

Texas Local Firefighter's Retirement Act of Denton  
Regular Monthly Meeting  
July 17, 2019

After determining that a quorum was present, the Texas Local Firefighter's Retirement Act of Denton Board of Directors convened in a regular monthly meeting on Wednesday, July 17, 2019 at 8:30 a.m. in the Community Conference Room at the Central Fire Station.

Board Members Present: Derek Oswald, Scott Manes, Chris Reeder, Charlie Parker, Erik Clark

Board Member Absent: Dick Smith, Tony Puente

Also Present: Gary Calmes, Bill Coleman

1. Call to Order

Chairman Oswald called the meeting to order at 8:34 a.m.

New member Erik Clark was present. Calmes noted that Mr. Clark had already taken his Oath of Office and completed all paperwork necessary to serve as a member of the Board. He was ready to participate in the meeting.

2. Approval of minutes from the June 17, 2019 meeting.

Parker motioned; Reeder seconded to approve the minutes as presented. Motion carried unanimously. Clark abstained from voting as he was not present for the June meeting.

Item #4 was considered.

4. Consider for approval the retirement payout for Rory Ellison.

Calmes reviewed the details of the retirement payout information for Rory Ellison.

Reeder motioned; Manes seconded to approve. Motion carried unanimously.

Tony Puente joined the meeting.

Item #5 was considered.

5. Consider for approval the quarterly fees for Garnett Advisors, LLC.

Parker motioned; Puente seconded to approve. Motion carried unanimously.

Item #6 was considered.

6. Review, discuss and take action if necessary, on the City of Denton proposal to move current (dispatcher option) and all future dispatchers to TMRS.

Chairman Oswald noted that there was nothing to present to the Board on this item at this time. There had been no action on the item.

Item #3 was considered.

3. Receive a report and discuss information provided by investment advisors and/or real estate committee relating to investment and real estate matters and take action.

Gary Calmes presented information/updates on the following:

- Collection of water fees for properties in Cross Roads. The current status of the various businesses and the collection of the undercharges of the water fees was reviewed.

Bill Coleman presented information/updates on the following:

- Status of the current market

Chairman Oswald left the meeting.

- Review of prior month's activity. The various accounts were reviewed with notations on how they had performed during June. The asset allocation year-end figures and monthly figures were noted. The last CD had rolled off the Bond Ladder last month and Coleman would be recommending the purchase of a U.S. Treasury Note to fill out a gap in the current bond ladder.
- Deviation of quarterly allocation – Cash and Fixed Income allocations were slightly above the approved long-term range outlined in the Investment Policy Statement. Coleman discussed the reasons for these deviations, keying on having the fund prepared to add equity exposure should markets sell off. These deviations must be approved by the Board on a quarterly basis.

Puente motioned; Parker seconded to accept the quarterly deviation. Motion carried unanimously.

Recommendations:

- Buy \$750,000 short-term U.S. Treasury Note
- Add \$500,000 in Vanguard Windsor Fund (VWNAX)

The Board discussed the attractiveness of the shorter end of the yield curve and was open to letting the cash allocation run a little higher given current market conditions. A question had also been asked about the insurability of CDs beyond FDIC limits. Coleman replied that he would check on status of insuring CDs before he recommended them for the fund. He also noted that one member had suggested selling Nike. He indicated that he was not ready to sell it at this time, but he would look into it. The Board felt that Coleman should proceed in what was best for the fund.

Chairman Oswald returned to the meeting.

Parker motioned; Puente seconded to approve the recommendations noted by Coleman. Motion carried unanimously.

7. Receive a report from plan administrator, Gary Calmes, and provide direction.

There were no items for discussion.

8. Receive a report from the chair on any non-material transactions.

There were no items for discussion.

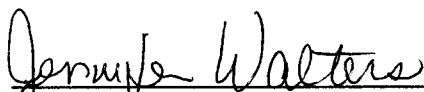
9. Respond to inquiries from trustees or the public with specific factual information or recitation of policy or accept a proposal to place the matter on the agenda for an upcoming meeting.

No items were noted.

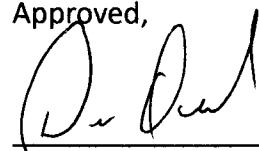
10. Adjourn

With no further business, Oswald motioned, Reeder seconded to adjourn at 9:24 a.m. Motion carried unanimously.

Respectfully submitted,

  
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Jennifer Walters  
Recording Secretary

Approved,

  
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Derek Oswald  
Chairman