

**Lubbock Fire Pension Fund
Wednesday, December 8, 2010
#15 Briercroft Office Park, Lubbock Texas**

The Lubbock Fire Pension Fund met in a Regular Meeting on Wednesday, December 8, 2010 at 1:00 P.M.

Members Present

Randy Butcher, Chairman
Jake Browning, Vice-Chairman
Andy Burcham, Secretary/Treasurer
Steve Exter, Member
Kevin Ivy, Member
Alva Littlejohn, Member

Members Absent

Dub Wade, Member

Randy Butcher, Chairman, called the meeting to order at 1:05 p.m.

1. November 10, 2010 Board meeting minutes

Alva Littlejohn made a motion to approve the minutes from the November 10, 2010 Board meeting. The motion was seconded by Andy Burcham and approved by the Board.

2. Service Retirement Applications, Disability Applications, Widow's Benefit Applications, Dependent Child Applications, Contribution Refunds and Benefit Terminations, and QDRO's (Qualified Domestic Relations Order)

Andy Burcham made a motion to cease widow's benefits for Mary Goldwater who passed away on 11/12/10. The motion was seconded by Jake Browning and approved by the Board.

3. Review sales and purchases

The Board reviewed sales and purchases. No action was taken.

4. Custodial bank report by Ed Peschke of Frost Bank

1099 forms will be sent out by January 30, 2011.

5. Consultant update by Tim Sharpe of Morgan Stanley Smith Barney

- Investment Policy--Tim Sharpe reviewed the recommended changes to the Investment Policy . The Board expressed the need to draft procedures for moving funds from manager to manager.
- Abbey Capital--Tim Sharpe stated that this investment should improve net return and reduce volatility .
- Cash Flow Policy--No comments
- Update on Westwood SMID Account--The Fund currently has a commingled account. Westwood has placed a "hard-close" on this fund, which means that funds cannot be added, but the balance can grow based on fund performance. Tim Sharpe stated that he prefers single accounts over commingled accounts, and a new Small/Mid-Cap Plus fund would allow the Fund to have a single account. The fund is new, and has no track record. The Board expressed interest in leaving the funds in the current account and addressing a new small/mid cap fund in the future as the need arises.

6. Discussion and Action on the consultant update by Tim Sharpe

Alva Littlejohn made a motion to accept the revisions to the investment policy as recommended by the consultant. The motion was seconded by Kevin Ivy and approved by the Board.

Jake Browning made a motion to take one-half of the commodities allocation and invest it with Abbey Capital. The motion was seconded by Alva Littlejohn. After discussion, Kevin Ivy amended the motion to fund the Abbey Capital account by taking all of the proceeds from the Dow Jones ETF account, thereby closing that account, and also taking 2% of the 8% allocation from the Deutsche Bank Power Shares account to fund the remaining necessary for the Abbey Capital investment. The amendment to the original motion was seconded by Jake. The amendment to the motion, and the original motion were approved unanimously by the Board.

7. Administrator's Report

- The Fund balance as of 12/8/2010 was \$148,217,936.
- Office expenses
- November financial worksheet

8. Consider the possibility of hosting 2013 Texas Local Fire Fighters' Retirement Act (TLFFRA) Conference

No Board action was taken.

9. Consider the approval of expenses from the National Pension and Institutional Investor Conference in Dallas, Texas on November 15-16, 2010 in the amount of \$515.85.

Jake Browning made a motion to approve the expenses from the National Pension and Institutional Investor Conference in the amount of \$515.85. The motion was seconded by Kevin Ivy and approved by the Board.

10. Consider an invoice from Hund, Krier, Wilkerson & Wright, P.C. in the amount of \$2,625.00 for legal services

Alva Littlejohn made a motion to pay the invoice from Hund, Krier, Wilkerson & Wright, P.C. in the amount of \$2,625 out of the real estate account. The motion was seconded by Kevin Ivy and approved by the Board.

11. CDK appraisals for real estate investment properties

Andy Burcham made a motion to approve the appraisals by Integra Realty Resources to the Fund's auditors so they may book the value of these investments as required by Generally Accepted Accounting Practices and to notify Frost Bank to mark down the values in their system from cost basis to market (appraised) value as identified in the appraisals. The motion was seconded by Steve Exter and approved by the Board.

12. CDK Flower Mound investment

The Board discussed the potential investment in the CDK Flower Mound property. No Board action was taken.

13. Consider three invoices from Integra Realty Resources totaling \$12,900 for property appraisals

Kevin Ivy made a motion to approve the three invoices from Integra Realty Resources in the amount of \$12,900 for property appraisals. The motion was seconded by Steve Exter and approved by the Board.

14. Consider updates on changes to the Pension Review Board Guidelines

Alva provided the board with an overview of changes to the Pension Review Board Guidelines. No action was taken.

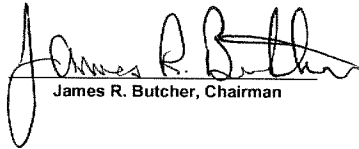
15. Committee reports

Building Committee--The Board discussed pursuing a building for office space. No Board action was taken.

16. Public comment

No public comment was made.

Kevin Ivy made a motion to adjourn the meeting. The motion was seconded by Jake Browning and approved by the Board. The meeting adjourned at 3:10 p.m.


James R. Butcher, Chairman


Andy Burcham, Secretary