

A G E N D A

A regular meeting of the Board of Trustees of the Waxahachie Firemen's Relief and Retirement (FR&R) Fund to be held at Waxahachie Fire Station No. 2, 1601 Cleaver Street, Waxahachie, Texas, on ***Monday, September 13, 2021 at 8:30 a.m.***

BOARD MEMBERS: Gary Myers, Chairman
Matt Dorsey, Vice Chairman
Scott Safford, Secretary
Doug Barnes, Mayor
Chad Tustison, Finance Director
Lee Statham
Phillip Young

1. Call to Order
2. ***Public Comments:*** Persons may address the Waxahachie Firemen's Relief and Retirement (FR&R) Fund on any issues. This is the appropriate time for citizens to address the Waxahachie Firemen's Relief and Retirement (FR&R) Fund on any concern whether on this agenda or not. In accordance with the State of Texas Open Meetings Act, the Waxahachie Firemen's Relief and Retirement (FR&R) Fund may not comment or deliberate such statements during this period, except as authorized by Section 551.042, Texas Government Code.
3. Consent Agenda

All matters listed under Item 3, Consent Agenda, are considered to be routine by the Board Members and will be enacted by one motion. Approval of the Consent Agenda authorizes the Chairman to execute all matters necessary to implement each item. Any item may be removed from the Consent Agenda for separate discussion and consideration by any Board Member.

 - a. Minutes of the regular Firemen's Relief & Retirement Fund meetings of July 12, 2021 and August 9, 2021
 - b. Annuity checks for FR&R Retirees and other disbursements for the months of September and October 2021
4. Hear and act on 2nd quarter financial report from Claude Parenteau, Parenteau Analytics
5. Discuss and act on possible new investments
6. Discuss and act on rebalancing the Financial Portfolio
7. Hear update on Blackstone Brief
8. Discuss and act on possible benefit changes
9. Consider invoice from Helen Duvall for services from October 2020-June 2021
10. Set next meeting date and time of Firemen's Relief and Retirement Fund Board
11. Adjourn

The Waxahachie Firemen's Relief and Retirement Fund reserves the right to go into Executive Session on any posted item.

This meeting location is wheelchair-accessible. Parking for mobility impaired persons is available. Any request for sign interpretive services must be made forty-eight hours ahead of the meeting. To make arrangements, call the City Secretary at 469-309-4006 or (TDD) 1-800-RELAY TX

Notice of Potential Quorum

One or more members of the Waxahachie City Council may be present at this meeting.

No action will be taken by the City Council at this meeting.

(3a)

Firemen's Relief & Retirement Fund
July 12, 2021

A regular meeting of the Board of Trustees of the Waxahachie Firemen's Relief and Retirement (FR&R) Fund was held at Waxahachie Fire Station No. 2, 1601 Cleaver Street, Waxahachie, Texas on Monday, July 12, 2021 at 8:30 a.m.

Members Present: Gary Myers, Chairman
Scott Safford, Secretary
Chad Tustison, Finance Director
Lee Statham
Phillip Young

Members Absent: Matt Dorsey, Vice Chairman
Doug Barnes, Mayor

1. Call to Order

Chairman Gary Myers called the meeting to order at 8:32 a.m.

2. Public Comments

None

3. Consent Agenda

- a. Minutes of the regular Firemen's Relief & Retirement Fund meeting of June 14, 2021
- b. Annuity checks for FR&R Retirees and other disbursements for the month of August 2021

Action:

Mr. Lee Statham moved to approve items a. and b. on the Consent Agenda. Mr. Phillip Young seconded, All Ayes.

4. Consider Reimbursement to Scott Safford for the cost of John Tillery's award

Chairman Myers presented a reimbursement request from Scott Safford in the amount of \$80 for an award presented to John Tillery.

Action:

Finance Director Chad Tustison moved to approve reimbursement to Scott Safford for the cost of John Tillery's award in the amount of \$80. Mr. Lee Statham seconded, All Ayes.

5. Consider Reimbursement to Gary Myers for Christmas cards

Chairman Myers presented a reimbursement request in the amount of \$7 for Christmas cards purchased.

Action:

Mr. Lee Statham moved to approve a reimbursement to Gary Myers for the cost of Christmas cards in the amount of \$7. Finance Director Chad Tustison seconded, All Ayes.

6. Consider Q2 invoice from Claude Parenteau

Chairman Myers presented an invoice from Claude Parenteau for Q2 in the amount of \$3,000.

Action:

Finance Director Chad Tustison moved to approve an invoice from Claude Parenteau for Q2 in the amount of \$3,000. Mr. Lee Statham seconded, All Ayes.

7. Consider invoice from YWRD for audit

Chairman Myers presented an invoice from YWRD for an audit.

Action:

Mr. Lee Statham moved to approve an invoice from YWRD for audit in the amount of \$8,016.80. Mr. Phillip Young seconded, All Ayes.

8. Review 2nd quarter report from Helen Duval and take any necessary action

Discussed Blackstone's payouts.

9. Discuss September Texas Local Fire Fighters Retirement Act (TLFFRA) conference and take any necessary action

Chairman Myers noted that the Texas Local Fire Fighters Retirement Conference will be held October 3-5, 2021 in Denison. Courses begin on Monday, October 4th.

10. Hear report on Barons Investment and take any necessary action

Chairman Myers noted Baron is \$800k invested. The remaining \$200k will be invested soon. Frost expressed concerns over cash being too low for the entire \$1 million investment.

11. Discuss retention and destruction of paper documents and take any necessary action

Chairman Myers noted all paper copies have been saved electronically.

Action:

Secretary Scott Safford moved to authorize Chairman Myers to research and hire a document destruction company and pay the invoice. Finance Director Chad Tustison seconded, All Ayes

12. Set next meeting date and time of Firemen's Relief and Retirement Fund Board

The Firemen's Relief and Retirement Board set their next meeting for Monday, August 9, 2021 at 8:30 a.m.

(3a)

Firemen's Relief & Retirement Fund

July 12, 2021

Page 3

13. Adjourn

There being no further business, the meeting adjourned at 8:55 a.m.

Respectfully submitted,

Jami Bonner

Assistant City Secretary

(3a)

Firemen's Relief & Retirement Fund
August 9, 2021

A regular meeting of the Board of Trustees of the Waxahachie Firemen's Relief and Retirement (FR&R) Fund to be held at Waxahachie Fire Station No. 2, 1601 Cleaver Street, Waxahachie, Texas on Monday, August 9, 2021 at 8:30 a.m. was cancelled.

Respectfully submitted,

Amber Villarreal
City Secretary

(3b)

MEMORANDUM

TO: FR&R Board Members
FROM: Amber Villarreal, City Secretary
DATE: September 13, 2021
SUBJECT: ANNUITY CHECKS

Please approve the annuity checks for the months of September & October for the following retirees/beneficiaries:

Alexander Donald
Alexander Jeffery
Bennett Don
Bratcher Billy
Carrington Paul
Chenault John
Cobb Sharon
Crecelius Dennis
Creed Lori
Crow Len
Evans Larry
Fuller Donald
Gilley Dorothy
Hamilton Denise
Hamilton Steven
Irvin James
Johnston Randy
Junkin Loyd Wayne
Kuykendal Terry
Lewis Sammy
Morgan Alan
Muirhead Randal
Nunn Carol
Ogletree Billy
Potter Randall
Skipper Terry
Slay Mike
Sport Jeffery
Sykes Jerry
Tillery John
Turner Sharon
Turner John Olin
Warren Lisa
Williams Sidney
Wilson Darla

TOTAL \$89,301.94

(4)

Myers, Gary

From: David Sawyer <David.Sawyer@definiti-llc.com>
Sent: Wednesday, August 18, 2021 4:59 PM
To: Myers, Gary
Cc: Barry Anderson
Subject: FW: Waxahachie Benefit Change

[EXTERNAL SENDER] – This email may be from an untrusted source. Links and attachments within this email may be at greater risk of being malicious or threatening in nature. If this is an unexpected email, please contact the sender via phone to verify authenticity prior to opening or accessing contents.

Gary,

As requested, we priced the impact of the increase to the benefit formula described in your email dated June 14th (see Benefit Formula table below for a quick summary). Increasing the benefit formula for service between 10-27 years from 2.0% to 2.2% would have increased the projected 10/1/2020 UAAL amortization period from 17.5 to 21.0 years. You mentioned that you wanted to keep it below 20 years, but we recommend you consider using a rounded number like 2.2% rather than trying to get too precise in this measurement.

Benefit Formula	Accrual Rate Per Year of Service
Pre-1/1/2020 Service	2.60%
Post-1/1/2020 Service when Total Service is less than 27	
If Total Svc < 10 then	
• Total Service – Pre2020 Svc	2.00%
If Total Svc > 10 and < 27 then	
• Total Service – Pre2020 Svc – 10	2.20%
Total Service above 27 Years	1.30%

Below is a summary of the change to the 10/1/2020 valuation results from the proposed formula.

\$ Millions

10/1/2020	Current Formula	Proposed Formula	Difference
Actuarial Value of Assets	\$19.854	\$19.854	\$0
Actuarial Accrued Liability	\$26.520	\$26.867	\$0.347
Unfunded AAL	\$6.666	\$7.013	\$0.347
Normal Cost Rate (% Payroll)	17.80%	18.55%	0.75%
UAAL Amort. Period (years)	17.5	21.0	3.5

Because of the step rates in the complex benefit formula, the projected benefit as a percentage of final average pay is expected to gradually decrease over time. The table below show this percentage for an average firefighter (hired at age 28) that reaches age 55 each year in the future. The percentages would vary for different hire ages, but this should help illustrate the impact. You can see this percentage decreases from 70.2% to 57.4% of final average pay, but the increase is greatest for the younger members.

(4)

Average Member				Current Formula	Proposed Formula	
Hire Age 28		Service @		Age 55	Age 55	
Birth Year	Hire Year	2020	Age 55	Total	Total	Incre
1965	1993	27	27	70.20%	70.20%	0.0
1966	1994	26	27	69.60%	69.80%	0.2
1967	1995	25	27	69.00%	69.40%	0.4
1968	1996	24	27	68.40%	69.00%	0.6
1969	1997	23	27	67.80%	68.60%	0.8
1970	1998	22	27	67.20%	68.20%	1.0
1971	1999	21	27	66.60%	67.80%	1.2
1972	2000	20	27	66.00%	67.40%	1.4
1973	2001	19	27	65.40%	67.00%	1.6
1974	2002	18	27	64.80%	66.60%	1.8
1975	2003	17	27	64.20%	66.20%	2.0
1976	2004	16	27	63.60%	65.80%	2.2
1977	2005	15	27	63.00%	65.40%	2.4
1978	2006	14	27	62.40%	65.00%	2.6
1979	2007	13	27	61.80%	64.60%	2.8
1980	2008	12	27	61.20%	64.20%	3.0
1981	2009	11	27	60.60%	63.80%	3.2
1982	2010	10	27	60.00%	63.40%	3.4
1983	2011	9	27	59.40%	62.80%	3.4
1984	2012	8	27	58.80%	62.20%	3.4
1985	2013	7	27	58.20%	61.60%	3.4
1986	2014	6	27	57.60%	61.00%	3.4
1987	2015	5	27	57.00%	60.40%	3.4
1988	2016	4	27	56.40%	59.80%	3.4
1989	2017	3	27	55.80%	59.20%	3.4
1990	2018	2	27	55.20%	58.60%	3.4
1991	2019	1	27	54.60%	58.00%	3.4
1992	2020	0	27	54.00%	57.40%	3.4
1993	2021	0	27	54.00%	57.40%	3.4

While the increase is greatest for the younger members, their ultimate benefit (57.40% of final average pay) is much lower than the benefit provided to the recent retirees. You mentioned wanting to keep the UAAL amortization period near 20, so the proposed formula was backed into. You may also want to consider increases to the contribution rates to pay for a larger benefit. The aggregate (City and Member) contribution rate of 27.79% of payroll ranks 9th lowest of the 41 ongoing TLFFRA funds) and is about 4.8% of payroll lower than the average. Your members contribute 12% of payroll to the Fund which is the lowest rate of the TLFFRA funds (average rate being 14.4%) and the City contribution rate of 15.79% is about 2.4% below the City average equal to 18.2% of payroll.

Measurement Basis

This analysis assumed the proposed benefit formula was effective 1/1/2020 with the results measured in the 10/1/2020 funding valuation. There were no changes to the data, assumptions or methods used and the only change to the plan provisions was the proposed benefit formula.

(4)

After you have a chance to read through this, please let me know if you would like to discuss before the next Board meeting.

Best regards,

David Sawyer, FSA FIA MAAA FCA
Senior Consulting Actuary

O: (281) 296-1107 | C: (832) 338-0552
david.sawyer@definiti-llc.com
definiti-llc.com



E-mail Confidentiality Notice / The information contained in this Electronic Mail transmission is Confidential. It may also be privileged work product or proprietary information. This information is intended for the exclusive use of the addressee(s). If you are not the intended recipient, you are hereby notified that any use, disclosure, dissemination, distribution, copying or taking action because of this information is strictly prohibited.

From: Myers, Gary <GMyers@waxahachiefire.org>
Sent: Monday, June 14, 2021 3:22 PM
To: David Sawyer <David.Sawyer@definiti-llc.com>
Cc: Myers, Gary <GMyers@waxahachiefire.org>
Subject: FW: Waxahachie Benefit Change

CAUTION: This email is from an outside sender. Do not click on links or open attachments unless you recognize the sender and know the content is safe.

From: Myers, Gary
Sent: Monday, June 14, 2021 3:09 PM
To: 'David Sawyer' <dsawyer@retirement-horizons.com>
Cc: Myers, Gary <gmyers@waxahachiefire.org>
Subject: Waxahachie Benefit Change

David Sawyer,
Good Afternoon David,

I changed the example below.

So, the Board has discussed changing up our benefit formula and enhancing benefits is someway. We took your suggestion and decided not to continue with the way we have been enhancing benefits.

- 2.6% for every year of service for every one before 01/01/2020.
- 2.0% for the first 10 years of service after the 1/1/2020. So a man hired on 1/1/2016 would have 4*2.6 + 6*2.0
- 2.7% for the 11 thru 27 year of service after 1/1/2020. How high may we go?
- 1.3% for every year after 27 years of service.

Example

A Firefighter hired on at 1/1/2014 and retires at 1/1/2024 with 30 years of service would receive

$$6*2.6\% + 4*2.0 + 17*2.7 + 3*1.3$$

(4)

We would like to stay as close to 20 year amortization as possible. How high may we raise the 11-27 years?

Chairman Gary Myers
407 Water Street
Waxahachie, Texas 75165
469-309-4204
469-309-4208 Fax

Improvise and Overcome

Waxahachie Firemens R&R Fund
Balance Sheet
As of June 30, 2021

	049769 BX BRIEF II	143666 OMNIBUS	19200 GENERAL	19201 MFs, ETFs	19202 DELAWARE ...	19203 DELAWARE ...
ASSETS						
Current Assets						
Checking/Savings						
12000 · Cash, Money Mkt, Unsettled Tran	1.45	3,478.12	276,466.15	15,836.02	56,702.43	2,204.43
Total Checking/Savings	1.45	3,478.12	276,466.15	15,836.02	56,702.43	2,204.43
Other Current Assets						
15000 · Accrued Income	0.00	0.00	14.59	7,030.86	1.21	0.05
Total Other Current Assets	0.00	0.00	14.59	7,030.86	1.21	0.05
Total Current Assets	1.45	3,478.12	276,480.74	22,866.88	56,703.64	2,204.48
Other Assets						
17100 · Corporate Stocks	0.00	0.00	0.00	0.00	0.00	0.00
17200 · Alternative Investments	733,939.41	0.00	0.00	1,928,485.03	0.00	0.00
17300 · Mutual funds	0.00	0.00	0.00	4,472,489.87	2,060,419.69	2,893,337.80
17400 · Corporate bonds	0.00	0.00	0.00	0.00	0.00	0.00
17450 · Government bonds	0.00	0.00	0.00	0.00	0.00	0.00
Total Other Assets	733,939.41	0.00	0.00	6,400,974.90	2,060,419.69	2,893,337.80
TOTAL ASSETS	733,940.86	3,478.12	276,480.74	6,423,841.78	2,117,123.33	2,895,542.28
LIABILITIES & EQUITY						
Equity						
32000 · Assets Held in Trust	1,634,416.84	3,303.20	391,073.35	5,746,382.70	1,596,394.51	1,709,956.05
Net Income	(900,475.98)	174.92	(114,592.61)	677,459.08	520,728.82	1,185,586.23
Total Equity	733,940.86	3,478.12	276,480.74	6,423,841.78	2,117,123.33	2,895,542.28
TOTAL LIABILITIES & EQUITY	733,940.86	3,478.12	276,480.74	6,423,841.78	2,117,123.33	2,895,542.28

These financial statements are intended to present the Fund's investments at market value and are not intended to be a complete representation of the Fund's assets, liabilities, or equity. Neither are they intended to represent the complete results of operations of the Fund.

Management has elected to omit substantially all the disclosures, the statement of cash flows, and the supplementary information required by accounting principles generally accepted in the United States of America. If the omitted disclosures, the statement of cash flows, and the required supplementary information were included in the financial statements, they might influence the user's conclusions about the Fund's financial position, results of operations, and cash flows. Accordingly, the financial statements are not designed for those who are not informed about such matters.

These financial statements have not been subjected to an audit, review, or compilation, and no assurance is expressed on them.

(57)

Waxahachie Firemens R&R Fund
Balance Sheet
As of June 30, 2021

	19204 FIDELITY	19205 KAYNE AND...	19206 WCM INTL	19207 FED CORE	19208 BX BREIF	TOTAL
ASSETS						
Current Assets						
Checking/Savings						
12000 · Cash, Money Mkt, Unsettled Tran	181.58	79,509.95	(5,934.33)	2,814,127.35	1,488.43	3,244,061.58
Total Checking/Savings	181.58	79,509.95	(5,934.33)	2,814,127.35	1,488.43	3,244,061.58
Other Current Assets						
15000 · Accrued Income	(0.02)	710.30	785.96	9,397.83	0.03	17,940.81
Total Other Current Assets	(0.02)	710.30	785.96	9,397.83	0.03	17,940.81
Total Current Assets	181.56	80,220.25	(5,148.37)	2,823,525.18	1,488.46	3,262,002.39
Other Assets						
17100 · Corporate Stocks	0.00	2,463,789.48	2,308,351.25	0.00	0.00	4,772,140.73
17200 · Alternative Investments	0.00	0.00	0.00	0.00	0.00	2,862,424.44
17300 · Mutual funds	2,438,834.43	0.00	0.00	0.00	0.00	11,865,081.79
17400 · Corporate bonds	0.00	0.00	0.00	1,118,982.21	0.00	1,118,982.21
17450 · Government bonds	0.00	0.00	0.00	511,328.52	0.00	511,328.52
Total Other Assets	2,438,834.43	2,463,789.48	2,308,351.25	1,630,310.73	0.00	20,929,957.69
TOTAL ASSETS	2,439,015.99	2,544,009.73	2,303,202.88	4,453,835.91	1,488.46	24,191,960.08
LIABILITIES & EQUITY						
Equity						
32000 · Assets Held in Trust	2,158,366.44	1,881,703.50	2,209,450.50	2,525,350.81	0.00	19,854,397.90
Net Income	282,649.55	662,306.23	93,752.38	1,928,485.10	1,488.46	4,337,562.18
Total Equity	2,439,015.99	2,544,009.73	2,303,202.88	4,453,835.91	1,488.46	24,191,960.08
TOTAL LIABILITIES & EQUITY	2,439,015.99	2,544,009.73	2,303,202.88	4,453,835.91	1,488.46	24,191,960.08

These financial statements are intended to present the Fund's investments at market value and are not intended to be a complete representation of the Fund's assets, liabilities, or equity. Neither are they intended to represent the complete results of operations of the Fund.

Management has elected to omit substantially all the disclosures, the statement of cash flows, and the supplementary information required by accounting principles generally accepted in the United States of America. If the omitted disclosures, the statement of cash flows, and the required supplementary information were included in the financial statements, they might influence the user's conclusions about the Fund's financial position, results of operations, and cash flows. Accordingly, the financial statements are not designed for those who are not informed about such matters.

These financial statements have not been subjected to an audit, review, or compilation, and no assurance is expressed on them.

(5)

Waxahachie Firemens R&R Fund
Income Statement
October 2020 through June 2021

	049769 BX BRIE...	143586 OMNIBUS	19200 GENERAL	19201 M/Fs, ETFs	19202 DELAWA...	19203 DELAWA...
Ordinary Income/Expense						
Income						
41010 · Retirement contributions	0.00	0.00	1,119,178.59	0.00	0.00	0.00
42000 · Dividend Income	2.31	10.40	80.05	5,231.80	66,549.90	26,197.15
43000 · Interest Income	0.00	0.00	10.34	42,736.61	0.00	0.00
45000 · Securities Gains/(losses)	219,377.49	0.00	0.00	793,857.33	455,515.58	832,439.97
Total Income	219,379.80	10.40	1,119,268.98	841,825.74	522,065.48	858,637.12
Gross Profit	219,379.80	10.40	1,119,268.98	841,825.74	522,065.48	858,637.12
Expense						
50110 · Distribution of Benefits	0.00	0.00	787,368.21	0.00	0.00	0.00
50140 · Refunds/lump sum payouts	0.00	0.00	285,001.83	0.00	0.00	0.00
50205 · Bank Charges	0.00	0.00	970.00	0.00	0.00	0.00
50210 · Accounting services	0.00	0.00	4,725.00	0.00	0.00	0.00
50215 · Actuary Fees	0.00	0.00	10,964.00	0.00	0.00	0.00
50282 · Investment Fees-Fri/Agnt Custdy	0.00	0.00	20.31	144.04	920.20	0.00
50284 · Investment Fees-Advlary/Consult	7,311.88	0.00	9,000.00	0.00	0.00	0.00
50288 · Investment Fees-Custodia! Svc	0.00	0.00	91.92	4,781.62	416.48	525.89
50288 · Investment Fees-Funds Mgmt	0.00	0.00	0.00	0.00	0.00	0.00
55835 · Dues and Subscriptions	0.00	0.00	101.70	0.00	0.00	0.00
Total Expense	7,311.88	0.00	1,098,240.97	4,925.86	1,336.66	525.89
Net Ordinary Income	212,067.92	10.40	21,028.01	836,900.08	520,728.82	858,111.23
Other Income/Expense						
Other Income						
80500 · Transfers Between Funds	(1,112,543.90)	164.52	(135,620.62)	(159,441.00)	0.00	327,475.00
Total Other Income	(1,112,543.90)	164.52	(135,620.62)	(159,441.00)	0.00	327,475.00
Net Other Income	(1,112,543.90)	164.52	(135,620.62)	(159,441.00)	0.00	327,475.00
Net Income	(900,475.98)	174.92	(114,592.61)	677,459.08	520,728.82	1,185,586.23

These financial statements are intended to present the Fund's investments at market value and are not intended to be a complete representation of the Fund's assets, liabilities, or equity. Neither are they intended to represent the complete results of operations of the Fund.

Management has elected to omit substantially all the disclosures, the statement of cash flows, and the supplementary information required by accounting principles generally accepted in the United States of America. If the omitted disclosures, the statement of cash flows, and the required supplementary information were included in the financial statements, they might influence the user's conclusions about the Fund's financial position, results of operations, and cash flows. Accordingly, the financial statements are not designed for those who are not informed about such matters.

These financial statements have not been subjected to an audit, review, or compilation, and no assurance is expressed on them.

Waxahachie Firemens R&R Fund
Income Statement
October 2020 through June 2021

	<u>19204 FIDELITY</u>	<u>19205 KAYNE A...</u>	<u>19206 WCM INTL</u>	<u>19207 FED CORE</u>	<u>19208 BX BREIF</u>	<u>TOTAL</u>
Ordinary Income/Expense						
Income						
41010 • Retirement contributions	0.00	0.00	0.00	0.00	0.00	1,119,178.59
42000 • Dividend Income	155,732.75	9,459.73	13,788.59	289.59	0.28	277,322.55
43000 • Interest Income	0.00	0.00	0.00	26,277.93	0.01	69,024.89
45000 • Securities Gains/(losses)	479,526.98	653,342.13	596,272.48	(27,365.52)	0.00	4,002,966.44
Total Income	<u>635,259.73</u>	<u>662,801.86</u>	<u>610,061.07</u>	<u>(818.00)</u>	<u>0.29</u>	<u>5,468,492.47</u>
Gross Profit	<u>635,259.73</u>	<u>662,801.86</u>	<u>610,061.07</u>	<u>(818.00)</u>	<u>0.29</u>	<u>5,468,492.47</u>
Expense						
50110 • Distribution of Benefits	0.00	0.00	0.00	0.00	0.00	787,366.21
50140 • Refunds/lump sum payouts	0.00	0.00	0.00	0.00	0.00	285,001.83
50205 • Bank Charges	0.00	0.00	0.00	0.00	0.00	870.00
50210 • Accounting services	0.00	0.00	0.00	0.00	0.00	4,725.00
50215 • Actuary Fees	0.00	0.00	0.00	0.00	0.00	10,964.00
50282 • Investment Fees-Frm/Agnt Custdy	0.00	0.00	1,876.75	0.00	0.00	2,961.30
50284 • Investment Fees-Advsry/Consult	0.00	52.44	4,838.94	0.00	0.00	21,203.26
50286 • Investment Fees-Custodial Svc	576.18	443.19	542.25	696.90	511.83	8,586.24
50288 • Investment Fees-Funds Mgmt	0.00	0.00	9,050.75	0.00	0.00	9,050.75
56836 • Dues and Subscriptions	0.00	0.00	0.00	0.00	0.00	101.70
Total Expense	<u>576.18</u>	<u>495.63</u>	<u>16,308.69</u>	<u>696.90</u>	<u>511.83</u>	<u>1,130,930.29</u>
Net Ordinary Income	<u>634,683.55</u>	<u>662,306.23</u>	<u>593,752.38</u>	<u>(1,514.90)</u>	<u>(511.54)</u>	<u>4,337,562.18</u>
Other Income/Expense						
Other Income						
80500 • Transfers Between Funds	(352,034.00)	0.00	(500,000.00)	1,930,000.00	2,000.00	0.00
Total Other Income	<u>(352,034.00)</u>	<u>0.00</u>	<u>(500,000.00)</u>	<u>1,930,000.00</u>	<u>2,000.00</u>	<u>0.00</u>
Net Other Income	<u>(352,034.00)</u>	<u>0.00</u>	<u>(500,000.00)</u>	<u>1,930,000.00</u>	<u>2,000.00</u>	<u>0.00</u>
Net Income	<u>282,649.55</u>	<u>662,306.23</u>	<u>93,752.38</u>	<u>1,928,485.10</u>	<u>1,488.46</u>	<u>4,337,562.18</u>

These financial statements are intended to present the Fund's investments at market value and are not intended to be a complete representation of the Fund's assets, liabilities, or equity. Neither are they intended to represent the complete results of operations of the Fund.

Management has elected to omit substantially all the disclosures, the statement of cash flows, and the supplementary information required by accounting principles generally accepted in the United States of America. If the omitted disclosures, the statement of cash flows, and the required supplementary information were included in the financial statements, they might influence the user's conclusions about the Fund's financial position, results of operations, and cash flows. Accordingly, the financial statements are not designed for those who are not informed about such matters.

These financial statements have not been subjected to an audit, review, or compilation, and no assurance is expressed on them.

(57)