by the time period performance of that asset class and summed. Values may not sum due to rounding.

Attribution Effects 3 Years Ending September 30, 2024



The performance calculation methodology in attribution tables is different from the standard time weighted returns (geometric linkage of monthly returns) found throughout the rest of the report. In attribution tables, the average weight of each asset class (over the specified time period) is multiplied by the time period performance of that asset class and summed. Values may not sum due to rounding.

InvMetrics All Public DB Plans > \$1B | As of September 30, 2024



	Annualized Return (%)	Annualized St. Dev.	Sharpe Ratio	Up Capture	Down Capture
Total Fund	7.5 (72)	9.0 (23)	0.6 (42)	68.1 (82)	59.0 (21)
5th Percentile	9.6	7.6	0.8	93.7	47.4
1st Quartile	8.7	9.2	0.6	87.5	61.3
Median	8.0	10.5	0.6	78.3	73.5
3rd Quartile	7.4	11.2	0.5	71.7	82.7
95th Percentile	6.3	12.9	0.4	61.1	95.6
Population	67	67	67	67	67

Asset Allocation & Performance | As of September 30, 2024

Asset Class Performance Summary (Net of Fees)												
	Market Value \$	% of Portfolio	QTD (%)	YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	20 Yrs (%)	25 Yrs (%)	Inception (%)	Inception Date
Total Fund	1,197,184,568	100.0	4.5	6.8	13.3	2.2	7.5	7.2	7.5	6.4	7.0	Apr-97
<i>Static Benchmark</i>			5.1	12.8	19.2	5.2	8.4	7.5	7.2	--	--	
<i>Dynamic Benchmark</i>			5.2	13.8	20.1	5.2	8.4	7.4	--	--	--	
<i>70% MSCI ACWI/30% Barclays Agg</i>			6.2	14.3	25.4	5.3	8.7	7.3	7.3	6.1	6.7	
Domestic Equity	273,817,919	22.9	6.8	16.1	30.0	8.7	13.3	11.3	10.3	7.7	9.0	Apr-97
<i>Russell 3000 Index</i>			6.2	20.6	35.2	10.3	15.3	12.8	10.6	8.3	9.6	
International Equity	269,723,285	22.5	7.4	13.5	25.1	1.1	7.3	5.6	6.7	5.3	5.9	Apr-97
<i>Spliced International Equity Benchmark</i>			8.1	14.2	25.4	4.1	7.6	5.2	7.1	5.3	5.7	
Private Equity	182,189,364	15.2	-0.6	-2.0	-2.5	1.2	13.7	14.0	--	--	15.0	Jun-10
<i>Private Equity Benchmark</i>			3.4	25.4	21.7	7.5	13.0	12.3	--	--	14.7	
Fixed Income	351,336,444	29.3	5.0	5.7	13.0	-0.2	1.7	2.6	3.5	4.1	4.4	Apr-97
<i>Bimbg. U.S. Aggregate Index</i>			5.2	4.4	11.6	-1.4	0.3	1.8	3.2	4.0	4.3	
Real Estate	86,408,750	7.2	0.0	-7.2	-10.8	-2.8	0.8	4.8	--	--	2.5	Jan-08
<i>NCREIF Property Index</i>			0.8	-0.5	-3.5	0.9	3.3	5.9	7.8	8.3	5.3	
Natural Resources	29,528,490	2.5	0.4	-9.7	-8.0	-1.9	-1.3	0.0	--	--	0.7	Mar-13
<i>S&P North American Natural Res Sector Index (TR)</i>			1.0	10.7	9.4	18.5	13.4	3.4	8.1	6.2	4.3	
Cash	4,180,316	0.3										

Static Benchmark consists of 20% Russell 3000, 22% MSCI ACWI ex US net, 13% Bloomberg Agg, 5% Bloomberg US TIPS, 2.5% ICE BofA US High Yield TR, 2.5% Credit Suisse Leveraged, 1.75% JPM GBI, 3.5% JPM EMBI, 1.75% JPM CEMBI 15% MSCI ACWI + 2% (Quarter Lagged), 5% NCREIF Property Index, 5% NCREIF ODCE Equal Weighted Net, 3% S&P North American Natural Resources TR.

Dynamic Benchmark consists of each asset class benchmark multiplied by actual asset class weight at the end of each preceding month.

The Spliced International Equity Benchmark consists of MSCI EAFE from 1/1/1997 to 12/31/1998. From 1/1/1999 to present it consists of MSCI ACWI ex US net.

The Private Equity Benchmark consists of the S&P 500 + 3% from 4/30/2010 to 3/31/2018. From 4/1/2018 to present it consists of MSCI ACWI + 2% (Quarter Lagged).

Asset Allocation & Performance | As of September 30, 2024

Trailing Net Performance										
	Market Value \$	% of Portfolio	QTD (%)	YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Inception (%)	Inception Date
Total Fund	1,197,184,568	100.0	4.5	6.8	13.3	2.2	7.5	7.2	7.0	Apr-97
<i>Static Benchmark</i>			5.1	12.8	19.2	5.2	8.4	7.5	--	
<i>Dynamic Benchmark</i>			5.2	13.8	20.1	5.2	8.4	7.4	--	
<i>70% MSCI ACWI/30% Barclays Agg</i>			6.2	14.3	25.4	5.3	8.7	7.3	6.7	
<i>InvMetrics All Public DB Plans > \$1B Median</i>			4.8	9.9	17.4	4.6	8.0	6.9	7.1	
InvMetrics All Public DB Plans > \$1B Rank			64	99	91	100	72	42	60	
Domestic Equity	273,817,919	22.9	6.8	16.1	30.0	8.7	13.3	11.3	9.0	Apr-97
<i>Russell 3000 Index</i>			6.2	20.6	35.2	10.3	15.3	12.8	9.6	
<i>eV All US Equity Median</i>			7.0	15.5	28.8	7.9	12.2	10.4	9.9	
eV All US Equity Rank			53	48	45	43	39	39	80	
SSgA S&P 500	128,835,243	10.8	5.9	22.1	36.3	11.9	15.9	13.4	10.3	Feb-04
<i>S&P 500 Index</i>			5.9	22.1	36.4	11.9	16.0	13.4	10.3	
<i>eV US Large Cap Equity Median</i>			5.9	18.7	31.8	9.8	13.8	11.7	9.9	
eV US Large Cap Equity Rank			52	28	31	21	28	25	38	
Westwood Capital Large Cap Value	13,876,981	1.2	5.7	12.5	21.8	7.8	9.3	9.5	8.9	Oct-01
<i>Russell 1000 Value Index</i>			9.4	16.7	27.8	9.0	10.7	9.2	8.4	
<i>eV US Large Cap Value Equity Median</i>			7.9	16.1	27.6	9.8	11.7	9.7	8.9	
eV US Large Cap Value Equity Rank			85	86	90	79	87	57	52	
Westfield Small/Mid Cap Growth	67,809,556	5.7	10.6	15.0	28.2	2.3	13.2	10.6	12.6	Nov-02
<i>Russell 2500 Growth Index</i>			7.0	11.2	25.2	-0.7	9.7	10.0	11.1	
<i>eV US Small-Mid Cap Growth Equity Median</i>			6.8	11.8	24.5	-0.8	10.9	10.5	11.2	
eV US Small-Mid Cap Growth Equity Rank			9	31	32	21	22	46	14	

Asset Allocation & Performance | As of September 30, 2024

	Market Value \$	% of Portfolio	QTD (%)	YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Inception (%)	Inception Date
Vaughan Nelson Small Cap Value	63,296,139	5.3	4.9	8.0	23.9	10.5	12.8	--	10.7	Jan-16
<i>Russell 2000 Value Index</i>			10.2	9.2	25.9	3.8	9.3	8.2	9.3	
<i>eV US Small Cap Value Equity Median</i>			8.3	10.2	24.0	6.2	10.4	8.7	9.6	
<i>eV US Small Cap Value Equity Rank</i>			90	71	52	10	21	--	27	
International Equity	269,723,285	22.5	7.4	13.5	25.1	1.1	7.3	5.6	5.9	Apr-97
<i>Spliced International Equity Benchmark</i>			8.1	14.2	25.4	4.1	7.6	5.2	5.7	
SSgA MSCI EAFE Fund	133,310,391	11.1	7.2	13.2	25.0	5.8	8.5	6.0	6.4	Feb-13
<i>MSCI EAFE (Net)</i>			7.3	13.0	24.8	5.5	8.2	5.7	6.1	
<i>eV EAFE Core Equity Median</i>			7.6	12.8	24.3	4.3	8.2	6.0	6.5	
<i>eV EAFE Core Equity Rank</i>			58	46	41	27	43	54	53	
Baillie Gifford International Growth Fund	37,886,126	3.2	9.9	14.5	29.1	-6.4	7.6	7.3	9.8	May-09
<i>MSCI AC World ex USA (Net)</i>			8.1	14.2	25.4	4.1	7.6	5.2	7.4	
<i>eV ACWI ex-US All Cap Growth Eq Median</i>			6.3	12.7	25.9	-0.7	7.2	6.7	9.5	
<i>eV ACWI ex-US All Cap Growth Eq Rank</i>			9	36	26	98	44	38	33	
Highclere International Small Cap	33,135,637	2.8	10.1	9.4	22.4	-2.8	4.8	5.1	6.9	Dec-09
<i>MSCI EAFE Small Cap (Net)</i>			10.5	11.1	23.5	-0.4	6.4	6.2	7.3	
<i>eV EAFE Small Cap Equity Median</i>			9.3	11.8	23.7	-0.3	7.4	6.4	7.5	
<i>eV EAFE Small Cap Equity Rank</i>			35	67	63	73	81	73	75	
DFA Emerging Markets Value	30,218,938	2.5	5.7	14.9	23.2	6.3	8.6	5.0	3.9	Dec-09
<i>MSCI Emerging Markets Value (Net)</i>			8.1	15.1	24.4	3.3	5.9	3.1	3.0	
<i>eV Emg Mkts All Cap Value Equity Median</i>			7.6	13.8	23.4	3.8	7.3	4.7	4.3	
<i>eV Emg Mkts All Cap Value Equity Rank</i>			74	41	53	19	28	46	65	

Asset Allocation & Performance | As of September 30, 2024

	Market Value \$	% of Portfolio	QTD (%)	YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Inception (%)	Inception Date
TT Emerging Markets Equity	35,172,194	2.9	4.1	17.8	27.8	-4.1	4.1	--	2.9	Apr-19
<i>MSCI Emerging Markets (Net)</i>			8.7	16.9	26.1	0.4	5.7	4.0	4.5	
<i>eV Emg Mkts Equity Median</i>			7.1	15.0	24.1	1.2	6.5	4.6	5.4	
<i>eV Emg Mkts Equity Rank</i>			85	25	21	88	82	--	87	
Private Equity	182,189,364	15.2	-0.6	-2.0	-2.5	1.2	13.7	14.0	15.0	Jun-10
<i>Private Equity Benchmark</i>			3.4	25.4	21.7	7.5	13.0	12.3	14.7	
57 Stars Global Opportunity 3	5,959,435	0.5								
Blue Bay Direct Lending	1,420,458	0.1								
Constitution Capital Partners III	1,586,503	0.1								
Constitution Capital Partners VII	1,644,376	0.1								
Cross Creek Capital Partners II - B	9,570,760	0.8								
Cross Creek Capital Partners III	9,913,012	0.8								
Deutsche Bank SOF III	1,821,288	0.2								
Dover Street X, L.P.	35,624,817	3.0								
HarbourVest 2013 Direct	3,009,004	0.3								
HarbourVest Co-Investment Fund IV	7,741,162	0.6								
HighVista Private Equity V, L.P.	3,796,861	0.3								
HighVista Private Equity VI, L.P.	11,473,428	1.0								
LGT Crown Asia II	6,553,683	0.5								
LGT Crown Europe Small Buyouts III	2,752,357	0.2								

Asset Allocation & Performance | As of September 30, 2024

	Market Value \$	% of Portfolio	QTD (%)	YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Inception (%)	Inception Date
LGT Crown Global Opportunities VI	33,616,503	2.8								
LGT Crown Global Secondaries II	93,663	0.0								
LGT Crown Global Secondaries III	1,901,949	0.2								
Partners Group Emerging Markets 2015	7,503,263	0.6								
Partners Group U.S. Distressed Private Equity 2009	188,258	0.0								
Private Advisors Co-Investment Fund III	742,640	0.1								
Private Equity Investors V	1,342,268	0.1								
StepStone Global Partners V	6,560,234	0.5								
StepStone Global Partners VI	12,231,512	1.0								
SVB Strategic Investors Fund IX, L.P.	15,141,929	1.3								

Asset Allocation & Performance | As of September 30, 2024

	Market Value \$	% of Portfolio	QTD (%)	YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Inception (%)	Inception Date
Fixed Income	351,336,444	29.3	5.0	5.7	13.0	-0.2	1.7	2.6	4.4	Apr-97
<i>Blmbg. U.S. Aggregate Index</i>			5.2	4.4	11.6	-1.4	0.3	1.8	4.3	
SSgA Bond Fund	124,956,134	10.4	5.2	4.5	11.6	-1.4	0.3	1.8	3.2	Jan-04
<i>Blmbg. U.S. Aggregate Index</i>			5.2	4.4	11.6	-1.4	0.3	1.8	3.3	
eV US Core Fixed Inc Median			5.2	4.8	11.9	-1.2	0.7	2.1	3.5	
eV US Core Fixed Inc Rank			43	80	70	73	86	80	84	
SSgA TIPS	59,498,742	5.0	4.1	5.0	9.8	-0.6	2.6	2.5	2.2	Aug-14
<i>Blmbg. U.S. TIPS Index</i>			4.1	4.9	9.8	-0.6	2.6	2.5	2.3	
eV US TIPS / Inflation Fixed Inc Median			4.0	4.9	9.6	-0.4	2.6	2.5	2.2	
eV US TIPS / Inflation Fixed Inc Rank			42	46	34	57	56	54	65	
Loomis Sayles Core Plus Fixed Income	48,622,626	4.1	5.3	4.9	12.5	-0.9	1.5	--	2.7	Jul-15
<i>Blmbg. U.S. Aggregate Index</i>			5.2	4.4	11.6	-1.4	0.3	1.8	1.8	
eV US Core Plus Fixed Inc Median			5.3	5.4	12.7	-0.9	1.2	2.5	2.6	
eV US Core Plus Fixed Inc Rank			47	79	57	51	32	--	32	
Aberdeen Emerging Markets Bond Fund	66,005,721	5.5	6.0	9.2	21.1	0.6	1.4	--	3.0	Dec-14
<i>JPM EMBI Global Diversified</i>			6.2	8.6	18.6	-0.4	0.9	3.3	3.1	
<i>50% JP Morgan EMBI / 25% JP Morgan GBI-EM / 25% JP Morgan CEMBI</i>			6.5	7.7	16.3	0.1	1.2	--	--	
Pyramis Tactical Bond Fund	27,937,937	2.3	5.3	5.2	12.7	0.3	2.4	3.8	3.9	Aug-13
<i>Blmbg. U.S. Aggregate Index</i>			5.2	4.4	11.6	-1.4	0.3	1.8	2.0	
eV US Core Plus Fixed Inc Median			5.3	5.4	12.7	-0.9	1.2	2.5	2.8	
eV US Core Plus Fixed Inc Rank			41	65	51	11	10	6	5	
Aristotle Pacific	24,315,284	2.0	1.9	6.4	9.6	6.8	--	--	5.8	Dec-19
<i>Credit Suisse Leveraged Loan Index</i>			2.0	6.6	9.6	6.3	5.6	4.9	5.8	
eV US Float-Rate Bank Loan Fixed Inc Median			2.0	6.2	9.3	5.6	5.0	4.3	5.1	
eV US Float-Rate Bank Loan Fixed Inc Rank			65	40	42	9	--	--	18	

Asset Allocation & Performance | As of September 30, 2024

	Market Value \$	% of Portfolio	QTD (%)	YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Inception (%)	Inception Date
Real Estate	86,408,750	7.2	0.0	-7.2	-10.8	-2.8	0.8	4.8	2.5	Jan-08
<i>NCREIF Property Index</i>			0.8	-0.5	-3.5	0.9	3.3	5.9	5.3	
Clarion Partners Lion Properties Fund	64,855,622	5.4	0.0	-4.8	-9.2	-2.3	1.8	5.9	4.9	Apr-05
<i>NCREIF Fund Index-ODCE (EW) (Net)</i>			-0.1	-3.3	-8.4	-1.1	2.3	5.5	5.4	
Portfolio Advisors Real Estate Fund V	4,906,173	0.4								
Partners Group Global RE 2011	470,933	0.0								
Partners Group Distressed RE 2009	29,129	0.0								
Partners Group Real Estate Secondary 2017	11,485,237	1.0								
Crow Holdings Realty Partners X, L.P.	4,661,656	0.4								
Natural Resources	29,528,490	2.5	0.4	-9.7	-8.0	-1.9	-1.3	0.0	0.7	Mar-13
<i>S&P North American Natural Res Sector Index (TR)</i>			1.0	10.7	9.4	18.5	13.4	3.4	4.3	
Aether Real Assets V	9,122,903	0.8								
Aether Real Assets IV	9,480,742	0.8								
Aether Real Assets III	8,900,885	0.7								
Aether Real Assets II	2,023,960	0.2								
Cash	4,180,316	0.3								
Cash	4,180,316	0.3								

Asset Allocation & Performance | As of September 30, 2024

Calendar Year Performance										
	2023 (%)	2022 (%)	2021 (%)	2020 (%)	2019 (%)	2018 (%)	2017 (%)	2016 (%)	2015 (%)	2014 (%)
Total Fund	8.4	-10.8	17.6	12.9	15.7	-2.0	17.0	7.1	1.3	4.8
<i>Static Benchmark</i>	13.6	-12.0	14.4	11.2	15.8	-3.6	16.4	9.6	-0.1	5.7
<i>Dynamic Benchmark</i>	14.5	-13.2	14.9	10.5	14.6	-3.1	16.1	8.4	0.4	5.4
<i>70% MSCI ACWI/30% Barclays Agg</i>	17.1	-16.6	12.2	14.3	21.2	-6.5	17.5	6.4	-1.3	4.8
Domestic Equity	22.1	-16.0	24.6	16.5	29.4	-7.9	21.8	9.9	0.2	10.0
<i>Russell 3000 Index</i>	26.0	-19.2	25.7	20.9	31.0	-5.2	21.1	12.7	0.5	12.6
SSgA S&P 500	26.2	-18.1	28.6	18.3	31.5	-4.4	21.8	12.0	1.4	13.7
<i>S&P 500 Index</i>	26.3	-18.1	28.7	18.4	31.5	-4.4	21.8	12.0	1.4	13.7
Westwood Capital Large Cap Value	8.4	-5.9	23.8	3.9	27.3	-5.7	20.4	10.9	-0.1	11.9
<i>Russell 1000 Value Index</i>	11.5	-7.5	25.2	2.8	26.5	-8.3	13.7	17.3	-3.8	13.5
Westfield Small/Mid Cap Growth	18.4	-23.4	16.2	34.2	35.2	-7.6	31.0	3.4	-4.1	7.8
<i>Russell 2500 Growth Index</i>	18.9	-26.2	5.0	40.5	32.7	-7.5	24.5	9.7	-0.2	7.1
Vaughan Nelson Small Cap Value	25.7	-9.8	31.0	9.6	25.0	-14.1	6.8	20.7	--	--
<i>Russell 2000 Value Index</i>	14.6	-14.5	28.3	4.6	22.4	-12.9	7.8	31.7	-7.5	4.2
International Equity	16.6	-21.1	4.1	17.6	22.4	-15.9	34.0	5.0	-4.4	-4.4
<i>Spliced International Equity Benchmark</i>	15.6	-16.0	7.8	10.7	21.5	-14.2	27.2	4.5	-5.7	-3.9
SSgA MSCI EAFE Fund	18.6	-14.1	11.4	8.2	22.4	-13.5	25.3	1.3	-0.6	-4.7
<i>MSCI EAFE (Net)</i>	18.2	-14.5	11.3	7.8	22.0	-13.8	25.0	1.0	-0.8	-4.9
Baillie Gifford International Growth Fund	14.3	-34.4	-9.4	63.0	37.3	-17.3	45.5	1.4	-2.9	-6.4
<i>MSCI AC World ex USA (Net)</i>	15.6	-16.0	7.8	10.7	21.5	-14.2	27.2	4.5	-5.7	-3.9
Highclere International Small Cap	13.2	-24.2	8.3	10.2	23.5	-18.8	30.9	10.3	6.5	-4.4
<i>MSCI EAFE Small Cap (Net)</i>	13.2	-21.4	10.1	12.3	25.0	-17.9	33.0	2.2	9.6	-4.9

Asset Allocation & Performance | As of September 30, 2024

	2023 (%)	2022 (%)	2021 (%)	2020 (%)	2019 (%)	2018 (%)	2017 (%)	2016 (%)	2015 (%)	2014 (%)
DFA Emerging Markets Value	16.5	-10.7	12.4	2.7	9.6	-11.9	33.8	19.8	-18.8	-4.4
<i>MSCI Emerging Markets Value (Net)</i>	<i>14.2</i>	<i>-15.8</i>	<i>4.0</i>	<i>5.5</i>	<i>12.0</i>	<i>-10.7</i>	<i>28.1</i>	<i>14.9</i>	<i>-18.6</i>	<i>-4.1</i>
TT Emerging Markets Equity	5.6	-26.9	-1.0	19.8	--	--	--	--	--	--
<i>MSCI Emerging Markets (Net)</i>	<i>9.8</i>	<i>-20.1</i>	<i>-2.5</i>	<i>18.3</i>	<i>18.4</i>	<i>-14.6</i>	<i>37.3</i>	<i>11.2</i>	<i>-14.9</i>	<i>-2.2</i>
Private Equity	0.8	-1.7	57.0	20.4	16.1	15.8	17.7	9.4	12.7	23.3
<i>Private Equity Benchmark</i>	<i>23.2</i>	<i>-19.0</i>	<i>29.9</i>	<i>12.6</i>	<i>3.4</i>	<i>5.4</i>	<i>25.4</i>	<i>15.3</i>	<i>4.4</i>	<i>17.1</i>
57 Stars Global Opportunity 3										
Blue Bay Direct Lending										
Constitution Capital Partners III										
Constitution Capital Partners VII										
Cross Creek Capital Partners II - B										
Cross Creek Capital Partners III										
Deutsche Bank SOF III										
Dover Street X, L.P.										
HarbourVest 2013 Direct										
HarbourVest Co-Investment Fund IV										
HighVista Private Equity V, L.P.										
HighVista Private Equity VI, L.P.										
LGT Crown Asia II										
LGT Crown Europe Small Buyouts III										
LGT Crown Global Opportunities VI										

Asset Allocation & Performance | As of September 30, 2024

	2023 (%)	2022 (%)	2021 (%)	2020 (%)	2019 (%)	2018 (%)	2017 (%)	2016 (%)	2015 (%)	2014 (%)
LGT Crown Global Secondaries II										
LGT Crown Global Secondaries III										
Partners Group Emerging Markets 2015										
Partners Group U.S. Distressed Private Equity 2009										
Private Advisors Co-Investment Fund III										
StepStone Global Partners V										
StepStone Global Partners VI										
SVB Strategic Investors Fund IX, L.P.										
Private Equity Investors V										
Fixed Income	7.7	-12.7	0.0	8.3	10.5	-2.0	5.6	6.9	-2.1	3.1
<i>Blmbg. U.S. Aggregate Index</i>	<i>5.5</i>	<i>-13.0</i>	<i>-1.5</i>	<i>7.5</i>	<i>8.7</i>	<i>0.0</i>	<i>3.5</i>	<i>2.6</i>	<i>0.5</i>	<i>6.0</i>
SSgA Bond Fund	5.6	-13.2	-1.6	7.5	8.7	0.0	3.5	2.6	0.5	5.9
<i>Blmbg. U.S. Aggregate Index</i>	<i>5.5</i>	<i>-13.0</i>	<i>-1.5</i>	<i>7.5</i>	<i>8.7</i>	<i>0.0</i>	<i>3.5</i>	<i>2.6</i>	<i>0.5</i>	<i>6.0</i>
SSgA TIPS	3.9	-12.0	5.9	10.9	8.3	-1.3	3.0	4.6	-1.5	--
<i>Blmbg. U.S. TIPS Index</i>	<i>3.9</i>	<i>-11.8</i>	<i>6.0</i>	<i>11.0</i>	<i>8.4</i>	<i>-1.3</i>	<i>3.0</i>	<i>4.7</i>	<i>-1.4</i>	<i>3.6</i>
Loomis Sayles Core Plus Fixed Income	6.4	-12.7	-1.1	11.3	9.4	-0.4	5.4	6.9	--	--
<i>Blmbg. U.S. Aggregate Index</i>	<i>5.5</i>	<i>-13.0</i>	<i>-1.5</i>	<i>7.5</i>	<i>8.7</i>	<i>0.0</i>	<i>3.5</i>	<i>2.6</i>	<i>0.5</i>	<i>6.0</i>
Aberdeen Emerging Markets Bond Fund	13.8	-16.6	-4.0	5.0	15.1	-7.5	13.0	13.3	-2.7	--
<i>JPM EMBI Global Diversified</i>	<i>11.1</i>	<i>-17.8</i>	<i>-1.8</i>	<i>5.3</i>	<i>15.0</i>	<i>-4.3</i>	<i>10.3</i>	<i>10.2</i>	<i>1.2</i>	<i>7.4</i>
Pyramis Tactical Bond Fund	7.0	-10.9	1.2	9.3	13.2	-0.9	5.9	10.4	-1.8	5.3
<i>Blmbg. U.S. Aggregate Index</i>	<i>5.5</i>	<i>-13.0</i>	<i>-1.5</i>	<i>7.5</i>	<i>8.7</i>	<i>0.0</i>	<i>3.5</i>	<i>2.6</i>	<i>0.5</i>	<i>6.0</i>

Asset Allocation & Performance | As of September 30, 2024

	2023 (%)	2022 (%)	2021 (%)	2020 (%)	2019 (%)	2018 (%)	2017 (%)	2016 (%)	2015 (%)	2014 (%)
Aristotle Pacific	14.0	-0.6	5.2	2.6	--	--	--	--	--	--
<i>Credit Suisse Leveraged Loan Index</i>	<i>13.0</i>	<i>-1.1</i>	<i>5.4</i>	<i>2.8</i>	<i>8.2</i>	<i>1.1</i>	<i>4.2</i>	<i>9.9</i>	<i>-0.4</i>	<i>2.1</i>
Real Estate	-15.0	8.3	20.2	-0.6	5.6	8.6	7.5	7.8	13.1	10.5
<i>NCREIF Property Index</i>	<i>-7.9</i>	<i>5.5</i>	<i>17.7</i>	<i>1.6</i>	<i>6.4</i>	<i>6.7</i>	<i>7.0</i>	<i>8.0</i>	<i>13.3</i>	<i>11.8</i>
Clarion Partners Lion Properties Fund	-16.3	8.7	22.4	1.4	6.3	9.2	8.0	9.3	15.7	12.3
<i>NCREIF Fund Index-ODCE (EW) (Net)</i>	<i>-13.3</i>	<i>7.6</i>	<i>21.9</i>	<i>0.8</i>	<i>5.2</i>	<i>7.3</i>	<i>6.9</i>	<i>8.4</i>	<i>14.2</i>	<i>11.4</i>
Portfolio Advisors Real Estate Fund V										
Partners Group Global RE 2011										
Partners Group Distressed RE 2009										
Partners Group Real Estate Secondary 2017										
Crow Holdings Realty Partners X, L.P.										
Natural Resources	0.8	2.2	15.9	-9.9	-13.4	2.1	15.7	8.6	-6.3	6.7
<i>S&P North American Natural Res Sector Index (TR)</i>	<i>3.7</i>	<i>34.1</i>	<i>39.9</i>	<i>-19.0</i>	<i>17.6</i>	<i>-21.1</i>	<i>1.2</i>	<i>30.9</i>	<i>-24.3</i>	<i>-9.8</i>
Aether Real Assets V										
Aether Real Assets IV										
Aether Real Assets III										
Aether Real Assets II										
Cash										
Cash										

Risk Return Statistics

	Total Fund	5 Yrs	Static Benchmark
RETURN SUMMARY STATISTICS			
Maximum Return	6.3		7.5
Minimum Return	-6.7		-7.9
Return	7.5		8.4
Excess Return	5.4		6.3
Excess Performance	-0.9		0.0
RISK SUMMARY STATISTICS			
Beta	0.9		1.0
Down Capture	88.1		100.0
Up Capture	88.6		100.0
RISK/RETURN SUMMARY STATISTICS			
Standard Deviation	9.0		9.8
Sortino Ratio	0.9		1.0
Alpha	0.3		0.0
Sharpe Ratio	0.6		0.6
Excess Risk	9.1		9.9
Tracking Error	3.6		0.0
Information Ratio	-0.3		-
CORRELATION STATISTICS			
R-Squared	0.9		1.0
Actual Correlation	0.9		1.0

Financial Reconciliation | Quarter To Date Ending September 30, 2024

	Beginning Market Value(\$)	Contributions(\$)	Distributions(\$)	Net Cash Flow(\$)	Net Investment Change(\$)	Ending Market Value(\$)
57 Stars Global Opportunity 3	6,572,406	-	-241,363	-241,363	-371,608	5,959,435
Aberdeen Emerging Markets Bond Fund	62,183,904	-	-	-	3,821,817	66,005,721
Aether Real Assets II	2,031,507	-	-	-	-7,547	2,023,960
Aether Real Assets III	9,209,219	-	-233,237	-233,237	-75,097	8,900,885
Aether Real Assets IV	9,346,739	-	-	-	134,003	9,480,742
Aether Real Assets V	8,781,159	265,836	-	265,836	75,908	9,122,903
Aristotle Pacific	23,865,379	-	-	-	449,905	24,315,284
Baillie Gifford International Growth Fund	34,469,059	-	-	-	3,417,067	37,886,126
Blue Bay Direct Lending	1,509,509	-	-	-	-89,052	1,420,458
Cash	8,619,172	23,363,442	-27,802,297	-4,438,856	-	4,180,316
Clarion Partners Lion Properties Fund	65,180,657	-	-324,806	-478,312	153,277	64,855,622
Constitution Capital Partners III	1,659,061	-	-	-	-72,557	1,586,503
Constitution Capital Partners VII	-	1,644,376	-	1,644,376	-	1,644,376
Cross Creek Capital Partners II - B	10,349,427	-	-298,441	-298,441	-480,226	9,570,760
Cross Creek Capital Partners III	10,430,126	-	-168,268	-168,268	-348,846	9,913,012
Crow Holdings Realty Partners X, L.P.	3,013,420	1,420,752	-	1,420,752	227,484	4,661,656
Deutsche Bank SOF III	1,834,565	-	-	-	-13,277	1,821,288
DFA Emerging Markets Value	28,581,909	-	-	-	1,637,028	30,218,938
Dover Street X, L.P.	35,303,386	-	-	-	321,431	35,624,817
HarbourVest 2013 Direct	3,846,766	-	-690,030	-690,030	-147,732	3,009,004
HarbourVest Co-Investment Fund IV	7,828,503	-	-	-	-87,341	7,741,162
Highclere International Small Cap	30,107,170	-	-	-	3,028,467	33,135,637
HighVista Private Equity V, L.P.	4,306,172	-	-407,895	-407,895	-101,416	3,796,861
HighVista Private Equity VI, L.P.	12,126,475	-	-480,568	-480,568	-172,479	11,473,428
LGT Crown Asia II	6,873,941	-	-270,428	-270,428	-49,830	6,553,683
LGT Crown Europe Small Buyouts III	2,734,978	-	-266,452	-266,452	283,831	2,752,357
LGT Crown Global Opportunities VI	34,391,807	400,000	-2,791,441	-2,391,441	1,616,137	33,616,503
LGT Crown Global Secondaries II	90,649	-	-633	-633	3,647	93,663
LGT Crown Global Secondaries III	1,909,359	-	-7,777	-7,777	367	1,901,949
Loomis Sayles Core Plus Fixed Income	46,148,404	-	-	-	2,474,222	48,622,626

Financial Reconciliation | Quarter To Date Ending September 30, 2024

	Beginning Market Value(\$)	Contributions(\$)	Distributions(\$)	Net Cash Flow(\$)	Net Investment Change(\$)	Ending Market Value(\$)
Partners Group Distressed RE 2009	32,144	-	-	-	-3,015	29,129
Partners Group Emerging Markets 2015	8,126,479	-	-304,624	-304,624	-318,591	7,503,263
Partners Group Global RE 2011	504,397	-	-	-	-33,464	470,933
Partners Group Real Estate Secondary 2017	11,364,251	150,000	-	150,000	-29,014	11,485,237
Partners Group U.S. Distressed Private Equity 2009	186,538	-	-	-	1,720	188,258
Portfolio Advisors Real Estate Fund V	5,298,577	-	-218,620	-218,620	-173,784	4,906,173
Private Advisors Co-Investment Fund III	796,309	-	-	-	-53,669	742,640
Private Equity Investors V	1,359,422	-	-	-	-17,154	1,342,268
Pyramis Tactical Bond Fund	26,504,769	-	-	-	1,433,168	27,937,937
SSgA Bond Fund	118,780,817	-	-	-	6,175,317	124,956,134
SSgA MSCI EAFE Fund	124,303,503	-	-	-	9,006,888	133,310,391
SSgA S&P 500	121,680,840	-	-	-	7,154,403	128,835,243
SSgA TIPS	57,138,071	-	-	-	2,360,671	59,498,742
StepStone Global Partners V	6,763,620	-	-	-	-203,386	6,560,234
StepStone Global Partners VI	11,634,071	-	-	-	597,441	12,231,512
SVB Strategic Investors Fund IX, L.P.	16,502,921	-	-	-	-1,360,992	15,141,929
TT Emerging Markets Equity	33,791,053	-	-	-	1,381,141	35,172,194
Vaughan Nelson Small Cap Value	68,068,232	-	-8,000,000	-8,000,000	3,227,907	63,296,139
Westfield Small/Mid Cap Growth	61,187,807	-	-	-	6,621,748	67,809,556
Westwood Capital Large Cap Value	13,110,645	-	-	-	766,336	13,876,981
Total	1,160,439,294	27,244,406	-42,506,880	-15,415,980	52,161,254	1,197,184,568

Private Equity Assets

Private Equity Assets

Partnership	Focus	Type	Vintage Year
Partners Group Distressed Private Equity 2009	Special Situations	Fund of Funds	2009
LGT Crown Global Secondaries II	Secondary Market	Fund of Funds	2009
Private Equity Investors V	Secondary Market	Fund of Funds	2009
Cross Creek Capital Partners II - B	Venture	Fund of Funds	2010
LGT Crown Asia II	Buyout	Fund of Funds	2011
StepStone Global Partners V	Venture	Fund of Funds	2011
57 Stars Global Opportunity 3	Diversified	Fund of Funds	2011
LGT Crown Europe Small Buyouts III	Buyout	Fund of Funds	2012
LGT Crown Global Secondaries III	Secondary Market	Fund of Funds	2012
Private Advisors Co-Investment Fund III	Co-investments	Fund of Funds	2013
HarbourVest 2013 Direct	Co-investments	Fund of Funds	2013
Cross Creek Capital Partners III	Venture	Fund of Funds	2013
Flag Private Equity V	Buyout	Fund of Funds	2012
StepStone Global Partners VI	Venture	Fund of Funds	2013
Constitution Capital Partners Ironsides III	Buyout	Fund of Funds	2014
Deutsche Bank Secondary Opportunities Fund III	Secondary Market	Fund of Funds	2014
Flag Private Equity VI	Buyout	Fund of Funds	2015
Blue Bay Direct Lending Fund II	Private Debt	Direct Fund	2015
Partners Group Emerging Markets 2015	Special Situations	Fund of Funds	2015
LGT Crown Global Opportunities VI	Diversified	Fund of Funds	2016
HarbourVest Co-Investment Fund IV	Co-investments	Fund of Funds	2017
SVB Strategic Investors Fund IX	Venture	Fund of Funds	2018
Dover Street X	Secondary Market	Fund of Funds	2020
Constitution Capital Partners Ironsides VII	Buyout	Fund of Funds	2023

Private Equity Assets

Partnership	Committed (\$mm)	Called (\$mm)	Distributed (\$mm)	Fair Value (\$mm)	nIRR ¹ (%)	Vintage Year	TVPI Multiple
Partners Group Distressed Private Equity 2009	7.0	6.2	8.8	\$0.2	10.3	2009	1.4x
LGT Crown Global Secondaries II ²	3.0	2.5	4.3	\$0.1	17.7	2009	1.8x
Private Equity Investors V ³	3.0	3.0	1.4	\$1.3	-1.1	2009	1.1x
Cross Creek Capital Partners II – B	12.5	11.7	29.0	\$9.6	18.5	2010	3.3x
LGT Crown Asia II ²	10.0	9.5	12.0	\$6.6	10.5	2011	1.9x
StepStone Global Partners V	7.5	6.8	18.6	\$6.6	23.0	2011	3.7x
57 Stars Global Opportunity 3	10.0	10.6	7.5	\$6.0	3.7	2011	1.3x
LGT Crown Europe Small Buyouts III ²	8.4	7.2	11.3	\$2.5	15.6	2012	1.9x
LGT Crown Global Secondaries III ²	10.0	7.7	10.2	\$1.9	11.9	2012	1.6x
Private Advisors Co-Investment Fund III	10.0	10.6	17.4	\$0.7	11.8	2013	1.8x
HarbourVest 2013 Direct	10.0	9.7	17.5	\$3.0	17.3	2013	2.3x
Cross Creek Capital Partners III	7.5	6.9	9.7	\$9.9	18.7	2013	2.9x
HighVista Private Equity V	10.0	10.0	16.9	\$3.8	16.2	2012	2.1x
StepStone Global Partners VI	7.5	6.8	11.8	\$11.5	20.7	2013	3.5x
Constitution Capital Partners Ironsides III	15.0	19.8	39.7	\$1.6	23.4 20.8	2014	2.2x
Deutsche Bank Secondary Opportunities Fund III	10.0	8.8	10.4	\$1.8	10.6	2014	1.4x
HighVista Private Equity VI	15.0	14.2	17.8	\$12.0	20.1	2015	2.1x
Blue Bay Direct Lending Fund II	20.0	19.4	21.7	\$1.7	7.3	2015	1.3x
Partners Group Emerging Markets 2015	10.0	8.8	6.4	\$7.5	7.8	2015	1.6x
LGT Crown Global Opportunities VI ²	40.0	35.6	32.9	\$33.6	15.2	2016	1.9x
HarbourVest Co-Investment Fund IV	10.0	8.1	8.3	\$7.7	15.4	2017	2.0x
SVB Strategic Investors Fund IX	10.0	8.9	0.0	\$15.1	18.7 ³	2018	1.6x
Dover Street X	40.0	30.8	11.0	\$35.6	22.8	2020	1.5x
Constitution Capital Partners Ironsides VII	25.0	1.6	0.0	1.6	NM	2023	NM
Total	\$311.4	\$265.2	\$324.6	\$181.9			2.0x

¹ All performance figures are reported directly from managers, net of fees, as of 6/30/2024, unless otherwise noted.

² Performance figures are as of 9/30/2024.

³ Performance figures are as of 12/31/2023.

Real Estate Assets

Partnership	Focus	Type	Vintage Year	TVPI Multiple
Partners Group U.S. Distressed 2009	U.S. Distressed	Fund of Funds	2009	1.4x
Partners Group Global RE 2011	Global	Fund of Funds	2011	1.3x
Portfolio Advisors Global Real Estate V	Global	Fund of Funds	2015	1.2x
Partners Group RE Secondary 2017	Global	Fund of Funds	2017	1.3x
Crow Holdings Realty Partners X	U.S.	Value Add	2023	NM
				1.2x

Partnership	Committed (mm)	Called (mm)	Distributed (mm)	Fair Value (mm)	nIRR ¹ (%)
Partners Group U.S. Distressed 2009	\$12.0	\$11.2	\$15.1	\$0.0	7.2
Partners Group Global RE 2011	\$6.7	\$5.0	\$6.1	\$0.5	5.6
Portfolio Advisors Global Real Estate V	\$15.0	\$12.6	\$10.2	\$4.9	5.1
Partners Group RE Secondary 2017	\$15.0	\$9.3	\$0.5	\$11.5	5.7
Crow Holdings Realty Partners X	\$20.0	\$5.7	\$0.0	\$4.7	NM
Total	\$68.7	\$43.8	\$31.9	\$21.6	

¹ Performance figures are reported directly from manager, net of fees, as of 6/30/2024.

Natural Resources Assets

Partnership	Vintage Year	Committed (mm)	Called (mm)	Distributed (mm)	Fair Value (mm)	Net IRR ¹ %	TVPI Multiple ²
Aether Real Assets II	2012	\$7.5	\$7.7	\$5.0	\$2.0	-1.4	0.9x
Aether Real Assets III	2013	\$15.0	\$16.0	\$5.6	\$8.9	-2.0	0.9x
Aether Real Assets IV	2016	\$10.0	\$10.2	\$2.5	\$9.5	3.2	1.2x
Aether Real Assets V	2018	\$10.0	\$8.4	\$0.4	\$9.1	5.5	1.2x
Total		\$42.5	\$42.0	\$13.3	\$29.5		1.1x

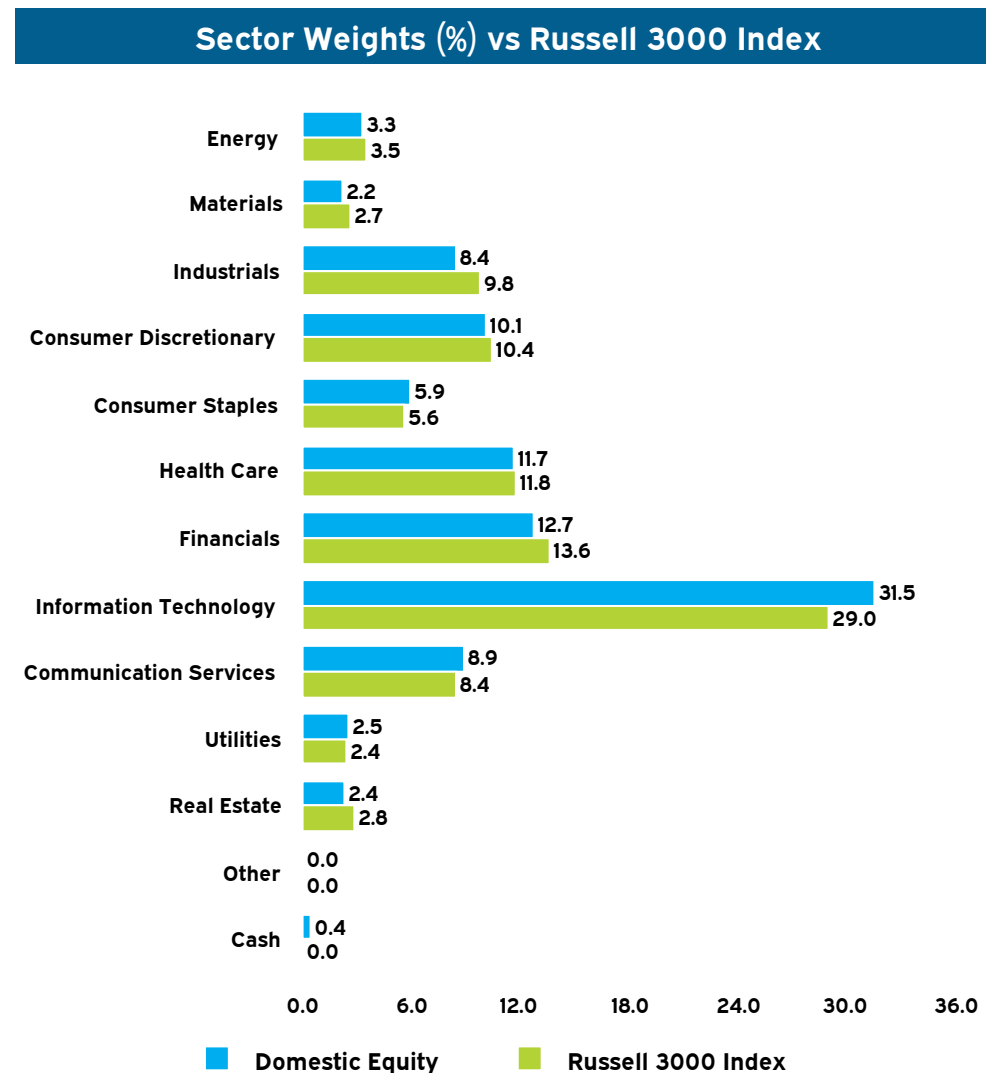
¹ Performance figures are reported directly from manager, net of fees, as of 6/30/2024.

² TVPI Multiple is as of 6/30/2024

Composite Domestic Equity Characteristics | As of September 30, 2024

Characteristics		
	Portfolio	Benchmark
Number of Holdings	618	2,987
Wtd. Avg. Mkt. Cap \$B	985.6	851.8
Median Mkt. Cap \$B	26.8	2.3
Price To Earnings	28.0	26.9
Price To Book	5.1	4.7
Return on Equity (%)	10.1	9.5
Yield (%)	1.3	1.3
Beta (5 Years, Monthly)	1.0	1.0
R-Squared (5 Years, Monthly)	1.0	1.0

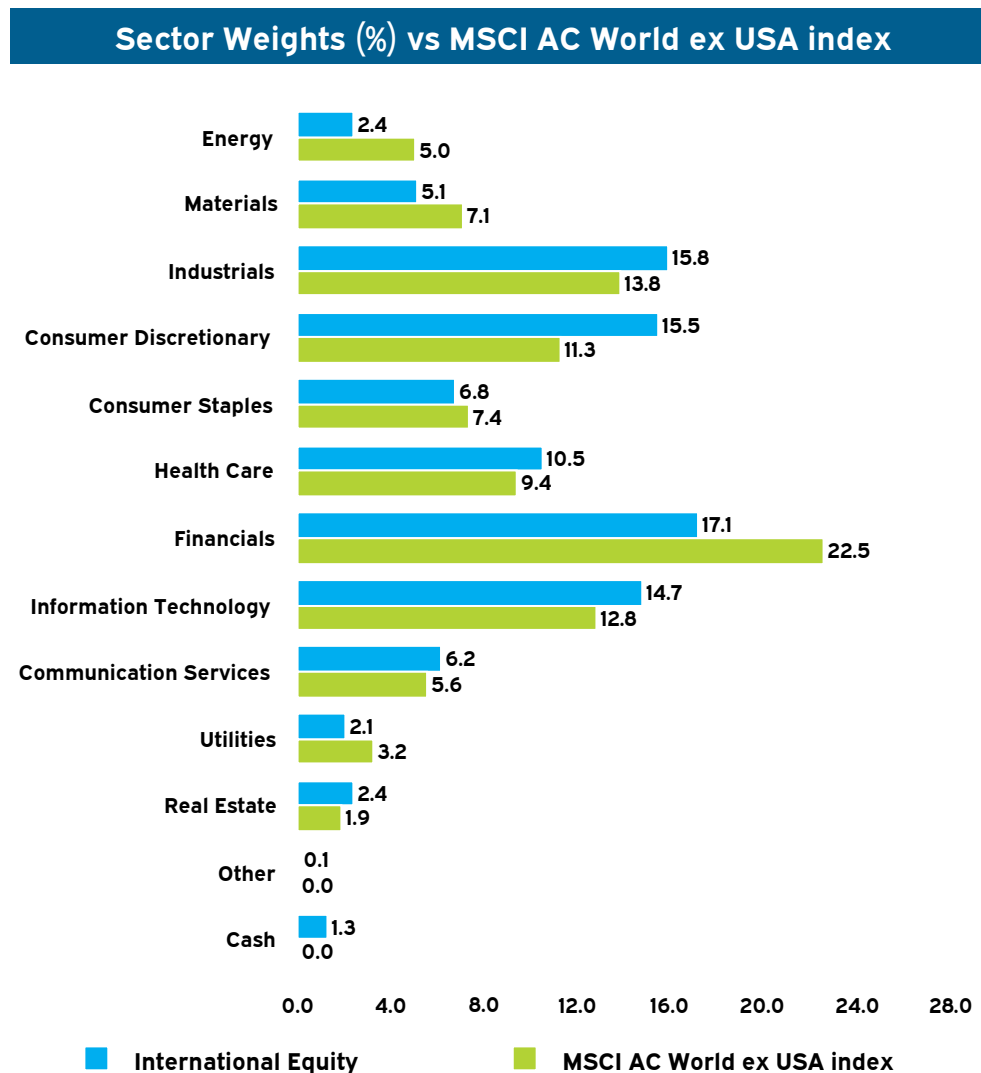
Top Holdings (%)	
Apple Inc	7.3
Microsoft Corp	6.6
NVIDIA Corporation	6.1
Amazon.com Inc	3.6
Meta Platforms Inc	2.6
Alphabet Inc Class A	2.0
Berkshire Hathaway Inc	1.7
Alphabet Inc Class C	1.6
Broadcom Inc	1.6
Tesla Inc	1.5



Composite International Equity Characteristics | As of September 30, 2024

Characteristics		
	Portfolio	Benchmark
Number of Holdings	4,254	2,094
Wtd. Avg. Mkt. Cap \$B	91.6	110.1
Median Mkt. Cap \$B	1.5	10.4
Price To Earnings	17.4	15.6
Price To Book	3.2	2.7
Return on Equity (%)	4.4	4.5
Yield (%)	2.2	2.9
Beta (5 Years, Monthly)	1.1	1.0
R-Squared (5 Years, Monthly)	1.0	1.0

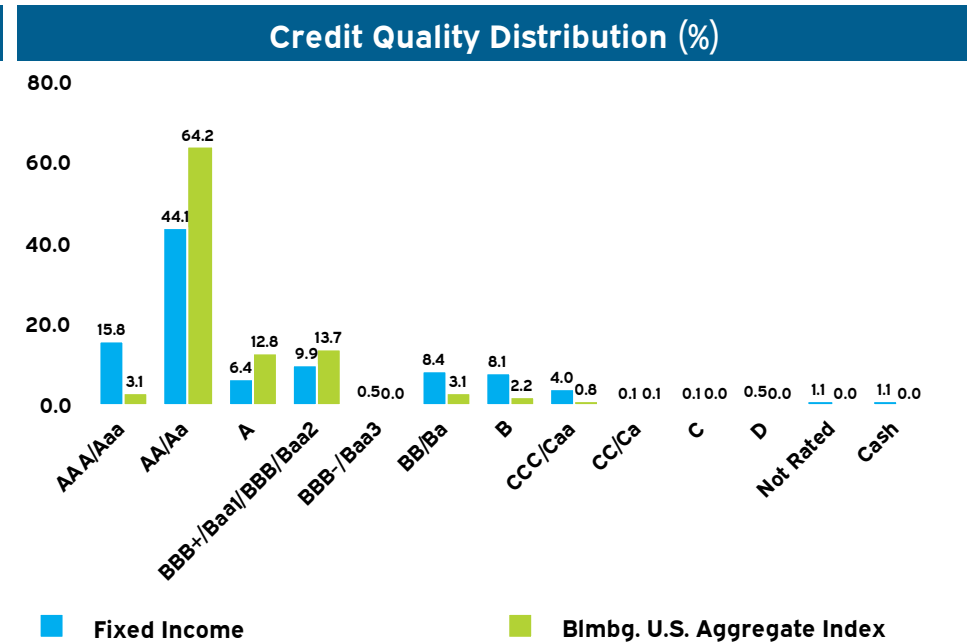
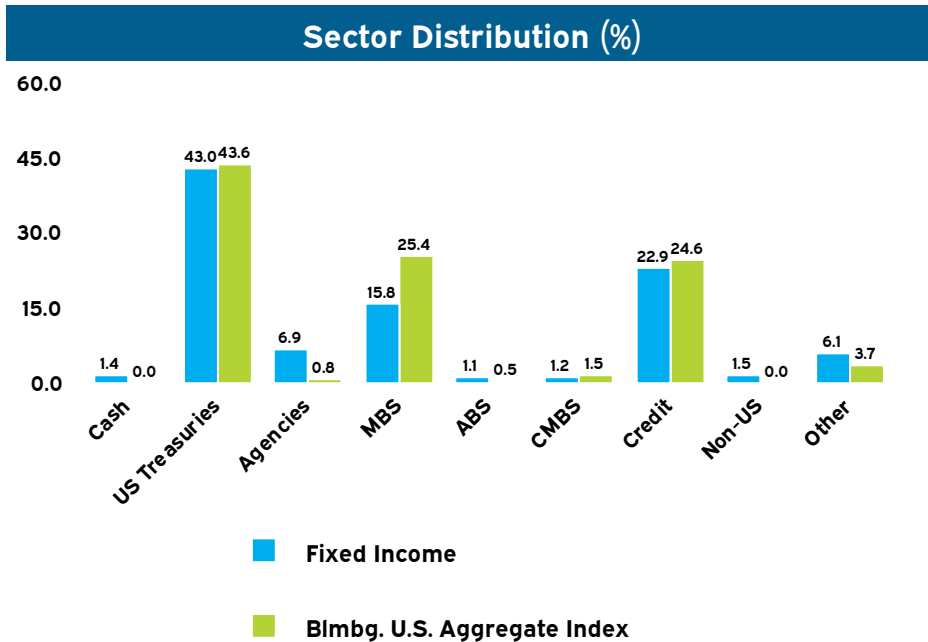
Top Holdings (%)	
ASML Holding NV	2.5
Spotify Technology SA	1.8
MercadoLibre Inc	1.8
Taiwan Semiconductor Manufac. COM	1.7
Ferrari NV	1.6
Adyen N.V	1.5
Atlas Copco AB	1.3
AIA Group Ltd	1.3
LOreal SA	1.3
CASH	1.3



Composite Fixed Income Characteristics | As of September 30, 2024

	Total Fund	
	\$	%
SSgA Bond Fund	124,956,134	36
SSgA TIPS	59,498,742	17
Loomis Sayles Core Plus Fixed Income	48,622,626	14
Aberdeen Emerging Markets Bond Fund	66,005,721	19
Pyramis Tactical Bond Fund	27,937,937	8
Aristotle Pacific	24,315,284	7
Total Fixed Income	351,336,444	100

	Portfolio	Benchmark
Yield To Maturity (%)	5.5	4.2
Average Duration	5.6	6.0
Avg. Quality	A	AA
Weighted Average Maturity (Years)	9.0	8.1



Pyramis Tactical Bond Fund fixed income characteristics are lagged as of March 31, 2024 due to manager data being unavailable.

Manager Equity | As of September 30, 2024

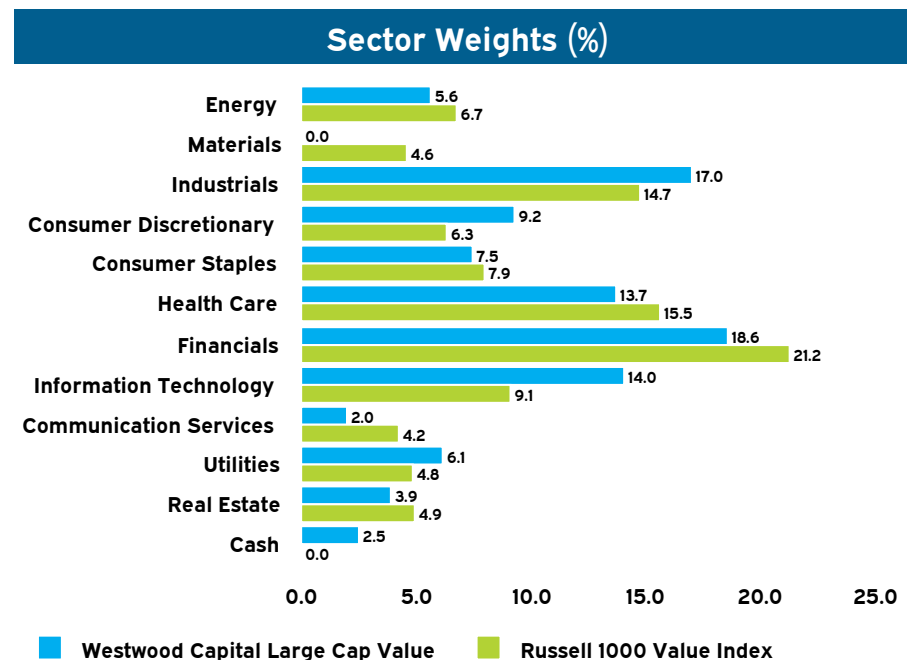
Top Holdings	
UnitedHealth Group Incorporated	3.4
Johnson & Johnson	3.4
JPMorgan Chase & Co	3.4
Microsoft Corp	3.1
Bank of America Corp	3.0
Union Pacific Corp	2.9
Abbott Laboratories	2.7
Visa Inc	2.5
Goldman Sachs Group Inc (The)	2.4
SALESFORCE INC	2.3

% of Portfolio **29.1**

Account Information	
Account Name	Westwood Capital Large Cap Value
Account Structure	Separate Account
Inception Date	10/01/2001
Asset Class	US Equity
Benchmark	Russell 1000 Value Index
Peer Group	eV US Large Cap Value Equity

Equity Characteristics vs Russell 1000 Value Index		
	Portfolio	Benchmark
Number of Holdings	48	872
Wtd. Avg. Mkt. Cap \$B	401.9	172.1
Median Mkt. Cap \$B	148.6	14.2
P/E Ratio	22.5	20.8
Yield (%)	2.0	2.1
EPS Growth - 5 Yrs. (%)	12.1	9.0
Price to Book	3.4	2.9

Portfolio Performance Summary								
	QTD (%)	YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Since Inception	Inception Date
Westwood Capital Large Cap Value	5.7	12.5	21.8	7.8	9.3	9.5	8.9	10/01/2001
Russell 1000 Value Index	9.4	16.7	27.8	9.0	10.7	9.2	8.4	10/01/2001



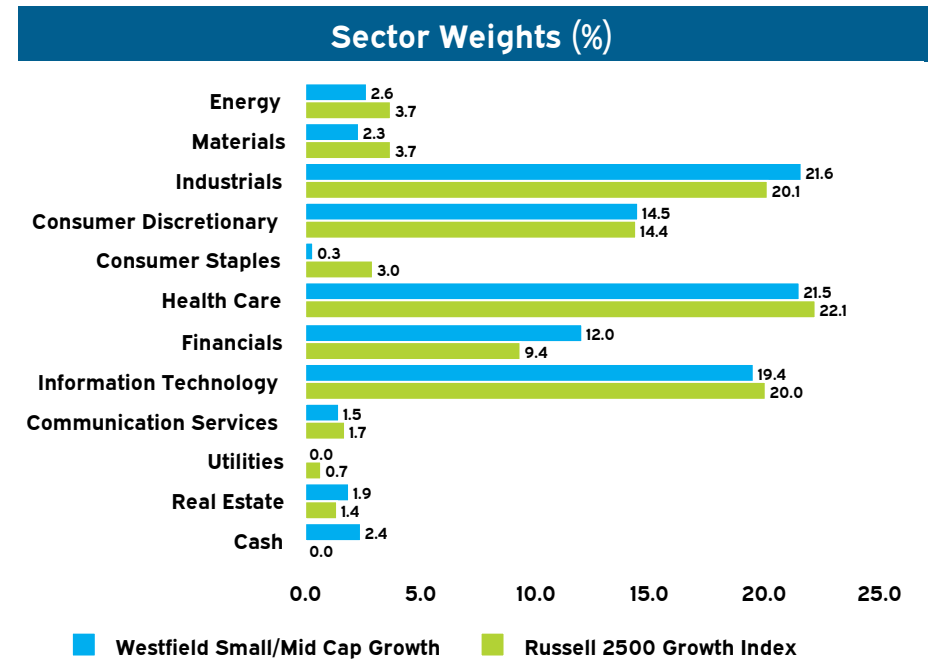
Top Holdings	
Axon Enterprise Inc	3.7
Comfort Systems USA Inc	3.3
Ascendis Pharma AS	3.0
M/I Homes Inc	2.4
Option Care Health Inc	2.4
Avery Dennison Corp	2.3
Blue Owl Capital Inc	2.3
Masimo Corp	2.3
Bright Horizons Family Solutions Inc	2.1
Insulet Corporation	2.1

Account Information	
Account Name	Westfield Small/Mid Cap Growth
Account Structure	Separate Account
Inception Date	11/01/2002
Asset Class	US Equity
Benchmark	Russell 2500 Growth Index
Peer Group	eV US Small-Mid Cap Growth Equity

Equity Characteristics vs Russell 2500 Growth Index		
	Portfolio	Benchmark
Number of Holdings	66	1,293
Wtd. Avg. Mkt. Cap \$B	12.0	6.6
Median Mkt. Cap \$B	10.8	1.5
P/E Ratio	29.4	26.7
Yield (%)	0.6	0.6
EPS Growth - 5 Yrs. (%)	30.1	19.1
Price to Book	4.7	5.0

% of Portfolio **25.9**

Portfolio Performance Summary								
	QTD (%)	YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Since Inception	Inception Date
Westfield Small/Mid Cap Growth	10.6	15.0	28.2	2.3	13.2	10.6	12.6	11/01/2002
Russell 2500 Growth Index	7.0	11.2	25.2	-0.7	9.7	10.0	11.1	11/01/2002



Manager Equity | As of September 30, 2024

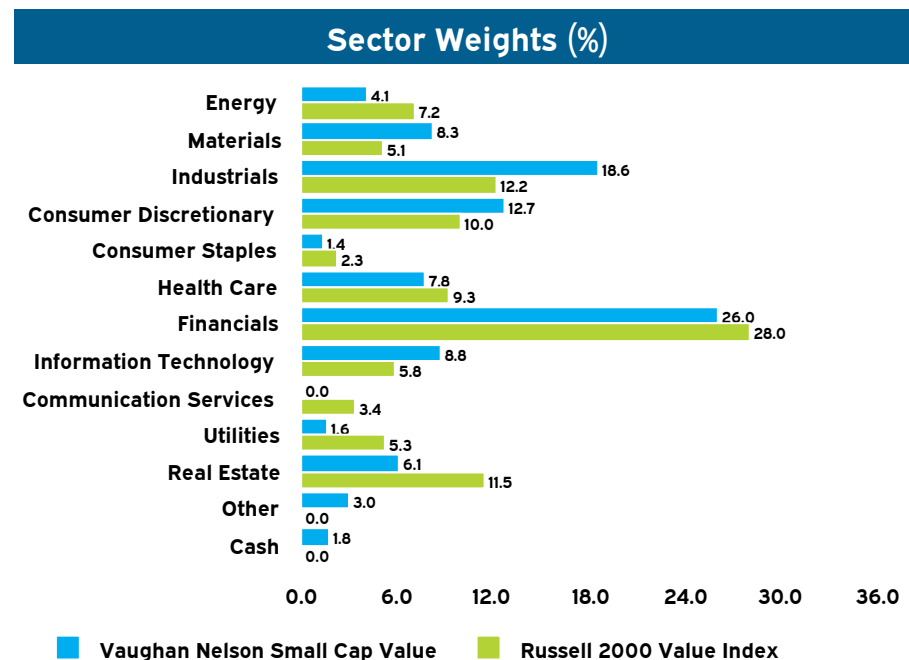
Top Holdings	
Element Solutions Inc	3.4
iShares Russell 2000 Value ETF	3.0
Western Alliance Bancorporation	2.9
Comerica Incorporated	2.7
First American Financial Corp	2.6
Cushman & Wakefield Ltd	2.5
Zions Bancorporation National Association	2.2
AAON Inc	2.2
Beacon Roofing Supply Inc	2.2
Installed Building Products Inc	2.0

Account Information	
Account Name	Vaughan Nelson Small Cap Value
Account Structure	Separate Account
Inception Date	12/01/2015
Asset Class	US Equity
Benchmark	Russell 2000 Value Index
Peer Group	eV US Small Cap Value Equity

Equity Characteristics vs Russell 2000 Value Index		
	Portfolio	Benchmark
Number of Holdings	64	1,438
Wtd. Avg. Mkt. Cap \$B	6.1	2.8
Median Mkt. Cap \$B	5.9	0.8
P/E Ratio	22.4	14.2
Yield (%)	1.9	2.1
EPS Growth - 5 Yrs. (%)	6.7	6.7
Price to Book	2.4	1.6

% of Portfolio **25.7**

Portfolio Performance Summary								
	QTD (%)	YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Since Inception	Inception Date
Vaughan Nelson Small Cap Value	4.9	8.0	23.9	10.5	12.8	-	10.7	01/01/2016
Russell 2000 Value Index	10.2	9.2	25.9	3.8	9.3	8.2	9.3	01/01/2016



Manager Equity | As of September 30, 2024

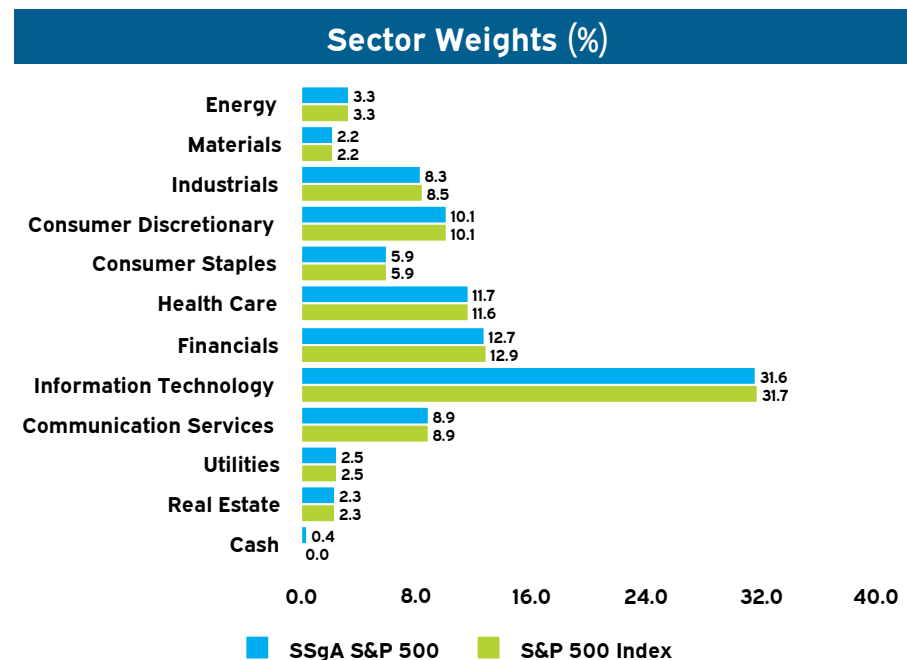
Top Holdings	
Apple Inc	7.3
Microsoft Corp	6.6
NVIDIA Corporation	6.2
Amazon.com Inc	3.6
Meta Platforms Inc	2.6
Alphabet Inc Class A	2.0
Berkshire Hathaway Inc	1.7
Alphabet Inc Class C	1.7
Broadcom Inc	1.7
Tesla Inc	1.5

Account Information	
Account Name	SSgA S&P 500
Account Structure	Commingled Fund
Inception Date	01/01/2004
Asset Class	US Equity
Benchmark	S&P 500 Index
Peer Group	eV US Large Cap Equity

Equity Characteristics vs S&P 500 Index	Portfolio	Benchmark
	Number of Holdings	499
Wtd. Avg. Mkt. Cap \$B	990.5	987.8
Median Mkt. Cap \$B	38.2	38.2
P/E Ratio	28.0	28.0
Yield (%)	1.3	1.3
EPS Growth - 5 Yrs. (%)	18.9	18.9
Price to Book	5.1	5.1

% of Portfolio **34.9**

Portfolio Performance Summary								
	QTD (%)	YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Since Inception	Inception Date
SSgA S&P 500	5.9	22.1	36.3	11.9	15.9	13.4	10.3	02/01/2004
S&P 500 Index	5.9	22.1	36.4	11.9	16.0	13.4	10.3	02/01/2004



Top Holdings	
Spotify Technology SA	5.9
MercadoLibre Inc	5.9
ASML Holding NV	4.9
Ferrari NV	4.5
Taiwan Semiconductor Manufac. COM	4.5
Adyen N.V	4.5
Wisetech Global Ltd	3.8
Atlas Copco AB	3.8
Meituan	3.6
AIA Group Ltd	3.1

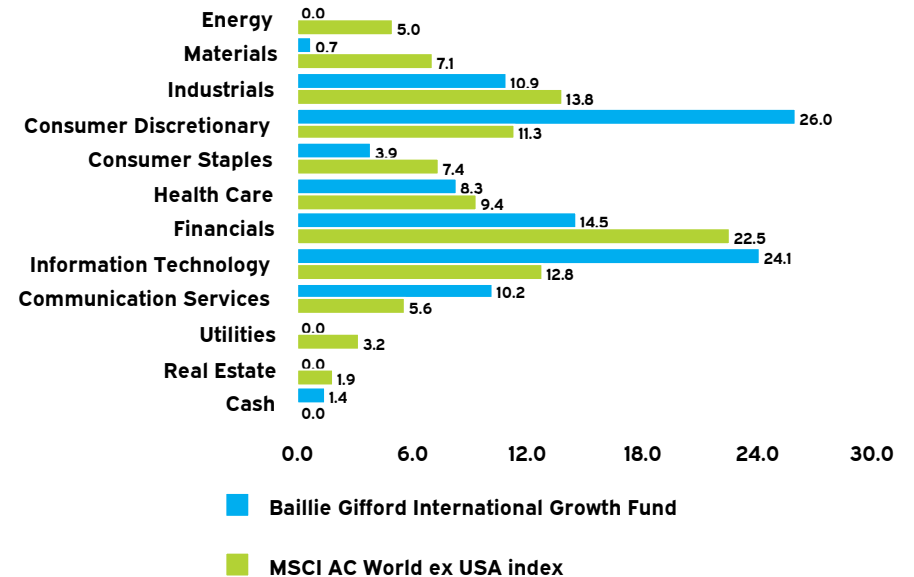
Account Information	
Account Name	Baillie Gifford International Growth Fund
Account Structure	Mutual Fund
Inception Date	05/01/2009
Asset Class	International Equity
Benchmark	MSCI AC World ex USA (Net)
Peer Group	eV ACWI ex-US All Cap Growth Eq

Equity Characteristics vs MSCI AC World ex USA index		
	Portfolio	Benchmark
Number of Holdings	60	2,094
Wtd. Avg. Mkt. Cap \$B	121.5	110.1
Median Mkt. Cap \$B	22.4	10.4
P/E Ratio	23.6	15.6
Yield (%)	0.7	2.9
EPS Growth - 5 Yrs. (%)	34.3	10.7
Price to Book	6.2	2.7

% of Portfolio **44.5**

Portfolio Performance Summary								
	QTD (%)	YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Since Inception	Inception Date
Baillie Gifford International Growth Fund	9.9	14.5	29.1	-6.4	7.6	7.3	9.8	05/01/2009
MSCI AC World ex USA (Net)	8.1	14.2	25.4	4.1	7.6	5.2	7.4	05/01/2009

Sector Weights (%)

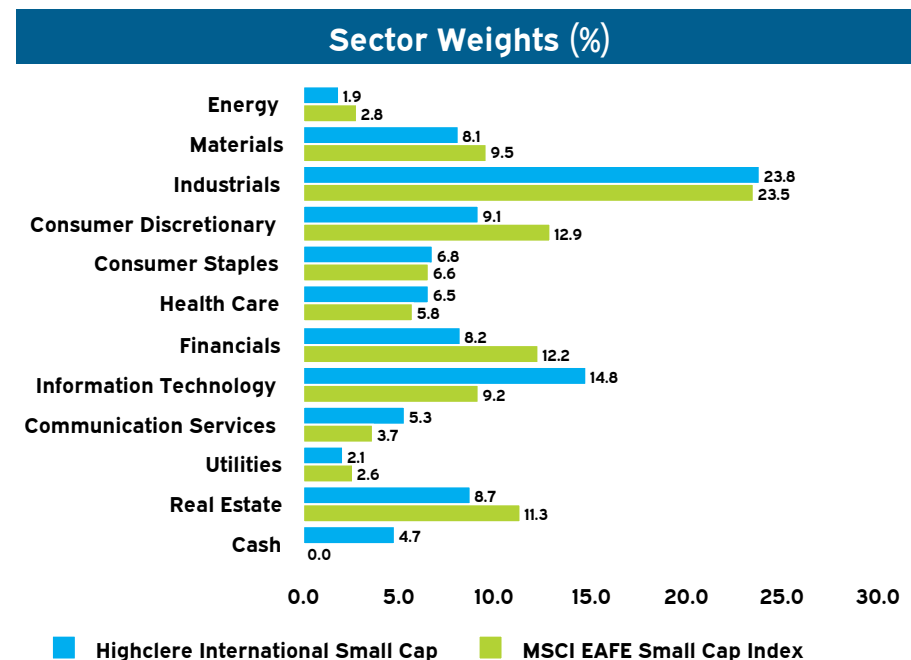


Top Holdings	
Alstom	1.3
Kakaku.com Inc	1.1
British Land Company PLC	1.0
Weir Group PLC	0.9
Nifco Inc	0.9
Arjo AB	0.9
Keppel DC REIT	0.9
SIGMAXYZ Holdings Inc	0.9
Derwent London PLC	0.9
Charter Hall Group	0.8
% of Portfolio	9.6

Account Information	
Account Name	Highclere International Small Cap
Account Structure	Commingled Fund
Inception Date	12/01/2009
Asset Class	International Equity
Benchmark	MSCI EAFE Small Cap (Net)
Peer Group	eV EAFE Small Cap Equity

Equity Characteristics vs MSCI EAFE Small Cap Index		
	Portfolio	Benchmark
Number of Holdings	178	2,104
Wtd. Avg. Mkt. Cap \$B	2.2	3.3
Median Mkt. Cap \$B	1.5	1.4
P/E Ratio	17.4	13.9
Yield (%)	2.7	3.1
EPS Growth - 5 Yrs. (%)	2.3	9.7
Price to Book	2.1	2.1

Portfolio Performance Summary								
	QTD (%)	YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Since Inception	Inception Date
Highclere International Small Cap	10.1	9.4	22.4	-2.8	4.8	5.1	6.9	12/01/2009
MSCI EAFE Small Cap (Net)	10.5	11.1	23.5	-0.4	6.4	6.2	7.3	12/01/2009



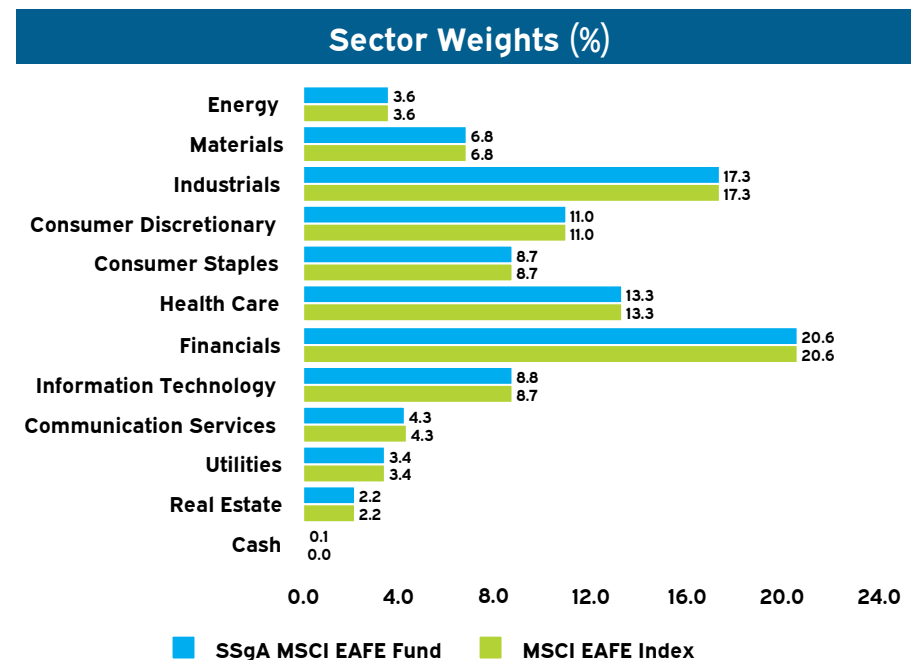
Top Holdings	
Novo Nordisk A/S	2.2
ASML Holding NV	1.9
Nestle SA, Cham Und Vevey	1.5
Astrazeneca PLC	1.4
SAP SE	1.4
Novartis AG	1.3
Roche Holding AG	1.3
LVMH Moet Hennessy Louis Vuitton SE	1.2
Shell Plc	1.2
Toyota Motor Corp	1.0

% of Portfolio **14.4**

Account Information	
Account Name	SSgA MSCI EAFE Fund
Account Structure	Commingled Fund
Inception Date	02/01/2013
Asset Class	International Equity
Benchmark	MSCI EAFE (Net)
Peer Group	eV EAFE Core Equity

	Equity Characteristics vs MSCI EAFE Index	
	Portfolio	Benchmark
Number of Holdings	760	732
Wtd. Avg. Mkt. Cap \$B	95.6	95.6
Median Mkt. Cap \$B	15.8	15.8
P/E Ratio	15.2	15.2
Yield (%)	3.0	3.0
EPS Growth - 5 Yrs. (%)	9.6	9.4
Price to Book	2.6	2.6

Portfolio Performance Summary								
	QTD (%)	YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Since Inception	Inception Date
SSgA MSCI EAFE Fund	7.2	13.2	25.0	5.8	8.5	6.0	6.4	02/01/2013
MSCI EAFE (Net)	7.3	13.0	24.8	5.5	8.2	5.7	6.1	02/01/2013



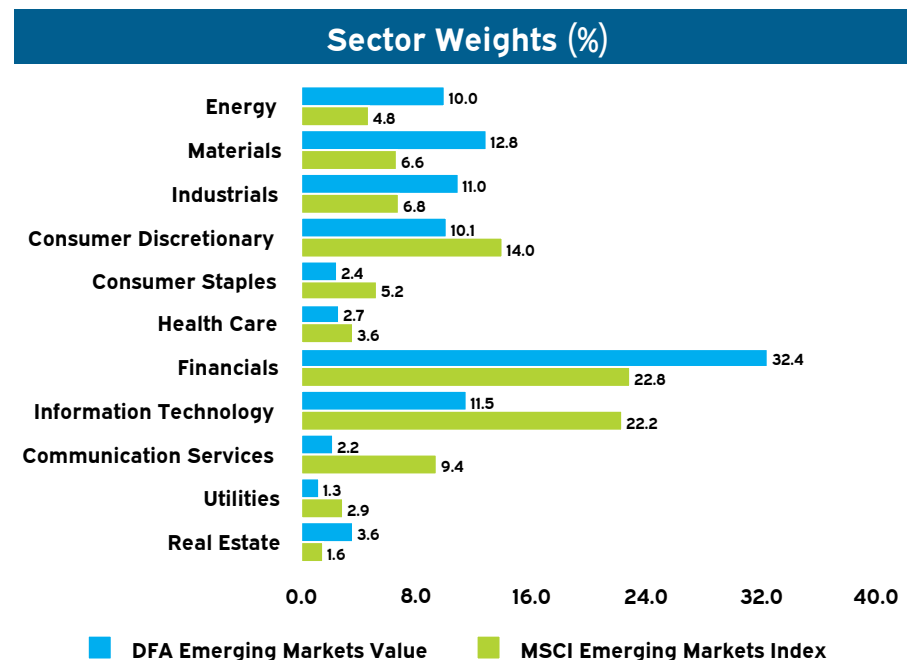
Top Holdings	
Reliance Industries Ltd	3.4
China Construction Bank Corp	2.6
Alibaba Group Holding Ltd	2.6
Hon Hai Precision Industry Co Ltd	2.2
TECHNO ELECTRIC & ENGINEERIN	1.4
Ping An Insurance Group Co of China Ltd	1.3
Axis Bank Ltd	1.3
Bank of China Ltd	1.2
KB Financial Group Inc	1.0
Industrial & Commercial Bank of China	0.9

% of Portfolio **17.9**

Account Information	
Account Name	DFA Emerging Markets Value
Account Structure	Mutual Fund
Inception Date	12/01/2009
Asset Class	International Equity
Benchmark	MSCI Emerging Markets Value (Net)
Peer Group	eV Emg Mkts All Cap Value Equity

Equity Characteristics vs MSCI Emerging Markets Index		
	Portfolio	Benchmark
Number of Holdings	3,253	1,277
Wtd. Avg. Mkt. Cap \$B	38.2	153.6
Median Mkt. Cap \$B	0.9	8.2
P/E Ratio	10.2	15.7
Yield (%)	3.5	2.6
EPS Growth - 5 Yrs. (%)	11.4	14.7
Price to Book	1.8	2.9

Portfolio Performance Summary								
	QTD (%)	YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Since Inception	Inception Date
DFA Emerging Markets Value	5.7	14.9	23.2	6.3	8.6	5.0	3.9	12/01/2009
MSCI Emerging Markets (Net)	8.7	16.9	26.1	0.4	5.7	4.0	3.9	12/01/2009



Top Holdings	
Taiwan Semiconductor Manufac. COM	9.6
Ypf Sociedad Anonima Yacimientos Petroliferos Fiscales	4.2
Nova Ljubljanska Banka d.d	3.8
Alibaba Group Holding Ltd	3.0
Capstone Copper Corp	2.6
Vista Energy SAB de CV	2.6
Ase Technology Holdings Co	2.5
SK Hynix Inc	2.5
Akbank T A S	2.5
PDD Holdings Inc	2.4
% of Portfolio	35.7

Account Information	
Account Name	TT Emerging Markets Equity
Account Structure	Commingled Fund
Inception Date	03/25/2019
Asset Class	International Equity
Benchmark	MSCI Emerging Markets (Net)
Peer Group	eV Emg Mkts Equity

Equity Characteristics vs MSCI Emerging Markets Index		
	Portfolio	Benchmark
Number of Holdings	70	1,277
Wtd. Avg. Mkt. Cap \$B	114.9	153.6
Median Mkt. Cap \$B	12.4	8.2
P/E Ratio	14.6	15.7
Yield (%)	2.0	2.6
EPS Growth - 5 Yrs. (%)	21.1	14.7
Price to Book	2.6	2.9

Portfolio Performance Summary								
	QTD (%)	YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Since Inception	Inception Date
TT Emerging Markets Equity	4.1	17.8	27.8	-4.1	4.1	-	2.9	04/01/2019
MSCI Emerging Markets (Net)	8.7	16.9	26.1	0.4	5.7	4.0	4.5	04/01/2019



Account Information

Account Name	SSgA Bond Fund
Account Structure	Commingled Fund
Inception Date	01/01/2004
Asset Class	US Fixed Income
Benchmark	Blmbg. U.S. Aggregate Index
Peer Group	eV US Core Fixed Inc

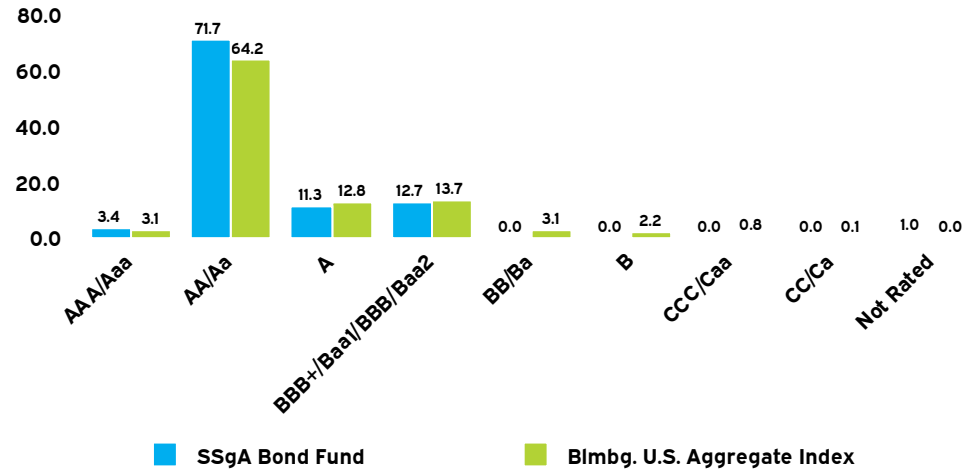
Portfolio Performance Summary

	QTD (%)	YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Since Inception	Inception Date
SSgA Bond Fund	5.2	4.5	11.6	-1.4	0.3	1.8	3.2	01/01/2004
Blmbg. U.S. Aggregate Index	5.2	4.4	11.6	-1.4	0.3	1.8	3.3	

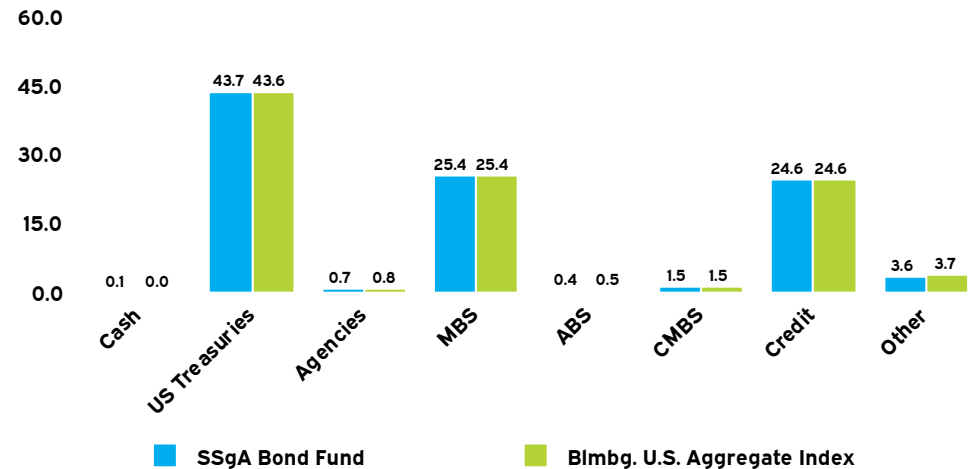
Portfolio Fixed Income Characteristics

	Q3-24		Q2-24
	Portfolio	Benchmark	Portfolio
Yield To Maturity	4.2	4.2	5.0
Average Duration	6.2	6.0	6.1
Average Quality	AA	AA	AA
Weighted Average Maturity	8.4	8.1	8.6

Credit Quality Allocation



Sector Allocation



Account Information

Account Name	Loomis Sayles Core Plus Fixed Income
Account Structure	Commingled Fund
Inception Date	06/01/2015
Asset Class	US Fixed Income
Benchmark	Blmbg. U.S. Aggregate Index
Peer Group	eV US Core Plus Fixed Inc

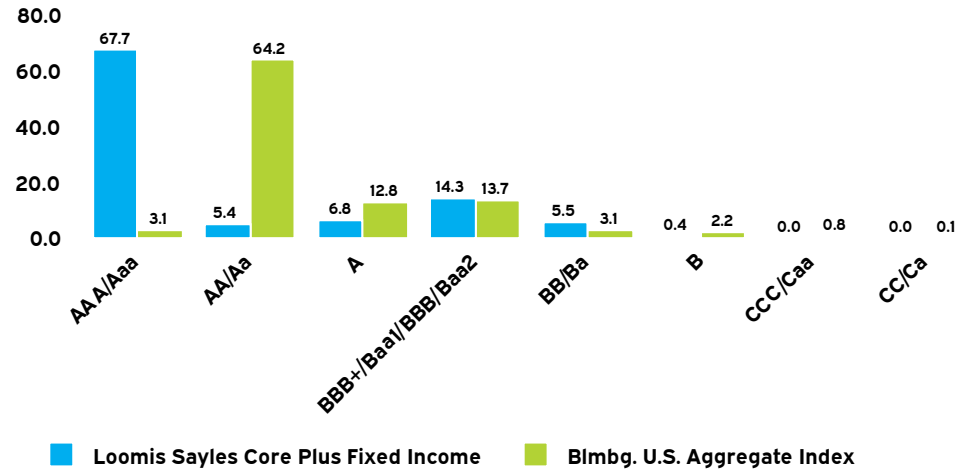
Portfolio Performance Summary

	QTD (%)	YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Since Inception	Inception Date
Loomis Sayles Core Plus Fixed Income	5.3	4.9	12.5	-0.9	1.5	-	2.7	07/01/2015
Blmbg. U.S. Aggregate Index	5.2	4.4	11.6	-1.4	0.3	1.8		

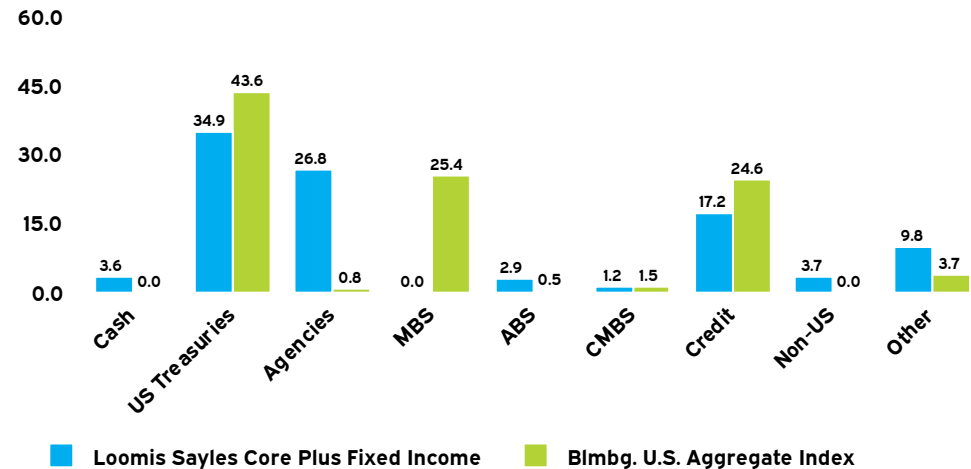
Portfolio Fixed Income Characteristics

	Q3-24		Q2-24
	Portfolio	Benchmark	Portfolio
Yield To Maturity	4.9	4.2	5.6
Average Duration	6.8	6.0	7.1
Average Quality	A	AA	AA
Weighted Average Maturity	9.3	8.1	9.6

Credit Quality Allocation



Sector Allocation



Account Information

Account Name	Aberdeen Emerging Markets Bond Fund
Account Structure	Commingled Fund
Inception Date	12/01/2014
Asset Class	International Fixed Income
Benchmark	JPM EMBI Global Diversified
Peer Group	

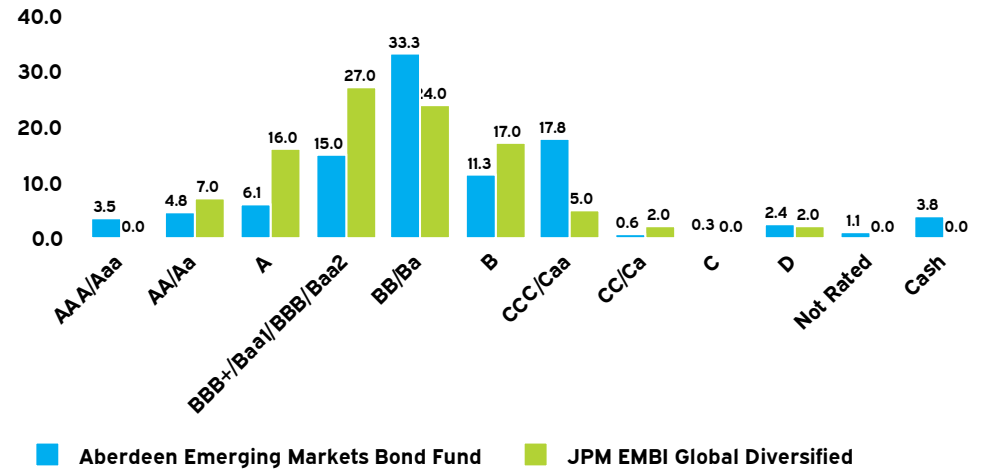
Portfolio Performance Summary

	QTD (%)	YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Since Inception	Inception Date
Aberdeen Emerging Markets Bond Fund	6.0	9.2	21.1	0.6	1.4	-	3.0	12/01/2014
JPM EMBI Global Diversified	6.2	8.6	18.6	-0.4	0.9	3.3	3.1	

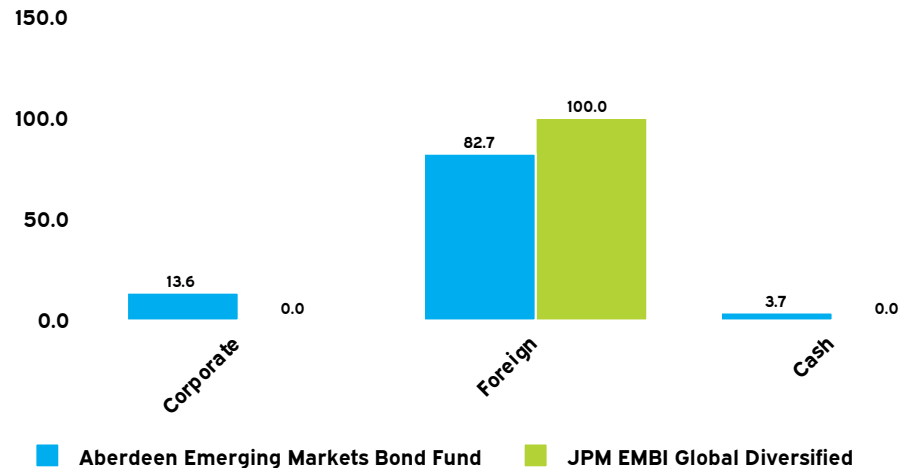
Portfolio Fixed Income Characteristics

	Q3-24		Q2-24
	Portfolio	Benchmark	Portfolio
Yield To Maturity	9.1	6.8	8.3
Average Duration	6.8	6.9	6.4
Average Quality	BB	BB+	BB
Weighted Average Maturity	11.5	11.6	10.8

Credit Quality Allocation



Sector Allocation



Account Information

Account Name	SSgA TIPS
Account Structure	Commingled Fund
Inception Date	07/01/2014
Asset Class	US Fixed Income
Benchmark	Blmbg. U.S. TIPS Index
Peer Group	eV US TIPS / Inflation Fixed Inc

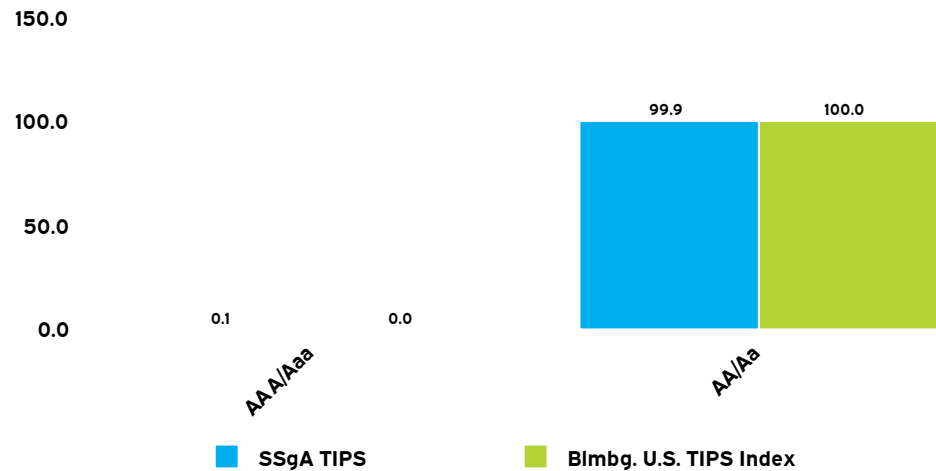
Portfolio Performance Summary

	QTD (%)	YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Since Inception	Inception Date
SSgA TIPS	4.1	5.0	9.8	-0.6	2.6	2.5	2.2	08/01/2014
Blmbg. U.S. TIPS Index	4.1	4.9	9.8	-0.6	2.6	2.5	2.3	

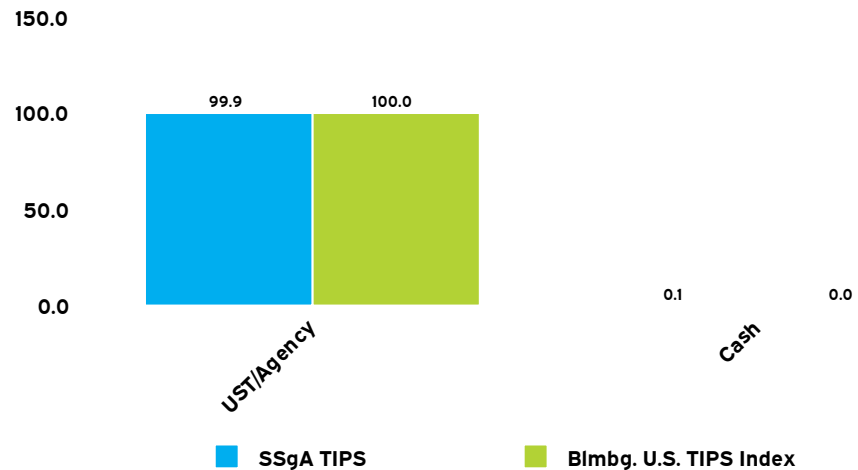
Portfolio Fixed Income Characteristics

	Q3-24		Q2-24
	Portfolio	Benchmark	Portfolio
Yield To Maturity	3.8	3.8	4.7
Average Duration	3.8	2.4	4.9
Average Quality	AA	AA	AA
Weighted Average Maturity	7.4	7.4	7.1

Credit Quality Allocation



Sector Allocation



Account Information

Account Name	Pyramis Tactical Bond Fund
Account Structure	Commingled Fund
Inception Date	08/01/2013
Asset Class	US Fixed Income
Benchmark	Blmbg. U.S. Aggregate Index
Peer Group	eV US Core Plus Fixed Inc

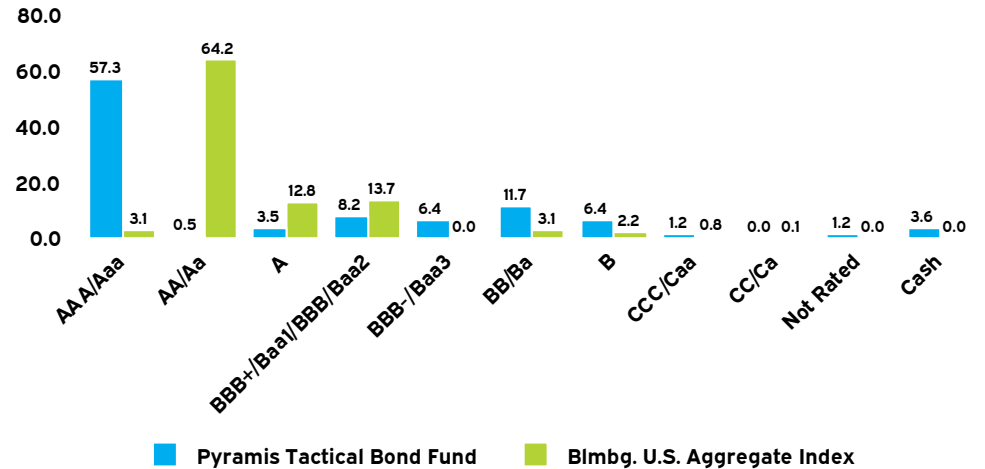
Portfolio Performance Summary

	QTD (%)	YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Since Inception	Inception Date
Pyramis Tactical Bond Fund	5.3	5.2	12.7	0.3	2.4	3.8	3.9	08/01/2013
Blmbg. U.S. Aggregate Index	5.2	4.4	11.6	-1.4	0.3	1.8	2.0	

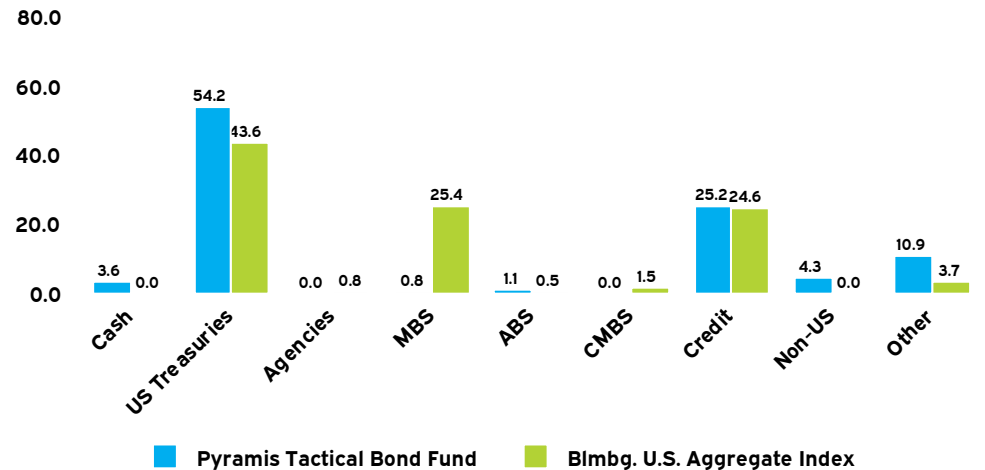
Portfolio Fixed Income Characteristics

	Q3-24		Q2-24
	Portfolio	Benchmark	Portfolio
Yield To Maturity	5.0	4.2	5.9
Average Duration	6.6	6.0	6.9
Average Quality	A	AA	AA
Weighted Average Maturity	12.3	8.1	13.3

Credit Quality Allocation



Sector Allocation



Pyramis Tactical Bond Fund fixed income characteristics are lagged as of March 31, 2024 due to manager data being unavailable.

Account Information

Account Name	Aristotle Pacific
Account Structure	Commingled Fund
Inception Date	11/27/2019
Asset Class	US Fixed Income
Benchmark	Credit Suisse Leveraged Loan Index
Peer Group	eV US Float-Rate Bank Loan Fixed Inc

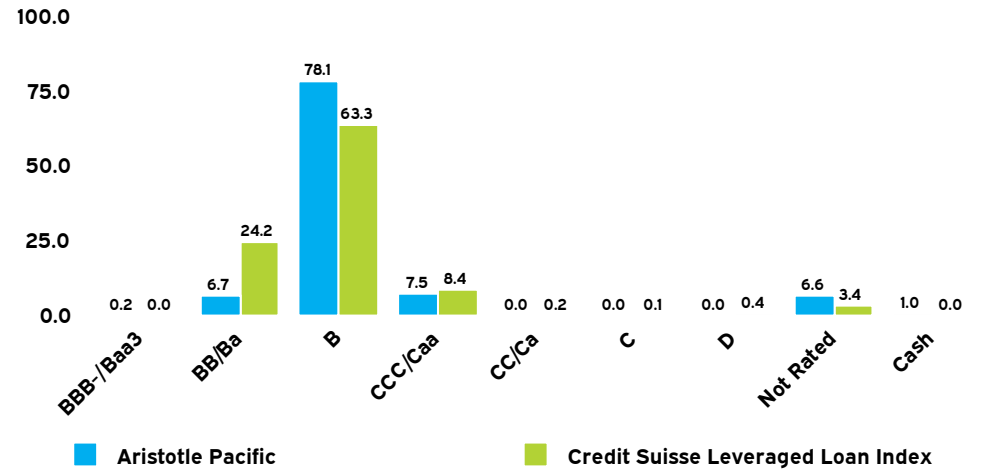
Portfolio Performance Summary

	QTD (%)	YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Since Inception	Inception Date
Aristotle Pacific	1.9	6.4	9.6	6.8	-	-	5.8	12/01/2019
Credit Suisse Leveraged Loan Index	2.0	6.6	9.6	6.3	5.6	4.9	5.8	

Portfolio Fixed Income Characteristics

	Q3-24		Q2-24
	Portfolio	Benchmark	Portfolio
Yield To Maturity	8.0	8.4	8.0
Average Duration	0.3	0.3	0.3
Average Quality	B	B	B
Weighted Average Maturity	4.4	4.4	4.4

Credit Quality Allocation



Sector Allocation



Public Manager Annual Investment Expense Analysis				
	Market Value		Estimated Annual Fee	Estimated Expense
	(\$)	% of Portfolio	(%)	(\$)
	(\$)			(\$)
Westwood Capital Large Cap Value	13,876,981	1.55	0.50	69,385
Westfield Small/Mid Cap Growth	67,809,556	7.58	1.15	779,810
Vaughan Nelson Small Cap Value	63,296,139	7.07	0.82	518,073
SSgA S&P 500	128,835,243	14.40	0.01	15,384
Baillie Gifford International Growth Fund	37,886,126	4.23	0.61	219,740
Highclere International Small Cap	33,135,637	3.70	1.16	385,424
SSgA MSCI EAFE Fund	133,310,391	14.90	0.05	68,324
DFA Emerging Markets Value	30,218,938	3.38	0.38	163,182
TT Emerging Markets Equity	35,172,194	3.93	0.80	281,378
SSgA Bond Fund	124,956,134	13.96	0.03	34,991
Loomis Sayles Core Plus Fixed Income	48,622,626	5.43	0.29	141,557
Aberdeen Emerging Markets Bond Fund	66,005,721	7.38	0.45	297,026
SSgA TIPS	59,498,742	6.65	0.03	17,850
Pyramis Tactical Bond Fund	27,937,937	3.12	0.34	94,989
Aristotle Pacific	24,315,284	2.72	0.41	99,693
Total	894,877,648	100.00	-	3,186,804

Estimated fees are based off of public investments only and are calculated by multiplying manager fee schedules by each fund's market value as of the report date. Estimated fees do not take into consideration potential performance based fees, fur expenses or charges. Private market fees are reported annually in separate report.

Westfield has a performance based fee. The fee ranges from minimum of 0.20% to a maximum of 1.30% based on the relative performance over the trailing three years. Included here is the average actual fee paid over the past three years.

IPPE Responses

AFRF Consolidated Recommendations

Callan Recommendations	AFRF Response
<p>IPS</p> <p>Consider outlining key IPS and Operating Procedure changes in the meeting minutes. 2022 meeting minutes (the most recent IPS revision is dated February 2022) reflect motions made to approve the changes without providing detail of those changes.</p>	<p>Responsibility: AFRF Staff</p>
<p>Consider combining the IPS and Operating Procedures. If they cannot be combined, consider moving and/or adding the following elements to the IPS:</p> <ul style="list-style-type: none"> – A list and description of investible asset classes; – A strategic asset allocation framework outlining asset class targets and allowable ranges; – Performance benchmarks for sub asset classes and total policy benchmark. – Manager selection and termination documentation; – An outline of the process, including timeline, used by the Board to evaluate the ongoing appropriateness of all managers and asset classes. <p>If some of these elements are expected to need frequent updating, consider including them in an appendix to the IPS, which will have a less procedural review process to update than the rest of the Policy.</p>	<p>Meketa moved the following sections from the Operating Procedures to the IPS:</p> <ul style="list-style-type: none"> - List of investible asset classes - Asset allocation policy targets - Asset allocation ranges
<p>Consider making the Operating Procedures available to stakeholders (if it is not combined with the IPS).</p> <p>Consider documenting all fund-level benchmarks used in performance reporting in the policy documents. This will allow stakeholders to understand the rationale of including each benchmark and the construction methodology. Currently, two of the total fund benchmarks used in performance reports are not outlined in the policies.</p>	<p>Responsibility: AFRF Staff</p> <p>Meketa has worked with the Board to update the benchmark composition and language in the IPS. Once the new IPS is approved, we will likely remove a number of the extra benchmarks from the quarterly performance reports.</p>
<p>Consider adding an investment management fee philosophy that outlines how the Board considers fees when seeking to achieve the most attractive risk-adjusted net return for the Fund.</p> <p>It appears the Operating Procedures III. Asset Allocation Targets may be intended to reference Section VII instead of Section VI in the IPS.</p>	<p>We considered this. Meketa feels the existing language in the IPS addressing manager fees in section XII. Investment Costs and the new language added to section VII. Investment Principles is sufficient</p> <p>Correct. The language has been revised.</p>

<p>Consider including an acknowledgement that AFRF will look to meet the policies as defined by the PRB.</p>	<p>Meketa would like to discuss with the Board.</p>
<p>Consider adding a risk objective to consider how the volatility of assets may impact the Fund's liability amortization period. This may provide additional guardrails to better enable the Fund to stay under the 30-year time frame to amortize the unfunded actuarial liability set by the Pension Review Board.</p>	<p>We considered this. Meketa feels the existing language in the IPS in section II. Investment Objectives and II. A. Risk Objectives sufficiently explains the manner in which the Fund is invested and risk is evaluated.</p>
<p>Consider modelling plan liabilities and conducting integrated asset-liability studies on a periodic basis, typically every 3-5 years, to ensure that the Fund's asset allocation is designed to meet its liabilities and liquidity goals. Asset-liability studies illustrate the potential implications that asset allocation decisions have on future contribution policies. Most of Callan's public defined benefit plan clients, especially those of AFRF's size, conduct regular asset-liability studies.</p>	<p>AFRF plans to do an asset liability study in 2025-2026</p>
<p>Consider adding an appendix or table that defines the benchmarks used for individual managers.</p>	<p>Meketa disagrees. Manager benchmarks are defined in each manager's IMA or governing documents. The IPS should be a high level policy document that addresses total Fund or asset class level guidelines/benchmarks – both of which are already included.</p>
<p>Consider defining shorter term periods and specify how relative performance against peers will be evaluated.</p>	<p>The language/section Callan is referring to (Operating Procedures Section VII. Performance Objective) was deleted because of duplication with IPS section II.C Performance Objectives – which has been reworded for clarity.</p>
<p>Consider outlining the process for new manager selection and criteria for manager termination.</p>	<p>Meketa added a paragraph on each to the existing IPS Section V. Investment Manager Selection and Termination</p>
<p>Asset Allocation</p> <p>While the Board has requested the investment consultant review the impact of different scenarios on funded ratio and liquidity, it has not conducted a full asset-liability study in the last five years. The Board should consider a full asset-liability study, which integrates different asset allocation mixes and market scenarios with their potential impact on all aspects of the Fund's liabilities (i.e. funded ratio, contribution expectations, amortization period, etc.).</p>	<p>AFRF plans to do an asset liability study in 2025 - 2026</p>
<p>Investment Fees</p> <p>Consider amending the fee reconciliation and payment section of the Operating Procedures. Only six of the 49</p>	<p>Meketa adjusted the language</p>

<p>strategies invoice for fees, which makes the current language of reconciliation and then payment impractical. Consider amending to a review and possible reconciliation of fees. Additionally, consider removing the Trustee oversight requirement in the Operating Procedures. Requiring a pre-identified trustee to verify manager's fee payments may cause governance issues. This could be perceived as a conflict as one of the Trustees responsible for broad oversight would be directly involved in the day-to-day mechanics they are responsible for overseeing.</p>	
<p>Consider naming the party responsible for reporting investment management fees to the Board in the IPS.</p>	<p>Annually AFRF is required to report total investment management fees as part of its annual audited financial report. Meketa prepares the calculation (sourced from the individual investment managers) and will typically review it at a Board meeting. The same data is shared with the Board (through Staff) when the audited financial report is approved by the Board.</p>
<p>Consider adding language to the IPS outlining the frequency and requirements of fee benchmarking. Texas law only requires the reporting of absolute investment management fees, which may not provide stakeholders the appropriate context. An annual fee analysis may be beneficial for monitoring manager fees and assessing reasonableness compared to peers.</p>	<p>The new Section VII Investment Principles in the IPS states that "[Active managers] inclusion should be re-evaluated periodically and their fees should be reasonable"</p>
<p>Governance Process</p>	
<p>None</p>	
<p>Investment Manager Selection & Monitoring</p>	
<p>None</p>	

Summary of Proposed Changes to the IPS and Operating Procedures

Recommendations Rationale

Proposed Change	Rationale
<p>IPS</p> <p>Section II. Investment Objective, C. Performance Objective</p> <p>To manage the Fund’s assets so as to achieve a high likelihood of outperforming the total return of an index composed of a mix of asset class benchmarks over a market cycle meeting or exceeding the Policy Benchmark. The Policy Benchmark is defined as follows: A combination of cheaply investable index returns that matches the subject return series as well or better than others in terms of (1) measures of statistical fit and (2) market exposures. The Policy Benchmark should be fully investable and transparent, making it feasible to invest in. The subcomponents and weights will be determined by the Board (with the assistance of the Consultant) and detailed in the Operating Procedures. The Policy Benchmark will only be revised if there is a fundamental change in risk/return preferences. The benchmarks used for each asset class, as well as the mix of such benchmarks to determine the Fund’s composite index, will be determined by the Board and set forth in its Operating Procedures</p>	<p>Changes to the Policy Benchmark approach based on the ~12 months of work/discussions Meketa had with Trustee Bass and previewed with the full Board in early 2024 to better reflect the fact that much of the AFRF asset exposure that is not directly in listed equities still has equity like risk characteristics. In addition, better reflects the burden or value of complexity, providing a simple way to easily evaluate if AFRF performance is truly beating an investible low cost simple alterative mix.</p>
<p>IPS and Operating Procedures</p> <p>List of investable asset classes was moved from the Operating Procedures to the IPS (Appendix A)</p>	<p>Callan recommended this in the IPPE report and Meketa agrees</p>

Proposed Change	Rationale
<p>IPS</p> <p>New section added</p> <p>VII. INVESTMENT PRINCIPLES</p> <p><u>Equity exposure within an asset allocation is a key determinant of portfolio risk. The use of the term “effective equity exposure” addresses the fact that reported equity allocations often resemble an incomplete picture of the true equity like exposure in a portfolio. Assets such as Private Equity, Venture Capital, Real Estate, High Yield Bonds, etc., have high positive correlations to public equity, and exhibit equity like beta. This is especially true in times of market stress. As such, they offer limited ability to reduce portfolio risk. It is necessary to control effective equity exposure so as to be in compliance with the spirit of this policy.</u></p> <p><u>When considering the inclusion of active management, it is important to recognize that while actively managed funds offer the potential to outperform a benchmark, the likelihood they can, over long time periods, is low. Investing in actively managed funds typically involves much higher fee structures, and consistent with finance theory, active managers, in aggregate, tend to lose to their respective benchmarks by an amount equal to their fees. Due to the structural advantages index funds offer, the inclusion of active managers should be judged through appropriate caution and healthy skepticism. Only in compelling circumstances should active managers be considered. Their inclusion should be re-evaluated periodically, and their fees should be reasonable.</u></p>	<p>Further clarification and continuation of item #1 discussed on prior page (Performance Objective). Intent is to provide better context to stakeholders or new Trustees on the risks inherent in the portfolio and how the Board intends to invest and think about its asset exposures and implementation.</p>
<p>IPS and Operating Procedures</p> <p>Asset allocation policy and ranges were moved from the Operating Procedures to the IPS (Appendix B)</p>	<p>Callan recommended this in the IPPE report and Meketa agrees</p>

Proposed Change	Rationale
<p>IPS</p> <p>Section VII. Asset Allocation</p> <p><u>The most efficient way to meet market exposures, identified by a desired asset allocation, is by utilizing broad based, low fee, passive index funds. Due to the highly efficient and competitive nature of public markets, passive index investments, developed from and consistent with financial theory, is the natural starting point for investment in public asset classes. Active management will be considered when there is belief that given strategy is capable of achieving excess returns. While some public proxies exist for private assets, private asset investment is active by nature, and will present better opportunities for utilizing active strategies.</u></p>	<p>Further clarification and continuation of previous points.. Intent is to provide better context to stakeholders or new Trustees on the Board’s approach to active vs. passive management as it seeks to implement its asset allocation policy.</p>
<p>IPS</p> <p>Section VII. Asset Allocation</p> <p>Removal of long term (broad) allocation ranges – Equities, Fixed Income and Alternatives</p>	<p>Duplicative and replaced with the more refined sub asset class targets and ranges now listed in Appendix B of the IPS</p>

Proposed Change	Rationale
<p>Operating Procedures</p> <p>Section IV. Investment Manager Invoice Fee Reconciliation and Payment</p> <p>Clarified and changed language to reflect existing role of Staff and the fact that most fees are not invoiced but rather paid directly from the strategy assets</p>	<p>Recommendation to clean up language came from Callan during the IPPE report. Meketa agreed and updated language.</p>
<p>Operating Procedures</p> <p>Section VII. Performance Objectives – section deleted</p>	<p>Meketa deleted the detailed section describing the old approach to policy benchmarks. This content has been replaced with the new language cited multiple times on prior pages (Investment Principles and Policy Benchmark sections)</p>

Proposed Change	Rationale										
<p>Operating Procedures</p> <p>New Section</p> <p><u>II. Policy Benchmark</u></p> <p><u>The Policy Benchmark is defined as follows: A combination of cheaply investable index returns that matches the subject return series as well or better than others in terms of (1) measures of statistical fit and (2) market exposures. The Policy Benchmark should be fully investable and transparent, making it feasible to invest in. The subcomponents and weights will be determined by the Board (with the assistance of the Consultant). The Policy Benchmark will only be revised if there is a fundamental change in risk/return preferences. The weights were determined based on a statistical regression analysis relative to historical exposure and historical returns of AFRF.</u></p> <p><u>Policy Benchmark</u></p> <table border="1" data-bbox="205 1068 1035 1292"> <thead> <tr> <th data-bbox="205 1068 489 1114">Weight</th> <th data-bbox="489 1068 1035 1114">Passive Index</th> </tr> </thead> <tbody> <tr> <td data-bbox="205 1114 489 1159">42%</td> <td data-bbox="489 1114 1035 1159">Russell 3000 Index</td> </tr> <tr> <td data-bbox="205 1159 489 1205">28%</td> <td data-bbox="489 1159 1035 1205">ACWI (ex US) Index</td> </tr> <tr> <td data-bbox="205 1205 489 1250">30%</td> <td data-bbox="489 1205 1035 1250">Bloomberg Barclays Aggregate Index</td> </tr> <tr> <td data-bbox="205 1250 489 1292">100%</td> <td data-bbox="489 1250 1035 1292"></td> </tr> </tbody> </table>	Weight	Passive Index	42%	Russell 3000 Index	28%	ACWI (ex US) Index	30%	Bloomberg Barclays Aggregate Index	100%		<p>Continuation of the previous points made in the IPS. This policy benchmark was determined by regression analysis conducted by Meketa and Trustee Bass on what was the best statistical fit to the historical returns of AFRF. Meketa evaluated more “complex” options with a broader list of refined passive index components but determined the simpler broad index approach had better statistical fit with simpler monitoring and implementation.</p>
Weight	Passive Index										
42%	Russell 3000 Index										
28%	ACWI (ex US) Index										
30%	Bloomberg Barclays Aggregate Index										
100%											

Proposed Change	Rationale
<p>Operating Procedures</p> <p>III. Investment Manager Searches and Terminations</p> <p>When hiring or terminating investment managers, the Fund Staff, in consultation with the investment consultant, will summarize in the Board meeting minutes, the key factors that led to the decision.</p> <p><u>For new hires, typically the Consultant will prepare a “search document” when the Board is considering hiring a new manager. The search document will include a mix of qualitative and quantitative characteristics on high conviction strategies that should help guide the Trustees in understanding the potential risks and opportunities across different investment options. The Board may (but is not required to) interview candidates prior to hire.</u></p> <p><u>For terminations, the Consultant will typically prepare a memo or analysis explaining its recommendation for termination. Termination could result from any of the following (non-exhaustive) reasons:</u></p> <ul style="list-style-type: none"> - <u>Failure to deliver on performance expectations</u> - <u>Asset allocation changes</u> - <u>Strategy style drift</u> - <u>Investment staff departures at the investment manager</u> - <u>Firm instability or change in ownership at the investment manager</u> 	<p>Callan suggested adding more language to better explain what occurs during manager hire and termination recommendations. Meketa agreed and added language.</p>

Public Manager Fee Benchmarking

Overview

- Investment management fees represent a significant component of a fund's expenses and should be monitored closely.
- Meketa Investment Group continually seeks to negotiate and reduce management fees for its clients where possible.
- Typically, the biggest fee savings can be generated by using index funds in efficient asset classes.
- The following page lists each active public investment manager and compares the fee Austin Fire pays vs. the median fee for similar investment strategies.

Estimated Manager Fees – Active Managers

as of June 30, 2024¹

Account	Market Value As of 6/30/2024 (\$)	Asset Type	Estimated Annual Fee (%)	Estimated Annual Fee (\$)	Peer Ranking Percentile (%)	Peer Median Fee (%)
Westwood Capital Large Cap Value	13,110,645	Domestic Equity	0.50	65,553	19	0.60
Westfield Small/Mid Cap Growth	61,187,807	Domestic Equity	1.15	714,129	99	0.79
Vaughan Nelson Small Cap Value	68,068,232	Domestic Equity	0.81	551,478	43	0.82
Ballie Gifford Int'l Growth	34,469,059	Int'l Equity	0.61	206,814	12	0.85
Highclere Int'l Small Cap	30,107,170	Int'l Equity	1.17	353,625	94	0.90
DFA Emerging Markets Value	28,581,909	Int'l Equity	0.38	154,342	10	0.94
TT Emerging Markets Equity	33,791,053	Int'l Equity	0.80	270,328	35	0.86
Loomis Sayles Core Plus Bond	46,148,404	Fixed Income	0.29	135,371	29	0.31
Aberdeen Emerging Markets Bond	62,183,904	Fixed Income	0.45	279,828	12	0.60
Pyramis Tactical Bond	26,504,769	Fixed Income	0.34	90,116	57	0.31
Aristotle Pacific Asset Mgmt. Bank Loans	23,865,379	Fixed Income	0.41	97,848	5	0.50

→ A peer ranking of 1 means lowest cost in peer group, a peer ranking of 99 means highest cost in peer group.

¹ Calculations were not reconciled with actual fees paid by the Pension Fund and will not match exactly. The table is for illustrative purposes only. Public market fees were calculated by multiplying manager fee schedule by market value as of June 30, 2024. Westfield has a performance based fee. The fee ranges from minimum of 0.20% to a maximum of 1.30% based on the relative performance over the trailing three years. Included here is the average actual fee paid over the past three years.

Estimated Manager Fees – Passive Strategies
as of June 30, 2024¹

Account	Market Value As of 6/30/2024 (\$)	Asset Type	Estimated Annual Fee (%)	Estimated Annual Fee (\$)	Peer Ranking Percentile (%)	Peer Median Fee (%)
Index Assets						
SSgA S&P 500	121,680,840	Domestic Equity	0.01	14,668	1	0.49
SSgA MSCI EAFE	124,303,503	Int'l Equity	0.05	64,721	1	0.70
SSgA Agg. Bond	118,780,817	Fixed Income	0.03	33,756	1	0.24
SSgA TIPS	57,138,071	Fixed Income	0.03	17,141	1	0.30

¹ Calculations were not reconciled with actual fees paid by the Pension Fund and will not match exactly. The table is for illustrative purposes only. Public market fees were calculated by multiplying manager fee schedule by market value as of June 30, 2024.

Summary

- Austin Fire pays lower than median fee on 8 of 11 active public manager strategies.
- The index fund fees are significantly lower than the active manager fees.
- Austin Fire's shift toward passive in 2023, which moved the passive exposure from 22% of the total Fund at year-end 2022 to 36% on June 30, 2024, saves the Fund an approximate estimated \$800,000 per year.

Roadmap

AUSTIN FIREFIGHTERS RETIREMENT FUND PRELIMINARY ROAD MAP¹

November 2024 Investment Committee Meeting

1. Progress report on LPPE recommendations
2. Investment Policy Statement + Operating Procedures
3. Annual fee benchmarking

February 2025 Investment Committee Meeting

1. Annual asset allocation review
2. Passive Framework discussion

Ongoing Future objective

1. Asset allocation/liability study – possibly 2026

¹ Dates and actions subject to change based on client needs and capital market conditions

Appendix

Disclaimer, Glossary, and Notes

THIS REPORT HAS BEEN PREPARED FOR THE SOLE BENEFIT OF THE AUSTIN FIREFIGHTERS RETIREMENT FUND.

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PERFORMANCE DATA CONTAINED HEREIN REPRESENT PAST PERFORMANCE. PAST PERFORMANCE IS NO GUARANTEE OF FUTURE RESULTS.

Disclaimer, Glossary, and Notes

Credit Risk: Refers to the risk that the issuer of a fixed income security may default (i.e., the issuer will be unable to make timely principal and/or interest payments on the security.)

Duration: Measure of the sensitivity of the price of a bond to a change in its yield to maturity. Duration summarizes, in a single number, the characteristics that cause bond prices to change in response to a change in interest rates. For example, the price of a bond with a duration of three years will rise by approximately 3% for each 1% decrease in its yield to maturity. Conversely, the price will decrease 3% for each 1% increase in the bond's yield. Price changes for two different bonds can be compared using duration. A bond with a duration of six years will exhibit twice the percentage price change of a bond with a three-year duration. The actual calculation of a bond's duration is somewhat complicated, but the idea behind the calculation is straightforward. The first step is to measure the time interval until receipt for each cash flow (coupon and principal payments) from a bond. The second step is to compute a weighted average of these time intervals. Each time interval is measured by the present value of that cash flow. This weighted average is the duration of the bond measured in years.

Information Ratio: This statistic is a measure of the consistency of a portfolio's performance relative to a benchmark. It is calculated by subtracting the benchmark return from the portfolio return (excess return), and dividing the resulting excess return by the standard deviation (volatility) of this excess return. A positive information ratio indicates outperformance versus the benchmark, and the higher the information ratio, the more consistent the outperformance.

Jensen's Alpha: A measure of the average return of a portfolio or investment in excess of what is predicted by its beta or "market" risk. $\text{Portfolio Return} - [\text{Risk Free Rate} + \text{Beta} * (\text{market return} - \text{Risk Free Rate})]$.

Market Capitalization: For a firm, market capitalization is the total market value of outstanding common stock. For a portfolio, market capitalization is the sum of the capitalization of each company weighted by the ratio of holdings in that company to total portfolio holdings; thus it is a weighted-average capitalization. Meketa Investment Group considers the largest 65% of the broad domestic equity market as large capitalization, the next 25% of the market as medium capitalization, and the smallest 10% of stocks as small capitalization.

Market Weighted: Stocks in many indices are weighted based on the total market capitalization of the issue. Thus, the individual returns of higher market-capitalization issues will more heavily influence an index's return than the returns of the smaller market-capitalization issues in the index.

Maturity: The date on which a loan, bond, mortgage, or other debt/security becomes due and is to be paid off.

Prepayment Risk: The risk that prepayments will increase (homeowners will prepay all or part of their mortgage) when mortgage interest rates decline; hence, investors' monies will be returned to them in a lower interest rate environment. Also, the risk that prepayments will slow down when mortgage interest rates rise; hence, investors will not have as much money as previously anticipated in a higher interest rate environment. A prepayment is any payment in excess of the scheduled mortgage payment.

Price-Book Value (P/B) Ratio: The current market price of a stock divided by its book value per share. Meketa Investment Group calculates P/B as the current price divided by Compustat's quarterly common equity. Common equity includes common stock, capital surplus, retained earnings, and treasury stock adjusted for both common and nonredeemable preferred stock. Similar to high P/E stocks, stocks with high P/B's tend to be riskier investments.

Disclaimer, Glossary, and Notes

Price-Earnings (P/E) Ratio: A stock's market price divided by its current or estimated future earnings. Lower P/E ratios often characterize stocks in low growth or mature industries, stocks in groups that have fallen out of favor, or stocks of established blue chip companies with long records of stable earnings and regular dividends. Sometimes a company that has good fundamentals may be viewed unfavorably by the market if it is an industry that is temporarily out of favor. Or a business may have experienced financial problems causing investors to be skeptical about its future. Either of these situations would result in lower relative P/E ratios. Some stocks exhibit above-average sales and earnings growth or expectations for above average growth. Consequently, investors are willing to pay more for these companies' earnings, which results in elevated P/E ratios. In other words, investors will pay more for shares of companies whose profits, in their opinion, are expected to increase faster than average. Because future events are in no way assured, high P/E stocks tend to be riskier and more volatile investments. Meketa Investment Group calculates P/E as the current price divided by the I/B/E/S consensus of twelve-month forecast earnings per share.

Quality Rating: The rank assigned a security by such rating services as Fitch, Moody's, and Standard & Poor's. The rating may be determined by such factors as (1) the likelihood of fulfillment of dividend, income, and principal payment of obligations; (2) the nature and provisions of the issue; and (3) the security's relative position in the event of liquidation of the company. Bonds assigned the top four grades (AAA, AA, A, BBB) are considered investment grade because they are eligible bank investments as determined by the controller of the currency.

Sharpe Ratio: A commonly used measure of risk-adjusted return. It is calculated by subtracting the risk free return (usually three-month Treasury bill) from the portfolio return and dividing the resulting excess return by the portfolio's total risk level (standard deviation). The result is a measure of return per unit of total risk taken. The higher the Sharpe ratio, the better the fund's historical risk adjusted performance.

STIF Account: Short-term investment fund at a custodian bank that invests in cash-equivalent instruments. It is generally used to safely invest the excess cash held by portfolio managers.

Standard Deviation: A measure of the total risk of an asset or a portfolio. Standard deviation measures the dispersion of a set of numbers around a central point (e.g., the average return). If the standard deviation is small, the distribution is concentrated within a narrow range of values. For a normal distribution, about two thirds of the observations will fall within one standard deviation of the mean, and 95% of the observations will fall within two standard deviations of the mean.

Style: The description of the type of approach and strategy utilized by an investment manager to manage funds. For example, the style for equities is determined by portfolio characteristics such as price-to-book value, price-to-earnings ratio, and dividend yield. Equity styles include growth, value, and core.

Tracking Error: A divergence between the price behavior of a position or a portfolio and the price behavior of a benchmark, as defined by the difference in standard deviation.

Yield to Maturity: The yield, or return, provided by a bond to its maturity date; determined by a mathematical process, usually requiring the use of a “basis book.” For example, a 5% bond pays \$5 a year interest on each \$100 par value. To figure its current yield, divide \$5 by \$95—the market price of the bond—and you get 5.26%. Assume that the same bond is due to mature in five years. On the maturity date, the issuer is pledged to pay \$100 for the bond that can be bought now for \$95. In other words, the bond is selling at a discount of 5% below par value. To figure yield to maturity, a simple and approximate method is to divide 5% by the five years to maturity, which equals 1% pro rata yearly. Add that 1% to the 5.26% current yield, and the yield to maturity is roughly 6.26%.

$$\frac{5\% \text{ (discount)}}{5 \text{ (yrs. to maturity)}} = 1\% \text{ pro rata, plus } 5.26\% \text{ (current yield)} = 6.26\% \text{ (yield to maturity)}$$

Yield to Worst: The lowest potential yield that can be received on a bond without the issuer actually defaulting. The yield to worst is calculated by making worst-case scenario assumptions on the issue by calculating the returns that would be received if provisions, including prepayment, call, or sinking fund, are used by the issuer.

NCREIF Property Index (NPI): Measures unleveraged investment performance of a very large pool of individual commercial real estate properties acquired in the private market by tax-exempt institutional investors for investment purposes only. The NPI index is capitalization-weighted for a quarterly time series composite total rate of return.

NCREIF Fund Index - Open End Diversified Core Equity (NFI-ODCE): Measures the investment performance of 28 open-end commingled funds pursuing a core investment strategy that reflects funds' leverage and cash positions. The NFI-ODCE index is equal-weighted and is reported gross and net of fees for a quarterly time series composite total rate of return.

Sources: *Investment Terminology*, International Foundation of Employee Benefit Plans, 1999.
The Handbook of Fixed Income Securities, Fabozzi, Frank J., 1991

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Throughout this report, numbers may not sum due to rounding.

Returns for periods greater than one year are annualized throughout this report.

Values shown are in millions of dollars, unless noted otherwise.

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Via Electronic Mail

November 12, 2024

Board of Trustees
Austin Firefighters Retirement Fund
4101 Parkstone Heights Drive, Suite 270
Austin, Texas 78746

***Re: Austin Firefighters Retirement Fund
2025 COLA Adjustment Analysis***

Dear Board:

As requested by the Board, Cheiron has completed the Cost-of-Living Adjustment (COLA) analysis for the 2025 calendar year. To fulfill this requirement, the Board adopted the attached COLA Adjustment Policy, which sets forth the criteria that must be satisfied before any COLAs are granted.

As stated in Section VII of the Fund Rules, the Collective Adjustment Amount is to be based on the increase in the CPI-U for the 12-month period ending on September 30 immediately before the applicable calendar year. We have determined that the increase in the CPI-U for this period ending September 30, 2024 is 2.44%. This would be the amount of the increase effective as of January 1, 2025 for all benefits eligible for COLA as of that date as specified by Section 9.04 if it is determined that this amount could be paid based on the Fund's COLA Adjustment Policy.

The COLA Adjustment Policy, as described in Section VIII of the Fund Rules, identifies two parameters related to the Fund's actuarial soundness and financial stability that must be satisfied over a 10-year projection period before any COLAs are granted, as follows:

- 1) The funding period to amortize the unfunded accrued actuarial liability, including the potential COLA, may not exceed 25 years for any year during the projection period.
- 2) The funding ratio (determined as the ratio of the Actuarial Value of Assets (AVA) divided by the accrued Actuarial Liability (AL)), reflecting the COLA, may not be less than 80% for any year in the projection period.

These projections are based on the most recent actuarial valuation, assuming all assumptions are exactly met during the projection period, except for the immediately preceding year's asset return. For the 2025 calendar year COLA, this is the 2024 calendar year return. The return assumed for the immediately preceding year is the actual return through September 30 and the Fund's assumed return for the final quarter. For 2024, the actual return for the first three quarters, as provided by the Fund's investment advisor Meketa, is 7.2%. Combining this actual return with the Fund's current annual assumed rate of return of 7.3% for the fourth quarter results in an assumed return of 9.11% for 2024 for the purposes of these projections.

The attached projection summary provides the baseline projections of the two parameters specified by the COLA Adjustment Policy, reflecting the granting of a 0% 2025 COLA. These ten-year projection results show that neither parameter is satisfied without granting a 2025 COLA as the funding period exceeds 25 years for the entire period, and the funding ratio is below 80% for each of the eight years beginning with 2026.

As the COLA Adjustment Policy requires that both parameters be satisfied for every year of the ten-year projection period, including reflecting any proposed COLA, and this is not satisfied without granting a COLA, we have determined that a COLA will not be supported for the calendar year 2025.

The attached COLA Adjustment Policy also sets forth the criteria for a “de minimis” cost-of-living adjustment. The criteria for a “de minimis” adjustment are as follows:

- 1) The increase in the normal cost rate arising from the cost-of-living adjustment is 0.1% of covered payroll or less, and
- 2) The increase in the funding period to amortize the unfunded accrued actuarial liability is 0.2 years or less.

Cost-of-living adjustments granted only to inactive do not impact the normal cost rate as a percentage of covered payroll. However, currently no non-zero COLA granted through the Fund can be deemed “de minimis” because the funding period is already undefined during the projection period without granting a non-zero COLA. As such, we have determined that for eligible retirees, no “de minimis” COLA payable on January 1, 2025, would be supported.

This letter was prepared exclusively for the Board for the purpose described herein. Other users of this letter are not intended users as defined in the Actuarial Standards of Practice, and Cheiron assumes no duty or liability to any other user.

Future results may differ significantly from the current results presented in this letter due to such factors as the following: Fund experience differing from that anticipated by the assumptions, changes in assumptions, and changes in Plan provisions or applicable law.

In preparing our letter, we relied on information (some oral and some written) supplied by the Fund’s staff. This information includes, but is not limited to, the Plan provisions, employee data, and financial information. We performed an informal examination of the obvious characteristics of the data for reasonableness and consistency in accordance with Actuarial Standard of Practice No. 23. Please see the December 31, 2023 actuarial valuation dated July 22, 2024 for a summary of participant data, plan provisions, and assumptions used for this analysis.

This letter and its contents have been prepared in accordance with generally recognized and accepted actuarial principles and practices and our understanding of the Code of Professional Conduct and applicable Actuarial Standards of Practice set out by the Actuarial Standards Board as well as applicable laws and regulations. Furthermore, as credentialed actuaries, we meet the

Board of Trustees
Austin Firefighters Retirement Fund
November 12, 2024
Page 3

Qualification Standards of the American Academy of Actuaries to render the opinion contained in this letter. This letter does not address any contractual or legal issues. We are not attorneys, and our firm does not provide any legal services or advice.

If you have any questions regarding this analysis, please let us know.

Sincerely,
Cheiron



Elizabeth Wiley, FSA, EA, MAAA, FCA
Consulting Actuary



Heath Merlak, FSA, EA, MAAA, FCA
Principal Consulting Actuary

Attachments

Austin Firefighters Retirement Fund

Baseline 10-Year Projection of Estimated Results
 Current Plan Provisions and Assumptions (Reflecting 0% COLA Payable on January 1, 2025)

Determined as of December 31, 2023

Plan Year Ending	December 31,									
	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033
Assumed Asset Return	9.11%	7.30%	7.30%	7.30%	7.30%	7.30%	7.30%	7.30%	7.30%	7.30%
Amortization Period	65.0	>100	>100	>100	>100	>100	>100	>100	>100	>100
Funded Ratio (AVA / AL)	84.3%	82.2%	79.0%	79.0%	78.9%	78.5%	78.2%	78.0%	77.9%	77.8%

AUSTIN FIREFIGHTERS RETIREMENT FUND

COLA ADJUSTMENT POLICY

1. Background. The purpose of the policy in this Section VIII is to provide the actuarial basis for the determination of the collective adjustment amount available for cost-of-living adjustments under Section 9.04 of the Act. Satisfaction of actuarial soundness and financial stability of the Fund must be met prior to any post-retirement adjustments under Section 9.04 of the Act.
2. Methodology. Subject to the terms of the Act, including without limitation, Section 9.04(a-4) and (b-1), a projection to measure the liabilities associated with a cost-of-living adjustment under a specified set of actuarial assumptions will be performed to demonstrate the soundness and stability of the Fund over an extended period following such adjustment.

The period for the projection will be a ten-year period beginning with the effective date of most recent actuarial valuation (which must be no more than 12 months prior to the effective date of the cost-of-living adjustment). Such projection will be based on the actuarial methods and assumptions typically utilized by the Plan, except for the following:

- (A) the investment rate of return assumed for the experience on plan assets for the initial year of the projection will be equal to the product of the actual rate of return on Plan assets realized from January 1 through September 30 of such year and the Plan's actuarial rate of return for the period October 1 through December 31 of such year; and
 - (B) the applicable determination period for the increase in the CPI-U under Section 9.04 (a-2)(1) shall be the 12 month period ending on the September 30 of the initial year of the projection.
3. Standards. Actuarial soundness and financial stability for purposes of adoption of a cost-of-living adjustment will be demonstrated by satisfying the following two parameters for all years in the projection period:
 - (A) the funding period to amortize the unfunded accrued actuarial liability after the cost-of-living adjustment may not exceed 25 years for any year during the ten-year projection period; and
 - (B) the ratio of the actuarial value of assets divided by the actuarial accrued liability after the cost-of-living adjustment would not be less than 80% for any year in the ten-year projection period.
 4. De Minimis Adjustment. A "de minimis" cost-of-living adjustment will not be considered to adversely impact actuarial soundness or financial stability of the Fund and will not subject to the requirements in paragraph 3 above. A cost-of-living adjustment will be defined as de minimis if the following criteria are satisfied:
 - (A) the increase in the normal cost rate arising from the cost-of-living adjustment is 0.1% of covered payroll or less; and
 - (B) the increase in the funding period to amortize the unfunded accrued actuarial liability is 0.2 years or less.

AUSTIN FIREFIGHTERS RETIREMENT FUND

COLA ADJUSTMENT POLICY

5. Policy for Minimum Benefits. In its discretionary allocation of the collective adjustment amount among persons eligible for a cost-of-living adjustment under Section 9.04 of the Act, the Board may, in its sole discretion, allocate a portion of an available collective adjustment amount in a manner to ensure that the monthly retirement benefit of identified retirees, surviving spouses, or beneficiaries is equal to or greater than an identified minimum amount (the “Minimum Benefit”). Under this discretion provided by the Act, the Board through resolution previously established a Minimum Benefit of \$2,000.00 to specifically identified retirees and surviving spouses at its meeting of May 15, 2012. A copy of this resolution is attached to these Rules as Appendix C.

Beginning in 2018, the Board intends to consider no less than every three (3) years at its August meeting whether an allocation of the collective adjustment amount for a given year should be applied toward establishing or increasing the Minimum Benefit for identified retirees, surviving spouses or beneficiaries. In determining whether to establish or increase the Minimum Benefit, the Board may, but is not required to, consider how any existing Minimum Benefit compares to the amount equal to 50% of a current entry-level firefighter’s monthly base pay.

Any Minimum Benefit established or increased is subject to the requirements of Section 9.04 of the Act and compliance with the actuarial soundness and financial stability requirements of this Section VIII prior to the approval of such amount. The persons eligible for the Minimum Benefit will be determined by the Board in its sole discretion and applied in a uniform manner.

This paragraph 5 does not intend to and should not be interpreted as (A) obligating the Board to consider the Minimum Benefit or to establish or increase the Minimum Benefit in any given year, (B) providing rights to any person to a future Minimum Benefit, or (C) limiting the Board’s discretion to allocate any available collective adjustment amount among eligible persons in any amounts.

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Austin Firefighters Retirement Fund
Operating Budget
Fiscal Year 2024

	Approved Budget	Jan - Oct Expensed	Remaining Budget	Percent Expended
Administrative Expenses				
Salaries and Benefits				
Salary - Executive Director	200,000.00	204,000.00	(4,000.00)	102.00%
Salary - Staff	486,500.00	404,000.02	82,499.98	83.04%
Health Insurance	127,310.00	105,931.86	21,378.14	83.21%
Health Insurance - Retired Staff	9,900.00	1,344.00	8,556.00	13.58%
Payroll Taxes	52,920.00	44,512.11	8,407.89	84.11%
SEP Contribution	165,375.00	148,625.03	16,749.97	89.87%
Subtotal	1,042,005.00	908,413.02	133,591.98	87.18%
SS Retiree Payroll Process Fees	34,000.00	25,022.37	8,977.63	73.60%
Building	9,783.00	6,374.22	3,408.78	65.16%
Utilities	6,525.00	5,241.38	1,283.62	80.33%
Office Expenses	18,450.00	17,681.44	768.56	95.83%
Computer and Software	33,200.00	25,847.23	7,352.77	77.85%
Insurance	41,500.00	23,812.00	17,688.00	57.38%
Travel	23,500.00	12,516.22	10,983.78	53.26%
Operational Cost	23,300.00	21,921.52	1,378.48	94.08%
Investment Expenses				
Financial Consulting Fee	218,000.00	181,784.44	36,215.56	83.39%
Investment Management Fees	1,800,000.00	1,621,747.37	178,252.63	90.10%
Bank Custodian Services	110,000.00	116,874.01	(6,874.01)	106.25%
Professional Services Expenses				
Accounting	25,000.00	23,000.00	2,000.00	92.00%
Actuarial Fees				
Actuarial Valuation	45,100.00	47,100.00	(2,000.00)	104.43%
COLA & Additional Travel	14,000.00	1,942.23	12,057.77	13.87%
Experience Study	23,000.00	23,000.00	-	100.00%
Pension Funding Research	70,000.00	237,126.50	(167,126.50)	338.75%
Investment Performance Evaluation (IPPE)	50,000.00	50,000.00	-	100.00%
Legal Fees				
Administrative	108,000.00	90,000.00	18,000.00	83.33%
Board Meeting	18,000.00	15,000.00	3,000.00	83.33%
Investment Review	40,000.00	69,724.40	(29,724.40)	174.31%
Summary Plan Descr, Records Retention & Forms	20,000.00	16,824.00	3,176.00	84.12%
Pension Funding Research/Legislation (2024/2025)	75,000.00	79,121.00	(4,121.00)	105.49%
Legislative Consulting	24,000.00	20,000.00	4,000.00	83.33%
Medical Disability Review	3,000.00	5,345.96	(2,345.96)	178.20%
Pension Software	700,000.00	483,213.16	216,786.84	69.03%
Pension Software Oversight	60,000.00	2,728.13	57,271.87	4.55%
Total Expenses	\$ 4,635,363.00	\$ 4,131,360.60	\$ 504,002.40	89.13%

**Austin Firefighters Retirement Fund
Contributions and Deductions (Unaudited)
as of October 31, 2024**

Additions

Contributions

City of Austin Contribution (22.05%)	21,846,380.21
Fire Fighter Contribution (18.7%)	18,527,315.64
Interest -Bank	372,660.39
Commission Recapture	15,391.93
Class Action Proceeds	602.24
Securities Litigation Recovery	10,779.37

Total Contributions \$ 40,773,129.78

Deductions

Pension Retiree Payroll Expenses

Retirees Monthly Annuity	45,376,142.99
Medical Ins.	2,967,178.59
Dental Ins	380,379.45
Vision Ins.	38,091.08
Retiree W/H Tax Payable	6,431,200.72
State Tax	56,118.20
Benevolent Fund	58,750.00
Union Dues	20,497.74
Misc.	16,499.40
PAC Dues	7,655.00
Museum	60.00

Total Retiree Payroll Expenses \$ 55,352,573.17

Pension Lump Sum Expenses

Contribution Refunds	190,616.57
DROP Distributions	25,514,707.82

Total Pension Lump Sum Expenses \$ 25,705,324.39

Austin Firefighters Retirement Fund
Profit & Loss vs Actual
January through October 2024

	Total		
	Jan - Oct	Budget	% of Budget
Ordinary Income/Expense			
Income			
City of Austin Contrib (22.05%)	21,846,380.21	25,700,000.00	85.01%
Commission Recapture	15,391.93	5,000.00	307.84%
Fire Fighter Contrib (18.7%)	18,527,315.64	21,800,000.00	84.99%
Securities Litigation Recovery	10,779.37		
Other Income			
Class Action Proceeds	602.24	5,000.00	12.04%
Interest - Frost Bank	1,993.44		
Interest - State Street	362,409.27	250,000.00	144.96%
Interest - Sunflower Bank	3,216.56	4,000.00	80.41%
Securities Lending - State St.	5,041.12	9,000.00	56.01%
Total Income	40,773,129.78	47,773,000.00	85.35%
Operating Expenses			
Administrative Expenses			
Payroll Expenses			
Payroll Expenses - Other	608,000.02	686,500.00	88.57%
Health Insurance - Staff	105,931.86	127,310.00	83.21%
Health Insurance - Retired Staff	1,344.00	9,900.00	13.58%
Taxes	44,512.11	52,920.00	84.11%
SEP Contribution	148,625.03	165,375.00	89.87%
Total Payroll Expenses	908,413.02	1,042,005.00	87.18%
SS Retiree Payroll Process Fees	25,022.37	34,000.00	73.60%
Building Expenses			
Assessment toward 2019 Project	1,568.60	1,883.00	83.30%
Building Maintenance/Improvement		2,500.00	0.00%
Condo Association Dues	4,805.62	5,400.00	88.99%
Utilities			
Electric	1,698.28	2,000.00	84.91%
HVAC Program	0.00	50.00	0.00%
Internet & Cable & Telephone	2,979.94	3,500.00	85.14%
Water, Waste, Drainage	563.16	975.00	57.76%
Total Utilities	5,241.38	6,525.00	80.33%
Total Building Expenses	11,615.60	16,308.00	71.23%
Office Expenses			
Furniture (FFE)	5,235.26	2,000.00	261.76%
Meeting Refreshments	976.57	1,600.00	61.04%
Notary Services		250.00	0.00%
Office Maintenance	2,570.00	3,100.00	82.90%

Austin Firefighters Retirement Fund
Profit & Loss vs Actual
January through October 2024

	Total		
	Jan - Oct	Budget	% of Budget
Office Supplies (Office supplies expense)	937.92	2,500.00	37.52%
Postage and Delivery	4,629.25	5,000.00	92.59%
Printing and Reproduction	3,332.44	4,000.00	83.31%
Total Office Expenses	17,681.44	18,450.00	95.83%
Computer and Internet Expenses			
Hosting & Other Expenses	1,863.77	3,000.00	62.13%
Laptop/Computer	2,601.45	3,000.00	86.72%
Software/IT Services	21,382.01	27,200.00	78.61%
Total Computer and Internet Expenses	25,847.23	33,200.00	77.85%
Insurance Expense			
Board & Directors Liability Ins	23,678.00	28,500.00	83.08%
Commercial	0.00	2,000.00	0.00%
Cybersecurity Ins.	0.00	10,000.00	0.00%
Workers Comp Ins. (Workers Comp)	134.00	1,000.00	13.40%
Total Insurance Expense	23,812.00	41,500.00	57.38%
Travel Expense			
Lodging/Transportation/Per Diem	8,866.22	16,000.00	55.41%
Registration fees	3,650.00	7,500.00	48.67%
Total Travel Expense	12,516.22	23,500.00	53.26%
Operational Cost			
Association Fees (TXPERS /NCEPRS)	9,010.00	9,100.00	99.01%
Election Services	2,635.88	4,000.00	65.90%
Death Verification Services	4,131.00	4,200.00	98.36%
Operational Cost - Other	6,144.64	6,000.00	102.41%
Total Operational Cost	21,921.52	23,300.00	94.08%
Investment Expenses			
Bank Custodian Services	116,874.01	110,000.00	106.25%
Financial Consulting Fee	181,784.44	218,000.00	83.39%
Investment Management Fees	1,621,747.37	1,800,000.00	90.10%
Total Investment Expenses	1,920,405.82	2,128,000.00	90.24%
Professional Fees			
Audit	23,000.00	25,000.00	92.00%
Actuarial Fees			
Actuarial Valuation	47,100.00	45,100.00	104.43%
COLA & Additional Travel	1,942.23	14,000.00	13.87%
Experience Study	23,000.00	23,000.00	100.00%

Austin Firefighters Retirement Fund
Profit & Loss vs Actual
January through October 2024

	Total		
	Jan - Oct	Budget	% of Budget
Pension Funding Research	237,126.50	70,000.00	338.75%
Total Actuarial Fees	309,168.73	152,100.00	203.27%
Investment Performance Evaluation (IPPE)	50,000.00	50,000.00	100.00%
Legal Fees			
Administrative	90,000.00	108,000.00	83.33%
Board Meeting	15,000.00	18,000.00	83.33%
Investment Review	69,724.40	40,000.00	174.31%
Summary Plan Descr, Records Retention & Forms	16,824.00	20,000.00	84.12%
Pension Funding Research/Legislation (2024/2025)	79,121.00	75,000.00	105.49%
Total Legal Fees	270,669.40	261,000.00	103.70%
Legislative Consulting	20,000.00	24,000.00	83.33%
Medical Disability Review	5,345.96	3,000.00	178.20%
Pension Software			
Pension Software PG I	27,163.87	50,000.00	54.33%
Pension Software PG IV	456,049.29	650,000.00	70.16%
Total Pension Software	483,213.16	700,000.00	69.03%
Pension Software Oversight	2,728.13	60,000.00	4.55%
Total Professional Fees	1,164,125.38	1,275,100.00	91.30%
Total Operating Expenses	4,131,360.60	4,635,363.00	89.13%
Monthly Pension Retiree Payroll			
Retirees Monthly Annuity	45,376,142.99	53,000,000.00	85.62%
Medical Ins.	2,967,178.59	3,900,000.00	76.08%
Dental Ins	380,379.45	425,000.00	89.50%
Vision Ins.	38,091.08	43,000.00	88.58%
Retiree W/H Tax Payable	6,431,200.72	7,500,000.00	85.75%
State Tax	56,118.20	60,000.00	93.53%
Benevolent Fund	58,750.00	50,000.00	117.50%
Misc.	16,499.40	20,000.00	82.50%
PAC Dues	7,655.00	8,200.00	93.35%
Union Dues	20,497.74	25,000.00	81.99%
Museum	60.00	72.00	83.33%
Total Monthly Pension Retiree Payroll	55,352,573.17	65,031,272.00	85.12%
Pension Lump Sum			
Contribution Refunds	190,616.57	1,000,000.00	19.06%
DROP Distributions	25,514,707.82	23,000,000.00	110.93%
Total Pension Lump Sum	25,705,324.39	24,000,000.00	107.11%
Total Expense	85,189,258.16	93,666,635.00	90.95%

**Austin Firefighters Retirement Fund
Assets & Liabilities Report (Unaudited)
as of October 31, 2024**

Assets

Checking/Savings	
Frost Bank - Benefits	234,731.90
Frost Bank - Operating	29,926.39
Sunflower Bank - Operating	-
Sunflower Bank - Benefits	-
State Street T009-Cash Agg	4,557,929.91
Total Checking/Savings	<u>4,822,588.20</u>
Investments, at fair value	
Domestic Equities	273,847,982.90
Fixed Income Securities	351,169,968.85
International Equities	269,723,284.78
Real Asset	29,528,492.75
Private Equity	180,093,722.25
Real Estate	85,898,233.70
Total Investments	<u>1,190,261,685.23</u>
Total Assets	<u><u>\$ 1,195,084,273.43</u></u>

Liabilities

Current Liabilities	
Payroll Liabilities	5,606.86
Operating Admin Liabilities	225.00
Investment Liabilities	73,276.01
Professional Liabilities	29,308.00
Long Term Liabilities	
DROP (Guaranteed 5%)	159,342,929.03
% of Total Assets	13.33%
Total Liabilities	<u><u>\$ 159,451,344.90</u></u>

Austin Firefighters Retirement Fund

Balance Sheet

As of October 31, 2024

October

ASSETS	
Current Assets	
Checking/Savings	
Frost Bank - Benefits	234,731.90
Frost Bank - Operating	29,926.39
State Street T009-Cash Agg	4,557,929.91
Sunflower Bank - Benefits	0.00
Sunflower Bank - Operating	0.00
Total Checking/Savings	4,822,588.20
Other Current Assets	
Investments	
DEQ	
SSgA S&P 500 Flagship Fund	128,835,243.20
VAUGHAN NELSON	63,306,374.49
Westfield Capital Management	67,828,148.63
Westwood Capital	13,878,216.58
Total DEQ	273,847,982.90
FI	
ABERDEEN	66,005,721.86
Loomis Sayles Core Plus Bond	48,622,625.83
Pacific Asset Management	24,148,808.50
Pyramis Tactical Bond (Fidelity)	27,937,936.33
SSgA Bond Fund	124,956,133.85
SSGA TIPS	59,498,742.48
Total FI	351,169,968.85
IEQ	
Baillie Gifford	37,886,125.62
DFA Emerging Markets	30,218,937.64
Highclere	33,135,636.99
SSgA MSCI EAFE Fund	133,310,390.99
TT International	35,172,193.54
Total IEQ	269,723,284.78
NR	
Aether Real Assets II	2,023,959.48
Aether Real Assets III	8,900,887.84
Aether Real Assets IV	9,480,742.66
Aether Real Assets V	9,122,902.77
Total NR	29,528,492.75
PE	
57 Stars Global Opportunity	5,959,436.04
Arcmont (Bluebay)Direct Lending	1,713,458.81
Constitution Ironsides Fund VII (50/50)	1,770,085.43
Constitution Ironsides III	1,586,503.00
Cross Creek Capital Partners II	9,570,760.15
Cross Creek Capital Parts III	9,913,012.23
Deutsche Bank SOF III	1,821,287.63
Dover Street X	35,624,813.00

Austin Firefighters Retirement Fund

Balance Sheet

As of October 31, 2024

Greenspring Global Partners V	6,560,234.00
GREENSPRING VI	10,656,511.95
Harbourvest 2013 Direct	3,009,003.96
HarbourVest Coinvestment 4	7,741,161.96
HighVista Flag V	3,666,882.37
HighVista Flag VI	10,798,257.44
LGT C Europe Small Buyouts 3	2,769,920.88
LGT Crown Asia 2	6,552,747.97
LGT Crown Global Secondaries 2	91,407.00
LGT Crown Global VI	33,536,457.04
LGT Global Secondaries III	1,783,736.00
Partners Group EM 2015	7,503,263.55
Partners Group US Dist PE 2009	188,258.04
Private Advisors Co-Inv FundIII	742,640.00
Private Equity Investors V	1,349,953.42
SVB Strategic Investors Fund IX	15,183,930.38
Total PE	180,093,722.25
RE	
Clarion Partners	64,855,851.01
Crow Holdings Realty Partners X	4,661,657.69
Partners Group Distressed '09	29,129.02
Partners Group RE Second 2011	504,722.67
Partners Group RE Second 2017	11,483,549.40
Portfolio Advisors Fund 5	4,819,351.91
Total RE	85,898,233.70
Total Investments	1,190,261,685.23
Total Other Current Assets	1,190,261,685.23
Total Current Assets	1,195,084,273.43
TOTAL ASSETS	1,195,084,273.43
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Other Current Liabilities	
Payroll Liabilities	5,606.86
Operating Admin Liabilities	225.00
Investment Liabilities	73,276.01
Professional Liabilities	29,308.00
Total Other Current Liabilities	108,415.87
Total Current Liabilities	108,415.87
Long Term Liabilities	
DROP (Guaranteed 5%)	159,342,929.03
% of Total Assets	13.33%
Total Long Term Liabilities	159,342,929.03
Total Liabilities	159,451,344.90

Austin Firefighters Retirement Fund

General Ledger

October 2024

Date	Name	Memo/Description	Split	Amount	Balance
Frost Bank - Benefits					
Beginning Balance					\$ 1,831,795.94
10/01/2024	Austin FF Relief & Retirement Fund	Transfer to Operating	Frost Bank - Operating	-275,000.00	1,556,795.94
10/02/2024	Austin FF Relief & Retirement Fund	Transfer to State Street	State Street T009-Cash Agg	-1,300,000.00	256,795.94
10/11/2024	City of Austin	City and Member's Contributions	-Split-	1,821,778.41	2,078,574.35
10/15/2024	Austin FF Relief & Retirement Fund	Transfer to State Street	State Street T009-Cash Agg	-1,850,000.00	228,574.35
10/21/2024	City of Austin	Reimbursement for Schedule of Pension	Professional Fees:Accounting:Audit	4,802.00	233,376.35
10/24/2024	Austin FF Relief & Retirement Fund	Transfer to Operating	Frost Bank - Operating	-200,000.00	33,376.35
10/25/2024	City of Austin	City and Member's Contributions	-Split-	1,949,507.74	1,982,884.09
10/30/2024	Austin FF Relief & Retirement Fund	Transfer to State Street	State Street T009-Cash Agg	-1,750,000.00	232,884.09
10/31/2024	Frost Bank	Interest Oct 2024	Interest:Interest - Frost Bank	1,847.81	234,731.90
Total for Frost Bank - Benefits				-\$ 1,597,064.04	\$ 234,731.90

Frost Bank - Operating

Beginning Balance					\$ 10,000.00
10/01/2024	Jani-King of Austin	Oct 2024	Office Expenses:Office Maintenance	-257.00	9,743.00
10/01/2024	Austin FF Relief & Retirement Fund	Transfer to Operating	Frost Bank - Benefits	275,000.00	284,743.00
10/02/2024	Levi Ray & Shoup	PG IV Implementation- Payment #7	Professional Fees:Pension Software PG IV	-152,016.43	132,726.57
10/03/2024	American Express	Sep 2024	-Split-	-4,022.13	128,704.44
10/07/2024	Austin FF Relief & Retirement Fund	Deposit: Virtu Americas	Commission Recapture	2,016.13	130,720.57
10/08/2024	Schlueter Group	Legislative Consulting	Professional Fees:Legislative Consulting	-4,000.00	126,720.57
10/08/2024	Austin FF Relief & Retirement Fund	L. Adney Health Insurance Payment Oct	Payroll Expenses:Health Insurance - Retired Staff	218.90	126,939.47
10/08/2024	Austin FF Relief & Retirement Fund	L. Adney Reimbursement Payment Oct	Payroll Expenses:Health Insurance - Retired Staff	125.00	127,064.47
10/08/2024	Austin FF Relief & Retirement Fund	Union Reimbursement for Legislative Co	Professional Fees:Legislative Consulting	2,000.00	129,064.47
10/10/2024	Montemayor Britton Bender	Final Bill, Schedule of Pension Amounts	Professional Fees:Accounting:Audit	-4,802.00	124,262.47
10/11/2024	Pension Benefit Information, LLC	Research Center Credits	Operational Cost:Death Verification Services	-25.00	124,237.47
10/11/2024	TASC (FSA Health Care)	FSA Oct 2024	Payroll Liabilities:Flextra Health	-200.00	124,037.47

10/11/2024	Jackson Walker	Administrative Sep 2024	Professional Fees:Legal Fees:Administrative	-9,000.00	115,037.47
10/11/2024	ASANA Enterprise	Annual Subscription	Computer and Internet Expenses:Software/IT Services	-2,999.40	112,038.07
10/11/2024	Jackson Walker	Board Meeting Sep 2024	Professional Fees:Legal Fees:Board Meeting	-1,500.00	110,538.07
10/11/2024	City of Austin	Health Insurance Oct 2024	-Split-	-10,720.56	99,817.51
10/11/2024	City of Austin	Health Insurance Retired Staff Oct 2024	Payroll Expenses:Health Insurance - Retired Staff	-478.30	99,339.21
10/16/2024	Xerox	Sep 2024	Operational Cost	-25.00	99,314.21
10/16/2024	Levi Ray & Shoup	New Disclosure on Membership Record	Professional Fees:Pension Software PG I	-155.00	99,159.21
10/16/2024	Austin FF Relief & Retirement Fund	Wire Transfer to Frost Operating Account	Sunflower Bank - Operating	96,500.00	195,659.21
10/17/2024	Frost Bank	Bank Service Charges Sep 2024	Operational Cost:Bank Service Charges	-199.74	195,459.47
10/22/2024	Yes Elections	Trustee Election	-Split-	-5,057.32	190,402.15
10/22/2024	Amy L. Thibaudeau	LRS PG Conference Expense Claim Reimbursement	Travel Expense:Lodging/Transportation/Per Diem	-76.14	190,326.01
10/23/2024	Xerox	Xerox Altalink Copier	Office Expenses:Furniture	-5,100.00	185,226.01
10/24/2024	Westfield Capital Management	Q3 2024 Investment Management Fees	Fees:Investment Management Fees	-155,175.22	30,050.79
10/24/2024	Austin FF Relief & Retirement Fund	Transfer to Operating	Frost Bank - Benefits	200,000.00	230,050.79
10/24/2024	Levi Ray & Shoup	New Disclosure on Membership Record	Professional Fees:Pension Software PG I	-155.00	229,895.79
10/24/2024	Cheiron	Services for responding to the GovInvest	Professional Fees:Actuarial Fees:Actuarial Valuation	-2,000.00	227,895.79
10/24/2024	Jackson Walker	Legislative Matters Sep 2024	Professional Fees:Legal Fees:Pension Funding Research	-12,513.00	215,382.79
10/24/2024	Meketa Investments	Sep 2024	Fees:Financial Consulting Fee	-18,808.00	196,574.79
10/24/2024	Westwood Holdings Group	Q3 2024 Investment Management Fees	Fees:Investment Management Fees	-17,206.18	179,368.61
10/24/2024	Fidelity Institutional Asset Management	Q3 2024 Investment Management Fees	Fees:Investment Management Fees	-22,029.51	157,339.10
10/24/2024	Loomis Sayles Co.	Q3 2024 Investment Management Fees	Fees:Investment Management Fees	-35,144.19	122,194.91
10/29/2024	Fidelity	SEP Oct 2024	Payroll Expenses:SEP Contribution	-15,079.17	107,115.74
10/29/2024	Payroll	Pay Period: 10/01/2024-10/31/2024	Direct Deposit Payable	-53,608.41	53,507.33
10/29/2024	Parkstone Office Condominium Community	Oct 2024	-Split-	-908.42	52,598.91
10/30/2024	Aaron Woolverton	NCPERS Conference Expense Claim Reimbursement	Travel Expense:Lodging/Transportation/Per Diem	-1,860.48	50,738.43
10/30/2024	Austin FF Relief & Retirement Fund	Deposit from Sunflower Operating Account	Sunflower Bank - Operating	556.57	51,295.00
10/30/2024	Payroll	Tax Payment for Period: 10/01/2024-10/31/2024	Payroll Liabilities:Federal Taxes (941/943/944)	-18,242.12	33,052.88
10/31/2024	American Express	Oct 2024	-Split-	-3,126.49	29,926.39

Total for Frost Bank - Operating

-\$ 33,682.02 \$ 29,926.39

Sunflower Bank - Benefits

Beginning Balance

\$ 86,270.08

10/16/2024	Austin FF Relief & Retirement Fund	Transfer to Operating	Sunflower Bank - Operating	-86,270.08	0.00
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Total for Sunflower Bank - Benefits -\$ 86,270.08 \$ -

Sunflower Bank - Operating

Beginning Balance \$ 11,195.13

10/15/2024	Sunflower Bank	Bank Service Charges Sep 2024	Operational Cost:Bank Service Charges	-408.64	10,786.49
10/16/2024	Austin FF Relief & Retirement Fund	Wire Transfer to Frost Operating Accoun	Frost Bank - Operating	-96,500.00	-85,713.51
10/16/2024	Austin FF Relief & Retirement Fund	Transfer to Operating	Sunflower Bank - Benefits	86,270.08	556.57
10/30/2024	Austin FF Relief & Retirement Fund	Deposit from Sunflower Operating Accou	Frost Bank - Operating	-556.57	0.00

Total for Sunflower Bank - Operating \$ 42,413.28 \$ -

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Tentative 2025 Board Meeting Dates

Pending availability of Austin City Hall Board and Comissions Room

JANUARY	Friday, January 24 at 8:30am
FEBRUARY	Friday, February 28 at 9:00am
MARCH	Monday, March 24 at 9:00am
APRIL	Monday, April 28 at 9:00am
MAY	Friday, May 30 at 9:00am
JUNE	Friday, June 27 at 9:00am
JULY	Monday, July 28 at 9:00am
AUGUST	Friday, August 22 at 9:00am
SEPTEMBER	Monday, September 29 at 9:00am
OCTOBER	Monday, October 27 at 9:00am
NOVEMBER	Friday, November 21 at 9:00am
DECEMBER	Monday, December 15 at 9:00am

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Road Map of Items for Board Meetings

November 2024 Board Meeting

- Meketa 3Q24 Investment Report
- Meketa Annual Fee Review
- Operating Procedures & Investment Policy Statement (IPS) Review
- Priorities for 2025 Legislative Session
- Discussion and Consideration of 2025 COLA
- Update on Trustee Election and possible election certification
- 2025 Board Meeting Dates

December 2024 Board Meeting

- End-of-year Budget Report
- Operating Procedures & Investment Policy Statement (IPS) Review
- Pension Administration System (PAS) implementation update
- ED Evaluation
- Consideration and approval of 2025 Budget
- 89 (R) Texas Legislative Session Update

January 2025 Board Meeting

- Vice-Chair Election
- Annual DROP Account Statements
- 89 (R) Texas Legislative Session Update

February 2025 Board Meeting

- Meketa 4Q24 Report

March 2025 Board Meeting

- Annual Ethics and Governance Policy Review