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# Working **with** Your Plan Sponsor

Effective pension fund management requires a **close working relationship** with the plan sponsor, a mutually clear understanding of the factors contributing to pension fund costs, setting realistic funding targets, managing risk, and **communicating effectively**.



*Moving the Needle in Clients' Direction*

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# About G3 Public Relations

- **30 Years of Advocacy and Public Affairs at Federal, State and Local levels**
- **Extensive experience with City Governments and State Agencies processes (Open Meetings, Public Information Act, Administrative Law)**
- **Experience with Pension funds:**
  - **14 Years with TEXPERS**
  - **10 Years with San Antonio Fire and Police Pension Fund**
  - **7 Years with Houston Firefighters Relief & Retirement Fund**
  - **2.5 Years with El Paso Firemen and Policemen's Pension Fund**



## **Sherry Mose**

TEXPERS Board President  
Board Chair, Houston Municipal  
Employees Pension System

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# From the Pros

## **Build Relationships Upon Transparency and Communication**

Treat relationship-building with your sponsor like a courtship; show genuine interest in their work and city affairs. Make occasional calls just to check in and demonstrate commitment to team building.

## **Become THE Go-To Source for Pension Information**

Offer to be the primary contact for accurate updates. This will counter any misinformation from news stories or city hall discussions. Bring your reports to them, celebrate good news and explain corrective actions for challenges.

## **Foster a Collaborative “We” Mindset**

Emphasize the shared goal of serving the public good by attracting and retaining dedicated public employees. Focus on this common objective to avoid an “us versus them” narrative.



**Tyler Grossman**

Executive Director, El Paso Pension Fund  
TEXPERS Director, Chair, Legislative

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# From the Pros

## Understand the City Manager's Perspective

City Managers want to oversee the narratives presented to their Council. Go to the Manager first. They can guide you and you can get a sense of what the obstacles might be going forward. Then, follow up with Council.

## Voting Outcomes are Always Unpredictable

Even when an agenda item seems certain to pass, the volatile nature of politics means outcomes can change unexpectedly at the time of voting.

I have felt 100 percent certain of passage of City agenda items only to have them completely dismissed. Nothing is a sure thing in city politics.

## Play the Long Game – Get Involved in City Processes

Engaging with municipal and state processes is crucial. Even minor amendments to documents like the City's Charter or Pension Review Board can have significant repercussions on Pension Funding in the future. Stay informed and involved with your City Council's and state legislative activities to influence long-term outcomes.



**Brett Besselman**

Board Chair, Houston Firefighters'  
Relief and Retirement Fund

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# From the Pros

## **Build Relationships First**

With Councilmembers, state representatives and even key community and business leaders, it takes a lot of work but you have to live where they live, over lunches, at fundraisers, BBQs, conventions. You have to be familiar to them even before you go meet them to discuss pension issues.

## **Politicians are Extremely Smart and Tuned to the Smallest Detail**

You can't talk to officials in the same way that you talk with other firefighters. Get some data to talk about. Use tact and be thoughtful about who they are – very important people with a lot of responsibility and power.

## **Be Careful about Big Numbers**

You may have the actuarial numbers about the amount of money your pension fund needs, but you should remember that your city has many other expenses and outstanding projects that need to be funded. Be sensitive to the big picture.



**Tim Schauer**

Executive Director  
Houston Firefighters' Relief and  
Retirement Fund

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# From the Pros

## Never Take for Granted that Councilmembers or Staff Know Pensions

**Relationship building can start by educating Councilmembers and Staff about what a pension is, why it exists, how it works. Build this foundation before you need something big.**

## Foster Relationships for All Seasons

**Harmony is easy when the city's coffers are full, but economic tides turn. Cultivate relationships during prosperous times to weather the storms when financial challenges hit, especially those affecting pensions.**

## Simplify and Personalize Your Message.

**Keep your talk about pensions relatable. Ditch technical talk of actuarial analysis in favor stories that resonate with taxpayers' expectations and the real-life implications for firefighters and first responders. Avoid complex actuarial terms like 'unfunded liabilities' that a business-person may misunderstand.**



**Paul Brown**

TEXPERS Board Director

Trustee, Big Spring Firemen's Relief & Retirement Fund

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# From the Pros

## **Pension Funds are Government Entities Just Like Their Sponsors**

Engaging with a plan sponsor requires adherence to established processes and protocols. Writing letters to officials and drafting board resolutions are critical actions that build a record of progress and demonstrate responsible governance to the Pension Review Board.

## **Document, Document, Document**

TLFFRA Boards foster stronger bonds with city sponsors by showcasing commitment to openness and responsibility. You can achieve this through meticulous documentation of pertinent activities.

## **Look Forward and Understand the Big Picture in Austin**

Trustees should actively participate in discussions beyond their local municipalities, especially in Austin. Recognizing that the state legislature has ultimate authority over pension funds, proactive engagement is crucial well in advance of any legislative session where new laws may be proposed.



**Paul Brown**

TEXPERS Board Director

Trustee, Big Spring Firemen's Relief & Retirement Fund

# From the Pros

A Policy Manual should be reviewed, updated, added, and deleted as needed. The Board should do this as a matter of regular, scheduled business at their monthly meetings or special workshops.

## POLICY/PROCEDURES/COMPLIANCE

Pension Fund Governance	State Agency Requirements
Date, Time, Place of Board and Committee Meetings	Investment Policy (PRB)
Travel Policy	Funding Policy (PRB and City)
Reimbursement Policy	Open Meeting Act (Attorney General)
Ethics	Continuing Education (PRB)
Investment Agreements	PRB 1000 and other forms
Annual Reviews	
Resolutions	
Administrative Leave	
Contracts	
Elections	





**Joe Gimenez**  
Publicist, G3 Public Relations

# Communicate!

## Briefing Books

Develop a history of your pension fund. Update it every six months. Make a show of delivering to current and new City Council members, the City Manager and staff.



**Table of Contents**

- PFAM Analysis of Staffing at MFD ..... 5
- Findings ..... 5
- Staffing, Attrition ..... 6
- Pension Refunds and Firefighters Near Retirement ..... 7
- Training Costs and Mayor's Op-ed on Staffing Levels ..... 8
- City Budget FY23 – Excerpts re: Staffing ..... 9
- Budget Comparisons ..... 9
- Personnel and General Fund Summaries ..... 10
- Fire Department Financials ..... 11
- Fire Department Financials (continued) ..... 12
- PFAM Gets Involved in Pension Fund Elections ..... 13
- Letter to PFAM Members Re: Vote on Benefits Calculations (May 16) ..... 13
- Ballot For Firefighter Election – Measure Passes July 22, Ratified July 27 ..... 14
- February 23 Actuarial Assessment for Making Pension Fund Healthy ..... 15
- Justin Graham Elected to MFRRF ..... 18
- PFAM Letter to City Council ..... 19
- Statement from Pension Review Board Vice Chair Keith Brainard ..... 20
- PFAM Position Papers/Briefing Documents ..... 21
- PFAM Urges Council Members to Talk to Other Cities' Officials ..... 21
- PFAM January 2022 Positions on MFRRF ..... 22
- PFAM Positions on Pension Obligation Bonds – Other Cities Have Used POBs Successfully ... 23
- PFAM Review of Foster & Foster Actuarial Audit ..... 24
- Basic Fire Department Information ..... 25
- Pension Fund Facts ..... 26
- Letters to Officials ..... 27
- Letter to Pension Review Board before June 27, 2023 Meeting ..... 27
- Letter to Board Members of the Midland Firemen's Relief and Retirement Fund, October 24, 2022 ..... 28
- Submitted Comments to the Texas Pension Review Board (without exhibits), October 6, 2022 ..... 30
- Letter to the Honorable Rafael Anchia, Chair of the Texas House Pensions, Investments, Financials Services Committee, August 8, 2022 ..... 33



**Joe Gimenez**  
Publicist, G3 Public Relations

# Communicate!

Create and send memos that update the City Manager about fund statistics and reports, like Actuarial Reviews, Audits, investment returns. Let them own the knowledge within City Hall, but tell them what must happen with it.



**TO:** Tommy Gonzalez, City Manager

**FROM:** Christy Weakland, Director of Finance

**SUBJECT:** Fire Pension Update

**DATE:** March 21, 2024

Below is a summary of the action items that have been taken by the City of Midland and Midland Firemen's Relief and Retirement Fund since the PRB report of November 2021. Listed are the 5 action items from the PRB's Intensive Actuary Review and the responses to date.

**Conduct an independent third-party forensic audit of Midland Fire's financial records to enhance the efficiency of its investment program with an increased focus on transparency and accountability.**

- Completed – Weaver, December 2022

**Conduct a governance audit by an independent third party.**

- Completed – Weaver, December 2022
- Governance improvements made:
  - All vacant positions are filled on the Board; one of the citizen positions is filled by an investment professional.
  - Lauterbach and Amen, CPAs, were hired as a third-party administrator to assist the plan administrator in duties related to agendas, minutes, record keeping and storage, and financials.
  - All board members have met training requirements.
  - Updated IPS completed January 2024
  - Adopted an Election Policy, in February 2024
  - Currently working on Training and Attendance Policy. Will continue to update or adopt policies, including Plan Document, Ethics Policy, and others.



**Joe Gimenez**  
Publicist, G3 Public Relations

# Communicate!

## Use Resolutions!

Unify your Board around its own power by passing resolutions inviting the City Manager to update your Board, or sending communications to the City Council for their public meetings.

### MEMORANDUM

<b>TO:</b>	MFRRF BOARD OF DIRECTORS
<b>FROM:</b>	JUSTIN GRAHAM, TRUSTEE, MFRRF
<b>SUBJECT:</b>	CITY PLAN FOR PENSION FUND, MEETING WITH STAFF
<b>DATE:</b>	SEPTEMBER 28, 2023

A proposed resolution from the MFRRF Board to City management:

Whereas the Active members of MFRRF have voted on benefit reductions that reduce the unfunded liability of the pension fund by approximately \$9 million,

Whereas an audit review and forensic audit have been performed in accordance with Texas Pension Review Board recommendations,

Whereas the MFRRF must present a long overdue Funding Soundness Restoration Plan and Funding Policy to the Texas Pension Review Board,

Whereas the Pension Review Board encourages pension funds to work closely with their City sponsors in creating funding plans,

We, the MFRRF Board of Trustees, respectfully invite the City Manager and/or other City officials to our next Board meeting, slated for October 26, to discuss the City's plan for MFRRF going forward.



**Joe Gimenez**  
Publicist, G3 Public Relations

# Contact Information

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