

**Coalition of Retired Employees (CORE) Member Meeting
January 29, 2024 Meeting Minutes
Como Community Center – 10:30 a.m.**

Committee Members in Attendance: Committee Appointments in Attendance:

Carol Brown - President

Alison Letnes - Membership

Alison Letnes - Vice President

Joel Carranza - Communications

Marolee Lunsford – Secretary

Carol Brown - Program Chair

Marsha Anderson – Past President

Yolanda Gonzalez - HBAC Representative

Absent: Deborah Duke - Treasurer

Guests:

CFW Employee Retirement Fund: Linda Webb – Executive Director.

Derrick Dagnan – CIO

Jeff Rodriguez – Communications

City of Fort Worth: Joanne Hinton – Health Benefits Manager

10:30 a.m. Welcome: Carol Brown, President, called the meeting to order and welcomed those in attendance. Carol began with a discussion about our upcoming elections at our March 2024 meeting. Alison, Vice President, stated most positions do not involve a lot of time as most things are well organized and we only meet by-monthly.

First, we discussed the ERF loss of \$600 million or 18% of the Fund. At any time, City Council (CC) can decide to get rid of our COLA. Asked members if they have friends on CC let them know we need our money and don't want to lose anything. There are only a couple of CC members left that supported our last COLA fight. Please contact CC as we don't want to lose any ground. Member asked if anyone can let us know what's going on with CC. Marsha stated that Kara Shuror is the new ERF Board Trustee for retired general employees. Linda Webb is the new Executive for the ERF. Currently, there is no adverse information regarding COLAs.

Members were informed that if they didn't receive their 1099 by the end of the month, to let the ERF know. Jeff, ERF Communications, added that members need to be sure the Fund has their correct e-mail and address on record.

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Derrick Dagnan, CIO for ERF, then addressed members regarding the status of the Fund. The preliminary figures for 2023 have been finished. There is a balance of approximately \$2.7 billion and a 9% rate of return. In 2021 our fund balance went from \$3.2 billion to \$2.6 billion with the balance staying the same in 2022 and 2023. In 2022 global stock markets and bond values went down significantly. However, during the 4th quarter of 2023 bonds and stocks were up because of the Federal Reserve fighting inflation resulting in inflation growing less rapidly. During the last three months of 2023 the bond market turned around, stocks performed well, real estate went up and investing became more positive. We started with a balance of \$2.7 billion in 2024. However, we still pay out more than we take in and models show this will be so for five (5) years. This will be a smoothing out period. An actuarial study assumed a return assumption of 7% target on the Fund, this year we get 9%. From an actuarial standpoint Fund is smoothed out.

Linda Webb, ERF Executive Director, stated that the Fund has a long game which is why actuarial assumptions are important. All pension plans do this smoothing out. It is a stabilizing factor about sustainability over time. Derrick stated smoothing out means trying to assess if Fund has the funds to pay out. There are many inputs. He said for every dollar that goes out 60 cents investment returns and 40 cents employee contributions. Linda added that amortizations equal gains and losses, assumptions a smoothing out. Currently a 7% assumption is good over the long haul. We need to make sure we're on track, if not, recommendations are made to address the issues. There are no current recommendations to take away or lower COLAs. Derrick stated that the CC tends to look at one year, but needs to look at multiple years. The actuarial plan is reasonable and it works.

Question from member: Since highs and lows, how aggressively is portfolio affected? What are the risks? Derrick stated it is a group of investments and risks are taken to achieve investment plan. There are guardrails in the plan and when they are hit the Fund takes action and reviews plan either annually or quarterly. Most years the city did not contribute into plan, but that is in the past as the city contributes an actuarial amount. Linda stated that this amount is a required contribution.

Carol then introduced Joanne Hinton, a City of Fort Worth Benefits Manager. Joanne discussed Medicare Advantage's **additional** benefits including Silver Sneakers, and hearing and vision benefits. New this year, Aetna offers up to \$750 towards dental preventative maintenance and CVS \$30, per quarter, benefits for over-the counter products. You can purchase products at CVS online or in CVS

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stores; use Aetna card when paying for these services. Chiropractic services are now also covered. Main Medicare covers other medical need regarding dental and vision needs. Handouts were provided listing Medicare Advantage additional benefits as well as information regarding Silver Sneakers.

There were several other questions from our members that Joanne addressed. Joanne then discussed medical coverage for retirees under 65. Alite is our new program that replaced Compass to act as concierge helping retirees find providers and help with the preauthorization process, etc. Also, if you were using a health center and are now on Medicare you can still use the health centers as they can now take Medicare patients.

Carol then held drawings for a gift card and for a cash gift. Edna Paige and Jamie Dilday were our lucky winners.

Being no further business, the meeting was adjourned at approximately 11:40 a.m.

Minutes respectfully submitted by,

Marolee Lunsford, CORE Secretary