

Lubbock Fire Pension Fund
Wednesday, April 13, 2011
#15 Briercroft Office Park, Lubbock Texas
The Lubbock Fire Pension Fund met in a Regular Meeting on Wednesday, April 13, 2011 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
Dub Wade, Member

Members Absent

None

Jake Browning Vice-Chairman, called the meeting to order at 1:05 p.m.

1. Give oath of office to Dub Wade, Civilian Board Member

The oath of office was given to Dub Wade

2. March 9, 2011 Board meeting minutes

The Board reviewed the March 9, 2011 minutes.

Randy Butcher entered the meeting at this point. Jake Browning relinquished the Chairman position to Randy Butcher.

Andy Burcham made a motion to approve the minutes from the March 9, 2011 Board meeting. The motion was seconded by Alva Littlejohn and approved by the Board

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

Active firefighter, Jake Jenkins, passed away on March 27, 2011. Jake Browning made a motion to approve a widow's benefit for Rhonda Jenkins in the amount [REDACTED]. Additionally, each child: Eli Jenkins, Maggie Jenkins and Ella Jenkins, will receive a dependent child benefit in the amount of [REDACTED]. The motion was seconded by Kevin Ivy and approved by the Board

4. Review sales and purchases.

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

5. Custodial bank report by Ed Peschke of Frost Bank

- The Fund balance as of 4/12/2011 was \$156,881,612.66.
- Wentworth trades were executed to meet the rebalance directions to fund the \$300,000 Huff Energy capital call and Consolidated account reserve

6. Presentation by John Crider, consulting actuary, and Donna Hamaker, support actuary

- **Valuation Discussion**—Mr. Crider stated that a 120% limit was in play last valuation and should not be a factor this valuation. Additionally, he discussed the various effects of demographic factors on the amortization period. Andy Burcham commented on the increased City contribution by 2%. Jake Browning expressed concern over the valuation being based on the contribution increase. John Crider commented that if contribution volatility was of concern, the Board may want to consider using five year smoothing on contributions after the 2012 valuation since it will take until then for the 2008 market experience to be absorbed completely into the funds valuation balance.
- **Discussion on Amortization period**—Taking into account the increased contribution level, added fire fighters, and good market experience over the last two years, Mr. Crider stated that his initial feeling is that the amortization period might be in the upper 30s to lower 40s in years. According to 802 of the government code, if amortization is over 40 years, the Pension Review Board requires that 1) the membership be notified and 2) a remediation plan must be submitted to the Pension Review Board

- **Other Valuation Aspects**—Charges for the valuation will be the same as the last valuation, as specified in the contract
Mr. Crider proposed presenting the preliminary presentation in July with final actuarial report being presented in August. The Board agreed to Mr. Crider's proposal.

7. Board direction for the December 31, 2010 actuarial valuation

Randy Butcher pointed out that directives had been covered in the previous item. No Board action was taken.

8. Investment management contract with CDK Realty Advisors

Alva Littlejohn made a motion to accept the management agreement with CDK Realty Advisors as written. The motion was seconded by Kevin Ivy and approved by the Board.

9. Potential investment in the Autumn Leaves property in Clear Lake, Texas with CDK Realty Advisors

After discussion, the Board declined to take action.

10. Administrator's Report

- Office expenses
- Investments update
- March financial worksheet

11. Consider expenses from the TEXPERS Conference, March 26-30, 2011, in Austin, Texas in the amount of \$5,108.06.

Kevin Ivy made a motion to approve the expenses from the TEXPERS Conference in the amount of \$5,108.06. The motion was seconded by Alva Littlejohn and approved by the Board.

12. Consider expenses for Glenn Goldwater from the TEXPERS Conference, March 26-30, 2011, in Austin, Texas in the amount of \$957.35 (Per Service and Software License Agreement)

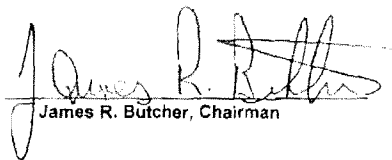
Alva Littlejohn made a motion to approve the expenses for Glenn Goldwater from the TEXPERS Conference in the amount of \$957.35. The motion was seconded by Kevin Ivy and approved by the Board.

13. Committee Reports

14. Public Comment

No public comment was made.

Kevin Ivy made a motion to adjourn the meeting. The motion was seconded by Andy Burcham and approved by the Board. The meeting adjourned at 3:25 p.m.


James R. Butcher, Chairman


Andy Burcham, Secretary