

Texas Local Firefighter's Retirement Act of Denton
Regular Monthly Meeting
August 19, 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, August 19, 2020 at 8:30 a.m. via video/teleconference.

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

Also Present: Gary Calmes, Bill Coleman, David Gaines

1. Call to Order

Chairman Oswald called the meeting to order at 8:32 a.m.

2. Approval of the minutes from the July 15, 2020 meeting

Puente motioned; Reeder seconded the motion to approve the July 15, 2020 minutes after clarifications discussed have been made. 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.

Real Estate - Calmes stated that Rebecca Andreasen visited the Appraisal District and was able to lower the assessed increase on property values on FDP 1 & 3 from 24% to 4.2%.

Calmes gave an update regarding rental properties - Mattress Firm is still in lock out for outstanding balance, however last month's rent was paid. Our property management company has reached out to their real estate director to discuss future actions. Except for Mattress Firm, all rental tenants are actively making attempts to get caught up by the end of the year.

Puente stated that due to recent organizational changes, David Gaines, Assistant City Manager and CFO will replace Tony Puente's seat on the Board effective immediately. Puente thanked the board for the opportunity to serve.

Puente left the meeting.

Bill Coleman presented information/updates on the following:

Coleman explained his concerns regarding the current Strategic Equity Fund and has been working on options to replace that fund manager as early as next month.

This change would include switching out of the Vanguard Strategic Equity to a small/midcap core fund. He recommended a few options to add a new fund and recommended going through Morgan Stanley, in order to keep the basis point cost as low as possible and experience the positive benefits of using this platform.

Clark motioned; Parker seconded the motion for Coleman to move forward with paperwork preparation to have by the next board meeting. Motion carried unanimously.

Parker motioned; Smith seconded the motion to approve holding Disney who has halted their dividends and Plains All American who cut dividends in half. Motion carried unanimously.

➤ Performance

- Sitting at an all-time high experiencing the quickest 50% gains in history.
- US Growth fund is up 37%
- Changes implemented in March have done very well
- Right at the S&P on a total portfolio basis

➤ Recommendations

- Add 3 US Treasuries at \$250,000 each
- Purchase 1000 shares of ADP
- Purchase 1500 shares of chevron

Manes motioned; Smith seconded the motion to approve recommendations made by Coleman. Motion carried unanimously.

4. Consider approval of the retirement payout for Nathan Richards.

Manes motioned; Clark seconded the motion to approve retirement payout for 33 years of service for Nathan Richards. Motion carried unanimously.

Manes motioned; Clark seconded the motion to approve Rudd & Wisdom calculations presented to the board. Motion carried unanimously.

5. Consider approval of the Rudd & Wisdom, Inc. invoice for the 2019 Actuarial Study.

Parker motioned; Manes seconded the motion to approve the Rudd & Wisdom, Inc. invoice for the 2019 Actuarial Study. Motion carried unanimously.

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

Calmes noted recommended future invoices be paid without Board approval if the Board has already approved the contracts. Calmes will continue to report any expenditures in the expense summary each month.

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

No items were noted.

8. 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.

9. Adjourn

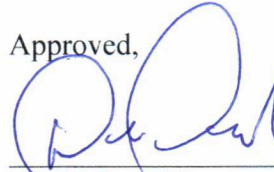
With no further business, the meeting was adjourned at 9:20 a.m.

Respectfully submitted,



Sarah Lollar
Recording Secretary

Approved,



Derek Oswald
Chairman