

## MINUTES

### LAREDO FIREFIGHTERS' RETIREMENT SYSTEM REGULAR MEETING February 21, 2020

The Laredo Firefighters' Retirement System Board met on Feb 21, 2020 at 12:00 p.m., at 110 Calle Del Norte, Laredo, Texas. Board members present Alberto Chapa Chairman, John Hourigan Vice Chairman, Jesus Esparza Secretary, Oscar Lopez Trustee, Louis P. Vaillancourt Trustee also present Jaime Jasso Pension Administrator, Investment Advisor Mr. Alan Bergin CFA from Fund Evaluation Group, Catherine Archer Lara Firefighter, Not Present Norberto Gonzalez Trustee

A motion was made by Oscar Lopez second by John Hourigan to accept the minutes dated January 29, 2020 Regular Board Meeting. The Motion Passed.

Public comments: None

Communication: Laredo Firefighters Retirement System Fund Market Value as of Feb 20, 2020 **170.1 million**

Motions:

A motion was made by Oscar Lopez second by Louis P. Vaillancourt to approve Disbursements presented for the month of Jan 2020. Motion Passed.

A motion was made by Louis P. Vaillancourt second by Oscar Lopez to approve the Financials for the month of Jan 2020. Motion Passed.

A motion was made by Louis P. Vaillancourt and second by Oscar Lopez to approve Retirement Application for Arnoldo Puentes. The Motion Passed.

A motion was made by Louis P. Vaillancourt and second by Oscar Lopez to accept Quarterly Investment Performance Report for Period Ending December 31, 2019 by Investment Advisor Mr. Alan Bergin CFA from Fund Evaluation Group and Table the LFFRS Statement of Investment Objectives Policies (IPS). Motion Passed. (Agenda Item D.)

A motion was made by Oscar Lopez and second by Jesus Esparza to **Sell** PIMCO Real Return Fund (Fixed Income Composite Class) (**\$8,088,246**). **Fifty Percent** of the **Sell** of PIMCO Real Return Fund (Fixed Income Composite Class) will be added to Dodge & Cox Income Fund (**\$4,044,123**) and the other **Fifty Percent** of the **Sell** of PIMCO Real Return Fund (Fixed Income Composite Class) will be added to DoubleLine Core Fixed Income Fund (**\$4,044,123**). LFFRS holds both Dodge & Cox Income Fund and DoubleLine Core Fixed Income Fund. Based on Fund Evaluation Group's (FEG) (LFFRS's Consulting Company) recommendations, FEG's current financial and economic outlook does not give a high probability of experiencing above average inflation. We recommend the Fund **Sell** of PIMCO Real Return Fund and invest the sales proceeds evenly between the other two fixed income Funds (Dodge & Cox Income Fund and DoubleLine Core Bond Fund). PIMCO's relatively high expense ratio in a low bond yield environment is a secondary reason to **Sell** the fund. Both Dodge & Cox Income Fund and DoubleLine Core Fixed Income have significantly lower expense ratios. The overall Fixed Income Allocation does not change with this action. The Motion Passed. (Agenda Item D.)

A motion was made by Jesus Esparza and second by Oscar Lopez to Rebalance the Fund and Invest an additional **\$1,000,000** Cash coming from the excess of Payroll Contributions based on FEG's recommendations. Motion Passed. (Agenda Item D.)

Presentation:

#### **Adjournment:**

A motion was made by Jesus Esparza and second by John Hourigan to adjourn the meeting. The motion passed. The meeting adjourned at 2:30 p.m.

**MINUTES**

**LAREDO FIREFIGHTERS' RETIREMENT SYSTEM  
REGULAR MEETING  
February 21, 2020**

**GRANTED AND RECORDED** in the minutes of the Board of Trustees of Laredo, Texas on the \_\_\_\_\_ day of \_\_\_\_\_, 2020.

\_\_\_\_\_  
Trustee

\_\_\_\_\_  
Trustee

**THESE MINUTES ARE SUBJECT TO APPROVAL OF THE BOARD OF TRUSTEES AT OUR NEXT BOARD MEETING**