

CITY OF ORANGE  
FIREMEN'S RELIEF AND RETIREMENT FUND  
BOARD OF TRUSTEE'S MEETING

May 21, 2015

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The Board of Trustees and Officers of the City of Orange Firemen's Relief and Retirement Fund convened for its monthly board meeting on May 21, 2015, at the City of Neighborhood Building Facility, Orange, Texas with the following members present:

Jody Cowart,	Chairman
John Bilbo,	Vice-Chairman
Walter Riedel,	Citizen Trustee
Sherry Jackson,	Trustee
Jason Maddox,	Trustee

A motion was made by Jody Cowart to call the meeting to order at 10:08 am. The motion was seconded by Sherry Jackson. All present are in favor. No one opposed. Motion passed unanimously.

**Standing items:**

A motion was made by Jody Cowart to approve the minutes of the meeting held on March 19, 2015. The motion was seconded by Sherry Jackson. All present are in favor. No one opposed. Motion passed unanimously.

**New business:**

A motion was made by Jody Cowart to approve the election results to fill the remainder of Travis Seals term as trustee. Jason Maddox had the majority of the votes with twenty of the thirty five active members participating in the election over a three day period (58% participation) making it a valid election. The motion was seconded by Walter Riedel. All present are in favor. No one opposed. Motion passed unanimously.

Action item: Jason Maddox took the Oath of Office as a recently elected trustee on board of the Firemen's Relief & Retirement Fund.

Discussion & possible action item: The minimum education training program for trustees and system administrators of Texas public retirement systems requires that all trustees and administrators complete at least 7 hours of training in the core content areas. The next scheduled Trustee training class will be held August 15, 2015 in San Antonio, TX. Jody Cowart made a motion to approve the expenses to send up to two board members. Walter Riedel and John Bilbo expressed interest in attending this training class. The motion was seconded Sherry Jackson. All present are in favor. No one opposed. Motion passed unanimously.

Discussion & action item: It has been six months since the last review. In that time, there have been two new retirees and one contribution refunded. The board approved policy is to maintain a minimum balance of two months worth of benefits in the account. In order to maintain the required account balance, the board will need to increase the wire transfer from Morgan Stanley by at least \$4000.00. The decrease in contributions to the Fund can

be attributed to firefighter positions opened up by the recent retirements. The vacant positions are being filled as quickly as possible. A motion was made by Sherry Jackson to increase the monthly wire transfer from Morgan Stanley from \$42,000 to \$46,000 payable at the end of each month. The motion was seconded by Walter Riedel. All present are in favor. No one opposed. The motion passed unanimously.

Discussion & action item: Morgan Stanley is requesting updated authorized Person list and Account Agreement forms for their files. These are the forms for the list of authorized users of the Fund's debit card used to pay for travel expenses. These forms also list the trustees authorized to give investment instructions. Walter Riedel made a motion to accept the names listed on the Authorization forms which are Jody Cowart, chairman and Gail English, Secretary/Treasurer. The motion was seconded by Sherry Jackson. All present are in favor. No one opposed. The motion passed unanimously.

Discussion and possible action item: The solicitation of requests for proposals for the management of the Fund's assets. Joe Love was not present for this discussion. The board members present agreed that the goal of seeking proposals from other investment managers would be a possible reduction in custodial fees and greater rate of returns. Walter Riedel noted that the size of the Fund affects the custodial fees and the fees being paid to Morgan Stanley appear to be in line for the size of our fund. Walter Riedel also noted that the rate of returns appear to be in line as well. The general consensus by the board members present is that the only possible benefit that could be had by going out for proposals at this time would possibly be reduced custodial fees. Jody Cowart noted that the investment opportunities are limited by the size of our Fund. The real question is what it would take to increase the fund's size. Alternative investments or tax free municipal bonds are two possibilities noted by Jody Cowart and Walter Riedel. All board members present agreed that there is no reason to make changes right now. A motion was made by Walter Riedel to table this discussion item until the end of this year. At that time the board will review the Fund's investment options again. The motion was seconded by Jody Cowart. All present are in favor. No one opposed. The motion passed unanimously.

Announcements: Keri McCurley will be retiring the end of May.

A motion was made by Jody Cowart to adjourn the meeting. The motion was seconded by John Bilbo. No one opposed. Motion passed unanimously.

Jody Cowart, Chairman