



LUFKIN FIREMEN'S RELIEF & RETIREMENT FUND
Regular Board Meeting Minutes July 12 2017

City Hall Council Chambers, Room 102, 300 E. Shepherd Street, Lufkin, TX. at 2 PM

Present

Jimmy Ragsdale
 Rufus Duncan
 Keith Wright
 John Thannisch

Absent

Levi Cole
 Bill Gates
 Hilary Walker
 Diana Russell

Guests

Bruce Green
 Rodney Ivy
 Ted Lovett
 Bill Wafer
 Jesse Pickett
 Brittany Semien

CALL TO ORDER – At 2:05 PM Chairman Jimmy Ragsdale called the meeting to order, stating a quorum was present.

1. Consider Approval of Minutes of the Regular Board Meeting held on June 14, 2017.

Keith Wright made the motion, seconded by John Thannisch, to approve the Minutes from the June 14 meeting, as distributed/printed. Unanimous vote was recorded.

2. 2017 Cash Flow Summary –

• Contribution Total YTD:	\$1,004,020
• Benefits Paid YTD:	(\$ 868,170)
• Refund of Contributions:	(\$ 9,877)
• DROP Money Paid Out:	(\$ 31,015)
• Expenses: Training - YTD:	(\$ 4,670)
• Expenses: Management Fees – YTD	(\$ 51,006)
• Expenses: Audit - Paid YTD	(\$ 0)
• Expenses: Legal - Paid YTD	(\$ 0)
• Expenses: Actuary - Paid YTD	(\$ 1,650)
• Market Value of Fund – As of 07/7/2017 =	\$15,289,958
• LIABILITIES –	
• Liability for One DROP (Payout 4/2022) =	\$310,451 - estimate
• Contributions Balance Report =	(\$135,407) – See Attached Report
• Vested Retirement Report =	3 Firefighters

→ Tino Villasana Scholarship Fund, Lufkin Fire Dept. – Balance **\$ 7017** as of 07/07/2017. Paid out one scholarship for \$2060.

Mr. Wright made the motion, seconded by Mr. Duncan, to accept the Cash Flow and to include in future agendas the market value of the previous month. Unanimous vote was recorded.

OLD BUSINESS

3. Discussion and Possible Action on an Informational Form Advising FFs who leave and are not vested – what they may receive from the Fund.

Chairman Ragsdale had Form SSA 1945 which we should be using with each new firefighter. Mr. Wright made the motion, seconded by Mr. Thannisch, to implement the form. Unanimous vote was recorded.

NEW BUSINESS

4. Presentation of Financial Audit – Susan Murrell, CPA, Alexander, Lankford & Hiers, CPA Firm.

Ms. Susan Murrell, CPA presented Alexander, Lankford & Hiers Financial Statements for year ending 2016. Financial Highlights are:

The assets of the Plan are held in an irrevocable trust for the exclusive benefit of eligible Plan participants. Plan fiduciary net position, which totaled \$14,335,797 as of December 31, 2016, an increase of \$612,752 compared to the prior year ending December 31, 2015.

When compared to the prior year:

- Member contributions increased \$52,515, (7.88%) and employer contributions decreased \$33,663, (2.94%) due to decrease in City's contribution rate (22.40% in 2015 and 21.92% in 2016). Participants increased their contribution rate to 14.2% of compensation.
- Net investment income was \$982,695 for 2016, which was an increase from 2015 of \$1,319,050 or 392.16% due to better market conditions.
- Benefits paid to participants increased \$200,878 primarily due to an increase in total monthly benefits paid.
- Plan administrative fees decreased \$17,264 due to no actuarial valuation services rendered in 2016.

The entire Financial Statements with independent Auditors' Report can be found on the website www.lufkinfirepension.com under Audits, right side of the screen.

Mr. Wright made the motion, seconded by Mr. Thannisch, to accept the Audit as presented. Unanimous vote was recorded.

Mr. Wright requested that Chairman Ragsdale present the highlights of the Audit to Council. Chairman Ragsdale asked if he could wait until after Actuarial Valuation was completed and present the Audit and Actuarial Valuation at the same time. Mr. Wright agreed. Actuarial Valuation will be presented to the Board on Wednesday August 9.

5. Consider Approval of Providing Box Lunch for the Retirement Seminar attendees and speakers, schedule for late October 2017. Mr. Wright made the motion, seconded by Mr. Thannisch, to

6. Upcoming Meetings/Conferences/Training

- Lufkin Firemen's Board Meeting – Wed August 9, 2017 – Actuarial Valuation
- TEXpers Summer Conference – San Antonio – Grand Hyatt – Aug 13-15
- TLFRA Educational Conference – The WOODLANDS – Oct 1-3

7. Adjournment

At 2:35 PM there being no further business, Mr. Duncan made motion, seconded by Mr. Ragsdale, to adjourn the meeting. Unanimous vote was recorded.