



BIG SPRING FIREMEN'S RELIEF AND RETIREMENT FUND

MINUTES OF A REGULAR MEETING OF THE BIG SPRING FIREMEN'S RELIEF AND RETIREMENT FUND BOARD OF TRUSTEES AUGUST 11, 2022

The Big Spring Firemen's Relief and Retirement Fund Board of Trustees held a regular called meeting on Thursday, August 11, 2022 at 9:00 a.m. at the Big Spring City Council located at 307 East 4th Street, Big Spring, Texas 79720, pursuant to notice.

CALL TO ORDER: Chairman Delk called the meeting to order at 9:02 a.m.

ROLL CALL:

PRESENT: Chairman Chanley Delk, Vice Chairman Paul Brown, Trustees Cecil Cevallos, Todd Darden, Sandra Smith and Chad Pederson

ABSENT: Trustee Jake Sparks

ALSO PRESENT: A.J. Weber and Amanda Secor, Lauterbach & Amen, LLP (L&A); Will Harrell, RHI; Active Members Trevor Browning, Sean Jones and Ryan Nutt, Big Spring Fire Department

APPROVAL OF MEETING MINUTES: *July 14, 2022 Regular Meeting:* The Board reviewed the July 14, 2022 regular meeting minutes. A motion was made by Trustee Darden and seconded by Trustee Smith to approve the July 14, 2022 regular meeting minutes as written. Motion carried by roll call vote.

AYES: Chairman Delk, Vice Chairman Brown, Trustees Cevallos, Darden, Smith and Pederson

NAYS: None

ABSENT: Trustee Sparks

INVESTMENT REPORT – RHI: Mr. Harrell presented the Investment Performance and Asset Allocation Analysis for the medical subsidy fund for the period ending June 30, 2022. Mr. Harrell discussed the market environment, investment manager status report, summary of investment changes, total fund composite and performance by investment managers. As of June 30, 2022, the year-to-date total net return is (13.13%) for an ending market value of \$638,351.96. The current asset allocation is as follows: Fixed Income at 33.08%, Equity at 65.13% and Cash at 1.8%.

Mr. Harrell presented the Investment Performance and Asset Allocation Analysis for the relief & retirement fund for the period ending June 30, 2022. Mr. Harrell discussed the market environment, investment manager status report, summary of investment changes, total fund composite and performance by investment managers. As of June 30, 2022 the year-to-date total net return is (12.47%) for an ending market value of \$13,743,960.87. The current asset allocation is as follows: Fixed Income at 22.5%, Equity at 62.66%, Specialty Funds at 12.37% and Cash at 2.5%.

Potential Purchase and/or Sale of Securities, Rebalancing of Assets: There were no recommended purchases and/or sales of securities or rebalancing of assets required.

Review/Update Investment Policy: Mr. Harrell reviewed the investment policy in summary and advised the Board that no changes are required at this time.

REVIEW/APPROVE – LAUTERBACH & AMEN, LLP MONTHLY FINANCIAL REPORTS: The Board reviewed the Monthly Financial Report for the medical subsidy fund for the six-month period ending June 30, 2022 prepared by L&A. As of June 30, 2022, the net position held in trust for pension benefits is \$638,351.96 for a change in position of (\$137,350.44). The Board also reviewed the Cash Analysis Report, Revenue Report, Expense Report, Payroll Journal and the Vendor Check Report for the period June 1, 2022 through June 30, 2022 for total disbursements of \$3,542.92.

The Board reviewed the Monthly Financial Report for the retirement fund for the six-month period ending June 30, 2022 prepared by L&A. As of June 30, 2022, the net position held in trust for pension benefits of the retirement fund

is \$13,817,918.45 for a change in position of (\$3,196,252.73). The Board also reviewed the Cash Analysis Report, Revenue Report, Expense Report and the Vendor Check Report for the period June 1, 2022 through June 30, 2022 for total disbursements of \$3,242.56.

A motion was made by Trustee Pederson and seconded by Trustee Cevallos to accept the Monthly Financial Reports as presented and to approve the disbursements shown on the June 1, 2022 through June 30, 2022 Vendor Check Reports in the amounts of \$3,542.92 and \$3,242.56. Motion carried by roll call vote.

AYES: Chairman Delk, Vice Chairman Brown, Trustees Cevallos, Darden, Smith and Pederson
NAYS: None
ABSENT: Trustee Sparks

APPROVAL OF MONTHLY EXPENSES, TRUSTEE TRAINING EXPENSES AND OTHER EXPENSES:
Trustee Training Registration Fees and Reimbursable Expenses: There were no trustee training registration fees or reimbursable expenses presented for approval.

RHI Invoices: The Board reviewed RHI invoice dated August 1, 2022 in the amount of \$802.96 for third quarter investment services rendered in connection with the medical subsidy plan. The Board also reviewed RHI invoice dated August 1, 2022 in the amount of \$6,947.21 for third quarter investment services rendered in connection with the relief and retirement fund.

Indust Mokshum, LLC (PensionEZ) Invoice: The Board reviewed Indus Mokshum, LLC invoice #BSP019 dated July 25, 2022 in the amount of \$2,362 for the October 2021 – February 2022 Pension EZ fee and data request.

L&A Invoice for Monthly Services: The Board reviewed L&A invoice #67940 dated July 20, 2022 in the amount of \$1,955 for professional services rendered in the month of June.

A motion was made by Trustee Smith and seconded by Trustee Cevallos to approve payment of the additional invoices as presented. Motion carried by roll call vote.

AYES: Chairman Delk, Vice Chairman Brown, Trustees Cevallos, Darden, Smith and Pederson
NAYS: None
ABSENT: Trustee Sparks

OLD BUSINESS: Review/Approve – Annual Financial Audit: The Board reviewed the draft Annual Financial Audit prepared by L&A. A motion was made by Trustee Cevallos and seconded by Trustee Pederson to accept the Annual Financial Audit as prepared. Motion carried by roll call vote.

AYES: Chairman Delk, Vice Chairman Brown, Trustees Cevallos, Darden, Smith and Pederson
NAYS: None
ABSENT: Trustee Sparks

APPLICATIONS FOR MEMBERSHIP/WITHDRAWALS FROM FUND: *Contribution Refunds – Preston Loudermilk, David Williams, Jr. and James Cassaro:* The Board noted that David Williams, Jr. resigned from the Big Spring Fire Department effective July 20, 2022. L&A will calculate the contribution refund total for Board approval at the next regular meeting. The Board noted that James Cassaro resigned from the Big Spring Fire Department effective March 30, 2022 but has not submitted the necessary, signed Form 135 to have his refund processed. The member has been informed and the Board will review the refund upon receipt of the necessary form.

The Board reviewed the contribution refund request submitted by Preston Loudermilk. A motion was made by Trustee Cevallos and seconded by Trustee Pederson to approve Preston Loudermilk's contribution refund paid directly to himself. Motion carried by roll call vote.

AYES: Chairman Delk, Vice Chairman Brown, Trustees Cevallos, Darden, Smith and Pederson
NAYS: None
ABSENT: Trustee Sparks

Applications for Membership – Trevor Browning, Sean Jones and Ryan Nutt: The Board reviewed the Application for Membership submitted by Ryan Nutt. The Board also reviewed the City of Big Spring Pre-Employment Physical

Exam Packet for the member and asked him to explain any potentially concerning findings provided in the medical reports. A motion was made by Trustee Darden and seconded by Trustee Pederson to accept Ryan Nutt effective August 8, 2022 into the Big Spring Firemen's Relief and Retirement Fund. Motion carried by roll call vote.

AYES: Chairman Delk, Vice Chairman Brown, Trustees Cevallos, Darden, Smith and Pederson
NAYS: None
ABSENT: Trustee Sparks

NEW BUSINESS: *Review/Approve – PRB Required Reports:* The Board reviewed the PRB-200 prepared by L&A and the PRB-1000 prepared by John Crider and noted the reports were filed with the PRB prior to the deadline.

Approve DROP Retirement Benefit – Steven Bedell: The Board reviewed the DROP retirement benefit calculation for Steven Bedell. A motion was made by Trustee Cevallos and seconded by Trustee Pederson to approve Steven Bedell's DROP retirement benefit. Motion carried by roll call vote.

AYES: Chairman Delk, Vice Chairman Brown, Trustees Cevallos, Darden, Smith and Pederson
NAYS: None
ABSENT: Trustee Sparks

Discussion Benefit Calculation – Daniel Gibbs: The Board reviewed the retirement benefit calculation estimate for Daniel Gibbs. Mr. Gibbs has not submitted formal paperwork for retirement at this time. No additional action is required.

Website Update: The Board noted the website is functional and L&A is in the process of adding material.

Discussion/Possible Action – Commerce Bank Credit Card Cancellation: The Board reviewed correspondence issued by Commerce Bank stating the credit card has been cancelled. The Board will remit the outstanding balance of \$4,559.71 to Commerce Bank and contact the institution regarding reinstatement of the card. A status update will be provided at the next regular meeting.

Discussion/Possible Action – Custodial Bank Account: The Board discussed Frost Bank, including operations, personnel and logistic issues experienced. A status update will be provided at the next regular meeting.

APPLICATIONS FOR MEMBERSHIP/WITHDRAWALS FROM FUND (CONTINUED): The Board reviewed the Applications for Membership submitted by Trevor Browning and Sean Jones. The Board also reviewed the City of Big Spring Pre-Employment Physical Exam Packet for the members and asked them to explain any potentially concerning findings provided in the medical reports. A motion was made by Trustee Darden and seconded by Trustee Cevallos to accept Trevor Browning effective April 18, 2022 and Sean Jones effective June 13, 2022 into the Big Spring Firemen's Relief and Retirement Fund. Motion carried by roll call vote.

AYES: Chairman Delk, Vice Chairman Brown, Trustees Cevallos, Darden, Smith and Pederson
NAYS: None
ABSENT: Trustee Sparks

ADJOURNMENT: A motion was made by Trustee Smith and seconded by Trustee Pederson to adjourn the meeting at 10:16 a.m. Motion carried by roll call vote.

AYES: Chairman Delk, Vice Chairman Brown, Trustees Cevallos, Darden, Smith and Pederson
NAYS: None
ABSENT: Trustee Sparks

The next regular meeting is scheduled for September 8, 2022 at 8:30 a.m.

Chanley Delk, Chairman

Attest:

Sandra Smith, Secretary

Minutes approved by the Board of Trustees on _____

Minutes prepared by Amanda Secor, Plan Administrator, Lauterbach & Amen, LLP