

Texas Local Firefighter's Retirement Act of Denton
Regular Monthly Meeting
December 16, 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, December 16, 2020 at 8:30 a.m. via video/teleconference.

Board Members Present: Charlie Parker, Scott Manes, Dick Smith, Erik Clark, David Gaines

Board Members Absent: Derek Oswald

Also Present: Gary Calmes, Bill Coleman

1. Call to Order

Vice Chairman Manes called the meeting to order at 8:39 a.m.

2. Approval of the minutes from the November 18, 2020 meeting

Gaines motioned; Manes seconded the motion to approve the November 18, 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.

Gary Calmes presented information/updates on the following:

Calmes discussed the 2021 Budget and asked if the Board has reviewed or has any changes. There were no questions or changes requested.

Calmes updated the Board that Rebecca is continuing to work with any tenants that have passed due rent.

Bill Coleman presented information/updates on the following:

November was a fantastic month and possibly the best month we have had.

Reviewing the efficiency of a U.S. dollar of debt on nominal GDP shows a parabolic curve. This curve reveals that as more money is pushed into the economy will result with a lesser impact going forward.

People are paying down debt and the savings rate has doubled compared to the last financial crisis. The market has become more broad. Value has come back starting in November and is out performing growth.

➤ Performance

- The S&P is up over 10.75% for the month and 12.10% for the year.
- Disney is up 13%

- Energy and MLP's are up
- Kayne Anderson is up 3.5% (We went live December 1st)
- Net Asset Value for the month is \$113,880,245
- Recommendations
 - Add \$500,000 in US Treasuries
 - Move \$450,000 from our main account to the Small-Mid Cap Core account with Kayne Anderson Rudnick
 - Sell 100% OGE Energy Corp

Coleman stated that he is working on a plan to cover his costs without charging the Texas Local Firefighter's Act of Denton.

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

4. Consider for approval the payment to Gary Calmes, PLLC for additional services related to the preparation of the Investment Advisor Review required by Senate Bill 322.

Calmes discussed that the preparation of these documents was completed as an independent contractor outside of his contract with the Texas Local Firefighter's Act of Denton.

Parker motioned; Smith seconded the motion to approve payment of Gary Calmes, PLLC for additional services related to the preparation of the Investment Advisory Review. Motion carried unanimously.

5. Consider for approval the vested termination payout for Gavin Witherspoon.

Eric motioned; Scott seconded the motion to approve the vested termination payout for Gavin Witherspoon. Motion carried unanimously.

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

There were no additional items for discussion.

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 9:22 a.m.

Respectfully submitted,

Approved,



Sarah Lollar
Recording Secretary



Derek Oswald
Chairman