

Texas Local Firefighter's Retirement Act of Denton
Regular Monthly Meeting
October 21, 2020

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, October 21, 2020 at 8:30 a.m. via video/teleconference.

Board Members Present: Derek Oswald, Scott Manes, Dick Smith, Chris Reeder, Charlie Parker, Erik Clark, David Gaines

Also Present: Gary Calmes, Bill Coleman

1. Call to Order

Chairman Oswald called the meeting to order at 8:31 a.m.

2. Approval of the minutes from the September 16, 2020 meeting

Smith motioned; Parker seconded the motion to approve the September 16, 2020 minutes. Motion carried unanimously.

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.

The Board convened into Closed Session at 8:34 am.

The Board reconvened into Open Session at 8:39 am.

Parker motioned; Clark seconded the motion to authorize Gary Calmes to hire Mr. Crandall to address the lawsuit. Motion carried unanimously.

Clark asked for an updated status of tenant rent payments.

Calmes responded that tenants are complying with current payment plans and all tenants should be caught up by the end of the year.

Bill Coleman presented information/updates on the following:

Interest rates are extremely low right now and that will change our expectations on everything for the next 3 years. Money is not moving because people are saving and not spending. I recommend looking into pursuing Corporate bonds or staying short at this time.

Gaines agrees with staying short at this time.

➤ Performance

Our energy exposure has performed terribly hurting our portfolio. My plan is to reduce exposure to this area in the future.

➤ Recommendations

- Purchase 1200 shares of Abbvie
- Purchase 1400 shares of Chevron
- Purchase 700 shares of Johnson and Johnson
- Purchase 3000 shares of Pfizer
- Purchase 5000 shares of Coca-Cola

Parker motioned; Reeder seconded the motion to approve recommendations made by Coleman. Motion carried unanimously.

Parker motioned; Smith seconded the motion to acknowledge that our MLP exposure is below our range due to price drops and we do not wish to add to that portfolio at this time and remain below our target allocation. Motion carried unanimously.

Coleman presented information regarding a \$25 fee per trade at Schwab. After some negotiating, he was able to get the cost down to \$10 per trade on DVP accounts.

4. Receive a report and discuss retirement payout options and take action.

Calmes presented information regarding a firefighter that accepted the voluntary retirement offer made by the City. Part of this offer had an 11-week payout. Because this has never happened before, clarification is needed to determine how this will be calculated out into what the actual date of retirement will be.

Discussion continued to make a decision for this issue and add clarifying language to the plan at a later date to prevent future occurrences.

Reeder motioned; Manes seconded the motion to spread the 11 week lump sum over the 11 weeks to calculate his average. Motion carried unanimously.

The Board convened into Closed Session at 9:23 am.
The Board reconvened into Open Session at 9:28 am.

Parker motioned; Reeder seconded the motion to amend the previous vote to hire Mr. Crandall and authorize Gary Calmes to seek guidance from our insurance agent. Motion carried unanimously.

5. Receive a report and discuss the Investment Advisor Review required by the Texas Pension Review Board.

Calmes discussed the executive summary prepared for submission to the Pension Review Board and asked the Board for any changes or recommendations.

Parker requested that any credentials obtained by the current board members be added to the submission.

Parker motioned: Reeder seconded the motion to approve the Investment Advisor Review prepared by Calmes and send to the Pension Review Board. Motion carried unanimously.

6. Consider for approval the vested termination payout for Michael Lugo.

Calmes presented information regarding a vested termination from a few years ago asking the board for approval.

Reeder motioned; Manes seconded the motion to approve the vested termination payout for Michael Lugo. Motion carried unanimously.

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

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

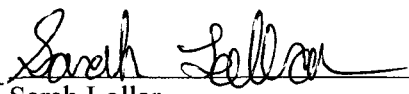
9. Respond to inquiries from trustees or the public with specific information or recitation of policy or accept a proposal to place the matter on the agenda for upcoming meeting.

There were no additional items for discussion.

10. Adjourn

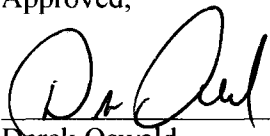
With no further business, the meeting was adjourned at 9:40 a.m.

Respectfully submitted,



Sarah Lollar
Recording Secretary

Approved,



Derek Oswald
Chairman