



**LUFKIN FIREMEN'S RELIEF and RETIREMENT FUND**  
**REGULAR BOARD MEETING MINUTES**  
 City Hall Council Chambers Room 102, 2 PM, Wednesday, March 8, 2017

Present

Jimmy Ragsdale, Chairman  
 Levi Cole  
 Rufus Duncan  
 John Thannisch

Absent

Hilary Walker  
 Bill Gates  
 Keith Wright

Guests

Bruce Green, City Attorney  
 Porter Montgomery, VP Westwood Trust  
 Rodney Ivy, HR Director

CALL TO ORDER – At 2:02 PM Chairman called the meeting to order, stating a quorum was present.

1. Consider Approval of Minutes of the Regular Board Meeting held on February 8, 2017.

John Thannisch made the motion, seconded by Levi Cole, to approve the minutes from the February meeting.

2. Presentation by J. Porter Montgomery, Senior VP with Westwood, on investment performance of the Fund.

Mr. Montgomery reviewed the executive Summary as of 1/31/2017:

- Investment Style: Enhanced Balanced
- Initial Funding Amount (1/1/2011): \$9,920,415
- Net Flows Since Inception: \$224,183
- Current Market Value: \$14,657,032
- Since Inception Investment Earnings: \$4,495,434
- Since Inception Annualized Gross Return: 6.9%
- Actuarial Assumed Rate of Return: 7.5%

He reviewed the current Asset Allocation, Account Summary (portfolio growth); Asset Allocation – Actual vs Target; Performance Update since inception and Risk Assessment for 2017. The report in its entirety is filed with the minutes and is posted on the website ([www.lufkinfirepension.com](http://www.lufkinfirepension.com))

3. Conference Call with Mark Fenlaw, Rudd Wisdom, Actuarial firm, on the RFP for Actuarial Services for Year 2016.

4. Discussion and possible action on selection of actuary for actuarial valuation for year of 2016.

Levi Cole made the motion, seconded by John Thannisch, to engage Mark Fenlaw, Rudd & Wisdom for actuarial valuation for the year 2016.

5. 2017 Cash Flow Summary –

- Contribution Total YTD: **\$ 358,303**
- Benefits Paid YTD: **(\$ 376,317)**
- Refund of Contributions: **(\$ 0)**
- DROP Money Paid Out: **(\$ 31,015)**
- Expenses: Training - YTD: **(\$ 125)**
- Expenses: Management Fees – YTD: **(\$ 25,100)**
- Expenses: Audit - Paid YTD: **(\$ 0)**
- Expenses: Legal - Paid YTD: **(\$ 0)**
- Expenses: Actuary - Paid YTD: **(\$ 0)**
  
- Market Value of Fund – As of 03/03/2017 = **\$14,910,481**
- **LIABILITIES –**
  - Liability for One DROP (Payout 4/2022) = \$310,451 - estimate
  - Contributions Balance Report = **(\$ 51,363)**
  - Vested Retirement Report = 2 Firefighters

→ Tino Villasana Lufkin Fire Department Scholarship Fund – Balance \$ 7,999 as of 03/03/2017.

Rufus Duncan made the motion, seconded by Levi Cole, to accept the Cash Flow report. Unanimous voted was recorded.

6. Discussion and possible action to accept results of firefighter pension plan benefit changes/improvements from the election which took place on February 14-17, 2017.

Chairman Ragsdale reported the following voting results on the three issues:

Revision of the Disability Retirement Benefit Eligibility and Review Standard

75 Voters; 51 Voted Yes and 0 voted No; 68.92% Voted

Reduce the 180 day waiting period for DROP distribution to 90 days, should the member leave the DROP early.

75 Voters; 48 Voted Yes and 0 Voted No; 64.86% Voted

Clarification of the impact of the member's participation if he member continues in Active service with the Fire Dept after the end of the DROP period.

75 Voters; 45 Voted Yes and 4 Voted No; 66.22% Voted

Board accepted the electronically voting.

7. Discussion and possible action to approve proposed Plan Document to reflect the pension plan benefit changes/improvements, recently voted on:  
(a) Revision of the Disability Retirement Benefit Eligibility Requirements and Review Standard; (b) Clarification of the Impact on the Member's Participation if the Member Continues in active Service with the Fire department after the end of the DROP Period; and (c) Reduce the 180 day waiting period for DROP distribution to 90 days, should member leave DROP early. To be effective March 8 2017.

Rufus Duncan made the motion, seconded by Levi Cole, to accept the restated Plan Document. Unanimous vote recorded.

8. Discussion and possible action to approve Administrator's action to terminate widow benefits for Mrs. Carolyn Reynolds, deceased 2/13/2017. Mrs. Reynolds was the wife of deceased retired firefighter James Reagan Reynolds.

Levi Cole made the motion, seconded by John Thannisch, to approve Administrator's action to terminate widow benefits to Mrs. Reynolds. Unanimous voted recorded.

9. Discussion and possible action to approve Administrator's action to refund contributions of terminated firefighter Michael Vinther, who resigned as of 2/26/2017.

Levi Cole made the motion, seconded by John Thannisch, to approve Administrator's action to refund contributions to Michael Vinther who resigned. Unanimous voted recorded.

10. Discussion and possible action to approve the inclusion on each agenda an item for 'public comment' or 'request to address the Board'. This item was tabled till next Board meeting, when City Attorney Bruce Green can speak to this topic.

11. Upcoming Meetings/Conferences/Training

- Lufkin Firemen's Board Meeting – Wed April 5, 2017
- TEXpers Spring Conference – Sun April 9 – Tues April 12 – Hilton Austin – Legislature is in session
- TLFRA Peer Review – Thurs May 4 (1PM to 5PM) and Fri May 5 (8AM to 1PM) – Conroe Tower

12. Adjournment

At 3:45 PM, Chairman Ragsdale stated there was no further business and adjourned the meeting.