



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 DECEMBER 14, 2023

The Big Spring Firemen's Relief and Retirement Fund Board of Trustees held a regular meeting on Thursday, December 14, 2023 at 8:30 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 8:43 a.m.

ROLL CALL:

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

ABSENT: None

ALSO PRESENT: A.J. Weber and Sam Meyer, Lauterbach & Amen, LLP (L&A); Will Harrell, Robert Harrell, Incorporated (RHI)

APPROVAL OF MEETING MINUTES: *November 9, 2023 Regular Meeting:* The Board reviewed the November 9, 2023 regular meeting minutes. A motion was made by Trustee Pederson and seconded by Trustee Brown to approve the November 9, 2023 regular meeting minutes as written. Motion carried by roll call vote.

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

NAYS: None

ABSENT: None

INVESTMENT REPORT – RHI: Mr. Harrell presented the Investment Performance and Asset Allocation Analysis for the relief & retirement fund for the period ending September 30, 2023. Mr. Harrell discussed the market environment, investment manager status report, summary of investment changes, total fund composite and performance by investment managers. As of September 30, 2023 the year-to-date total net return is (4.48%) for an ending market value of \$14,911,230. The current asset allocation is as follows: Real Estate 3%, Fixed Income at 24%, Equity at 56%, Specialty Funds at 12% and Cash at 5%.

Mr. Harrell presented the Investment Performance and Asset Allocation Analysis for the medical subsidy fund for the period ending September 30, 2023. Mr. Harrell discussed the market environment, investment manager status report, summary of investment changes, total fund composite and performance by investment managers. As of September 30, 2023, the year-to-date total net return is (4.42%) for an ending market value of \$712,948.34. The current asset allocation is as follows: Real Estate 5%, Fixed Income at 34%, Equity at 58% and Cash at 3%.

Potential Purchase and/or sale of securities, rebalancing of assets: Mr. Harrell reviewed the portfolio with the Board and recommended the following changes:

- *Replace JPMorgan Chase SCG with Hood River SCG:* Mr. Harrell compared the two managers and noted that Hood River SCG has continuously overperformed.
- *Replace T Rowe Price EM with Fidelity EM:* Mr. Harrell compared the two managers and recommended this change due to the diversity with Fidelity EM.

A motion was made by Trustee Darden and seconded by Trustee Pederson to approve the rebalancing as recommended by Mr. Harrell. Motion carried by roll call vote.

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

Mr. Harrell gave a status update on TerraCap. All questions were answered by Mr. Harrell. Updates will be provided as they become available.

Transfer Assets from Westwood to Frost: Mr. Harrell informed the Board that the mutual funds with Westwood are now portable and able to be transferred to Frost so the Board could house all assets in one custodian. A motion was made by Trustee Brown and seconded by Trustee Sparks to direct Mr. Harrell to move all mutual funds to Frost. Motion carried by roll call vote.

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

Mr. Harrell left the meeting at 9:24 p.m.

REVIEW/APPROVE – LAUTERBACH & AMEN, LLP MONTHLY FINANCIAL REPORTS: The Board reviewed the Monthly Financial Report for the Medical Subsidy Fund for the ten-month period ending October 31, 2023 prepared by L&A. As of October 31, 2023, the net position held in trust for pension benefits of the retirement fund is \$693,288.34 for a change in position of \$21,406.97. The Board also reviewed the Cash Analysis Report, Revenue Report, Expense Report and the Monthly Disbursement Report for the period October 1, 2023, through October 31, 2023 for total disbursements of \$3,891.77.

The Board also reviewed the Monthly Financial Report for the Retirement Fund for the ten-month period ending October 31, 2023, prepared by L&A. As of October 31, 2023, the net position held in trust for pension benefits of the retirement fund is \$14,385,803.51 for a change in position of \$177,735.72. The Board also reviewed the Cash Analysis Report, Revenue Report, Expense Report and the Monthly Disbursement Report for the period October 1, 2023 through October 31, 2023 for total disbursements of \$3,826.73.

A motion was made by Trustee Pederson and seconded by Trustee Smith to accept the Monthly Financial Reports as presented and to approve the disbursements shown on the September Monthly Disbursement Reports in the amounts of \$3,891.77 and \$3,826.73. Motion carried by roll call vote.

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

APPROVAL OF MONTHLY EXPENSES, TRUSTEE TRAINING EXPENSES AND OTHER EXPENSES: *Trustee Training Registration Fees and Reimbursable Expenses:* The Board reviewed the following Reimbursements from the 2023 TEXPERS Summer Conference:

- Reimbursement to Trustee Darden in the amount of \$1,239.24

L&A Invoices for Services: The Board reviewed L&A invoice #84499 in the amount of \$2,015.00 for professional services rendered for October.

2024 TEXPERS Membership: The Board reviewed TEXPERS invoice in the amount of \$7,455.61 for 2024 membership renewal.

A motion was made by Trustee Brown and seconded by Trustee Pederson to approve the and the Trustee reimbursement and additional invoices as presented. Motion carried by roll call vote.

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

NAYS: None

ABSENT: None

OLD BUSINESS: *Status Update – BMO Bank Account:* L&A updated the Board on the status of the BMO Bank account and noted that the target date remains in January. Further discussion will be held at the next regular meeting.

APPLICATIONS FOR MEMBERSHIP/WITHDRAWALS FROM FUND: *Application for Contribution Refund – Steve McAnally:* L&A informed the Board that they are awaiting an additional pay period reflecting no contributions are made for Firefighter McAnally to ensure he is paid in entirety. Further discussion will be held at the next regular meeting.

Application for Membership – Alberto Cavazos: The Board noted that Alberto Cavazos was previously accepted into the Big Spring Relief and Retirement Fund and no Board action is necessary.

NEW BUSINESS: *Discussion/Possible Action – Lauterbach & Amen LLP Actuary Engagement:* The Board reviewed the Lauterbach and Amen, LLP engagement letter for actuary services. A motion was made by Trustee Sparks and seconded by Trustee Brown to approve the engagement letter to begin in 2025. Motion carried by roll call vote.

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

NAYS: None

ABSENT: None

Establish 2024 Board Meeting Dates: The Board discussed establishing the 2024 Board meeting dates. A motion was made by Trustee Smith and seconded by Trustee Darden to establish the 2024 Board meeting dates as: January 11, 2024, February 8, 2024, March 14, 2024, April 11, 2024, May 9, 2024, June 13, 2024, July 11, 2024, August 8, 2024, September 12, 2024, October 10, 2024, November 14, 2024 and December 12, 2024 at 8:30 a.m., to be held at the Big Spring City Council located at 307 East 4th Street, Big Spring, Texas 79720. Motion carried by roll call vote.

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

NAYS: None

ABSENT: None

Review/Approve Retirement Benefit – Brenda Garrett: L&A informed the Board that they are awaiting the final salaries from the municipality and a final calculation will be available for review and approval at the Board's next regular meeting.

Big Spring Firemen's Relief and Retirement Fund

Meeting Minutes – December 14, 2023

Page 4 of 4

Affidavits of Continued Eligibility: L&A reviewed the Affidavit of Continued Eligibility with the Board. A motion was made by Trustee Brown and seconded by Trustee Cevallos to authorize L&A to send Affidavits of Continued Eligibility to all pensioners with a due date of January 26, 2024. Motion carried by roll call vote.

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

NAYS: None

ABSENT: None

ADJOURNMENT: A motion was made by Trustee Smith and seconded by Trustee Darden to adjourn the meeting at 9:50 a.m. Motion carried by roll call vote.

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

NAYS: None

ABSENT: None

The next regular meeting is scheduled for January 11, 2024 at 8:30 a.m.

Chanley Delk, Chairman

Attest:

Sandra Smith, Secretary

Minutes approved by the Board of Trustees on _____

Minutes prepared by Sam Meyer, Plan Administrator, Lauterbach & Amen, LLP