

TEXAS LOCAL FIREFIGHTER'S RETIREMENT ACT OF DENTON

Regular Monthly Meeting January 15, 2019

The Texas Local Firefighter's Retirement Act of Denton Board met for a regular meeting on January 15, at Central Fire Station, 322 E. Hickory St., Denton, Texas.

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

Board Members Absent: Dick Smith, Tony Puente, mayor appointee vacant

Also Present: Bill Coleman (left meeting at 9:05am), Gary Calmes

1. Derek Oswald called the meeting to order at 8:31 a.m., and the following items were considered:
2. Approval of minutes from the December 11, 2018 meeting.

Parker made a motion to approve the minutes followed by a second from Manes. Motion passed unanimously.

3. Accept nominations and elect Board Chairman, Vice-Chairman, and Secretary

Parker moved to re-elect the current officers to continue in their roles: Chairman (Oswald), Vice-Chairman (Manes), and Secretary (Reeder). The motion was followed by a second from Reeder. Motion passed unanimously.

4. 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.

Coleman discussed current market activity in relation to our investment strategy. He noted earnings expectations are lower and a slowing economy could be in store for 2019, even though consumer confidence is high.

He noted an annual return of -.79% for 2018, which includes all fees/cost of the fund, compared to a -6.24% return for the S&P Index.

He informed the Board the bond ladder is currently fully in place, and as fixed income securities mature, the back of the ladder will be filled.

Recommendations:

Walt Disney – purchase 2,600 shares (1/2 position)

CVS Pharmacy – purchase 4,500 shares (1/3 position)

The 1/2 position in Walt Disney is due to the existing position in the Reynders'.

Calmes discussed the Villages at Cross Roads and presented the following:

All submeters have been installed and are working – true-ups will be billed quarterly per Northbridge Management

Mattress Firm has paid all outstanding rents

Mustang Water – Northbridge has continued its attempts to contact Mustang Water to discuss the credit originally offered. Mustang has refused to return phone calls at this time. The Board recommended Calmes contact Northbridge and have them send a certified letter to discuss the credit.

Calmes presented to the Board the offer for ROW purchase from TXDOT. The original offer of \$107,745 plus \$10,774.50 PUA (possession and use agreement) was discussed at the November meeting. At that time the Board approved the PUA agreement but suggested Calmes continue negotiations on the actual ROW purchase. Calmes informed the Board he had reviewed comps for other retail centers provided by appraisers CBRE and Denton CAD sales for the area. With the help of Heidaker Land Services (land firm representing TXDOT), he was able to negotiate an additional \$15,000 for the purchase of the ROW for a total of \$122,745. The total to be received from TXDOT including the PUA is \$133,519.50 for the 3,730 square feet of ROW.

Parker moved approval to accept the offer from TXDOT and allow Gary Calmes to complete any negotiations and Derek Oswald to sign any paperwork necessary to complete the transaction followed by a second from Manes. Motion passed unanimously.

5. Consider for approval the 4th quarterly advisory fees for Garnett Advisors, LLC.

Reeder moved approval with a second from Parker. Motion passed unanimously.

6. Consider for approval the actuarial fees for Rudd & Wisdom, Inc.

Reeder moved approval with a second from Manes. Motion passed unanimously.

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

Oswald stated he is meeting with Brian Langley with the City of Denton to continue negotiations on the matter.

8. No additional comments were provided by Calmes.
9. Receive a report from the Chairman on any non-material transactions.
No additional comments were provided by the Chairman.
10. 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.

Ken Gold, retiree, spoke to the Board regarding removing the dispatchers from the pension.

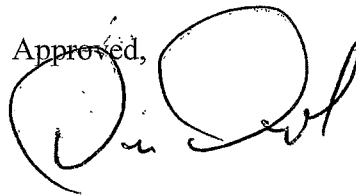
There being no further business, the meeting was adjourned by Chairman Derek Oswald at 9:40 a.m.

Respectfully Submitted,



Gary Calmes, Plan Administrator

Approved,



Derek Oswald, Chairman