

**Coalition of Retired Employees (CORE) Member Meeting  
May 9, 2022 Meeting Minutes  
Como Community Center – 10:30 a.m.**

**Committee Members in Attendance: Committee Appointments in Attendance:**

Karen Van Leuvan, President  
Alison Letnes, 2<sup>nd</sup> Vice President  
Marolee Lunsford, Secretary  
Deborah Duke, Treasurer  
Marsha Anderson, Past President  
Alison Letnes, Membership

**Absent:** Carol Brown, 1<sup>st</sup> Vice President and Programs Director, Joel Carranza, Communications and Yolanda Gonzalez, HBAC Representative.

**CFW Retirement:** Benita Harper, Executive Director  
Derrek Dagnan, Chief Investment Officer  
Carla Perez, Member Services Specialist  
Jeff Rodriguez, Public Relations

**10:35 a.m. Welcome-** President Karen Van Leuvan made opening remarks. She apologized for this month's information being sent out late. CORE meets at Como Community Center, except July because of activities at the center. The July meeting is the insurance information meeting and meets at the Botanical Gardens.

Karen stated she attended Texas Association of Public Employee Retirement System (TEXPERS) 2022 Conference held at The Worthington Renaissance Fort Worth Hotel. She enjoyed the conference and received a great deal of information regarding investments and retirement funds.

**Treasurer's Report** – Deborah Duke gave the Treasurer's report through April 30, 2022. We are in good shape with \$6,035.44 in Shares (Saving Account), \$1,565.16 in our checking account, and \$89,499.48 in our 24 Month CD account. Deborah stated we receive approximately \$40.00 a month in dividends on the CD. Total dividends we have earned year to date are \$165.25. We did have some expenses this month.

**Membership Report** – Alison Letnes' report stated that we have: 23 Lifetime, 72 Monthly Deductions, and 82 Regular Memberships for a total of 177 CORE members. Karen will try and do more outreach. Because of COVID we did not have the Credit Union dinner, which is a good outreach to our retirees.

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Marsha introduced our first speaker, Benita Harper, Executive Director of the CFW Retirement Fund. Benita stated Retirement Fund question is “How are we going to sustain funds to pay our retirees what they are due?” Also, they decide on the Cost-of-Living Adjustment (COLA) and work with the Pension Review Board to keep our grandfathered status of keeping our COLA. There is a joint meeting with the Retirement Board and City Council on May 24<sup>th</sup> at 1:00 p.m. to address any unfunded liabilities in our pension plan. Actuaries attend this meeting too. Right now, we are looking good. Because investments are good, raises have been given. Unfortunately, 200 retirees passed away which had an impact on the pension fund by moving the needle in a positive direction. However, we would prefer the pension plan was funded in other ways. City Council and the Mayor are new and this meeting will be the first with the Retirement Fund. As of April, the Fund has paid out \$18 million plus in payments to our retirees. We have a defined benefits system which is great, but this system is not flexible as to allowing perks and bonuses. Benita opened the floor for questions.

Alison asked what the average payout was per month if you included all employees?

**Answer:** The current average payout per month including all employees is approximately \$4,326.00 per month. Alison then wanted to know the average payout of just general employees. Benita did not have that information, but she will get back to us with that number.

Karen stated most TXPERS members are Police and Fire, what happens to the General employees?**Answer:**Police and Fire usually stay; general employees are more fluid. Texas Municipal Retirement System (TMRS) has a greater presence for General Employees. Karen then asked what the amount we have in unfunded benefits we need to pay.

Alison asked about new employees. **Answer:**Benita stated that new employees have no COLA. They are paying more into system and getting less. There may be opportunity to get a variable COLA, but it's unlikely. We are at a 7% rate of return. Alison then asked if we got hit with the Russian issues. **Answer:**Currently we are OK. We don't bear the same burden as the State.

Marsha introduced Derrek Dagnan, Retirement Fund Chief Investment Officer who discussed his investment background. He then stated the Fund was looking to the next round of things we want to do. December 2020 looked great; we were

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outperforming the benchmarks in our portfolio over multiple time periods and achieving a 7% rate of return. When COVID 19 hit we went down, but still OK.

We have inflation, but should achieve our goals over the long haul for long-term assets and liabilities. Derrek opened the floor for questions.

Karen asked if there are major investment categories. **Answer:**Derrek stated we have fixed income bonds and public stocks (2 most investments), then real assets like real estate, private equity (private companies) and commodities. Regarding exposure to Russia/Ukraine, before the war \$6 million in passive investment. The value of stocks and bonds went down and you're stuck there until they reach liquidity. The reality is that Russia/Ukraine accounts for about 12% of the calories the world trades. Also, at this time oil, gas and diesel are up.

There was a question regarding crypto currency/bit coins and what was the acceptable risk regarding them. Benita stated that some pension funds have become involved in this, but that it is not acceptable for the City of Fort Worth.

Alison asked about what mining bitcoins is. Derrek stated mining is doing calculations. If doing algorithms, six (6) coins a day sent out. CFW does have three (3) machines that net approximately \$12.00 a day. It's the wild, wild west, like wildcatting for oil, it's complicated.

Carla Perez, then spoke and stated there is a lot of information on <http://fwretirement.org> regarding money management, all investments, and the Retirement Fund Board which meets the 4<sup>th</sup> Wednesday of every month.

Marsha reminded everyone that the Retirement Fund Board needs a new trustee for the General employees.

Karen thanked our speakers. There was some further discussion regarding the Retirement Fund Board with Marsha stating that the Retirement Fund Board has two main jobs; approve and execute investments and issue pension checks. There are five (5) free attorneys that watch pensions to see if any funny business is going on. Also, they have private investigators to investigate those that shouldn't be taking pensions, i.e., those with fake disabilities, etc.

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Besides the Board and speakers, there were three (3) members in attendance. Being no further business to discuss, the meeting was adjourned at 11:30 a.m.

Minutes respectfully submitted by,

Marolee Lunsford, CORE Secretary

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