

Lubbock Fire Pension Fund
Wednesday, December 12, 2012
#15 Briercroft Office Park, Lubbock Texas
The Lubbock Fire Pension Fund met in a Regular Meeting on Wednesday, December 12, 2012 at 1:00 P.M.

Members Present

Kevin Ivy, Chairman
Randy Butcher, Vice-Chairman
Steve Exter, Member
Roger Lindsey, Member
Alva Littlejohn, Member
Dub Wade Member

Members Absent

James Capps, Secretary

Staff Present

Jack Watkins

Contractors Present

Kim Calhoun (Westwood Holdings Group)

Public

Tony Guerrero

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

1. November 14, 2012 Board meeting minutes

Randy Butcher made a motion to approve the minutes from the November 14, 2012 Board meeting. The motion was seconded by Alva Littlejohn 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)

Alva Littlejohn made a motion to terminate Rick Greer's Service Retirement Benefit due to death and to begin a Survivor's Benefit for his dependent child, Ryan Greer. The motion was seconded by Dub Wade and approved by the Board.

3. Review sales and purchases

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

4. Investment managers update by Kim Calhoun of Westwood Holdings Group

Kim Calhoun introduced herself and thanked the Board for their continued business with Westwood. Ms. Calhoun passed out presentation booklets and stated that it was "business as usual" at the office in Dallas. She briefed the Board on the expansion of Westwood strategies to include an international and emerging markets strategy, headed by new personnel in a newly opened Toronto, Canada office.

Ms. Calhoun covered the presentation page by page:

- SMID Cap strategy LFPF is in is currently closed to new funds at 2.8 billion
- Changes were made to the portfolio to correct for 1Q and 2Q underperformance
- Main adjustment was realignment of holdings in the Consumer Discretionary Sector
- Impact of Utilities Sector on 2Q performance

Ms. Calhoun discussed the specific holdings within the portfolio, comparing and contrasting price/earnings ratios and REITS held. Continuing, she briefed the Board on statistics that generally indicated trends within the market and compared Westwood performance with that of its peers. Ms. Calhoun discussed scenarios for the upcoming market cycle in the coming year, relative to the fiscal cliff, European stability, and China's perceived economic slowdown. After a short discussion of the Income Opportunity Fund, Ms. Calhoun closed with an added thanks for being a long term client.

5. Consider Frost Insurance invoice in the amount of \$14,837.00 for Directors and Officers Insurance

Alva Littlejohn made a motion to approve payment of the Frost Insurance invoice in the amount of \$14,837.00 for Director and Officers Insurance. The motion was seconded by Steve Exter and approved by the Board.

6. Consider Hartford Insurance invoice in the amount of \$657.00 for Business Owners Liability Insurance

Alva Littlejohn made a motion to approve payment of Hartford's invoice in the amount of \$657.00 for Business Owners Liability Insurance. The motion was seconded by Randy Butcher and approved by the Board.

7. Consider Draft 1.52 of Investment Policy Revision 1.4 for adoption

Randy Butcher made a motion to adopt Draft 1.52 of the Investment Policy as written. The motion was seconded by Alva Littlejohn and approved by the Board.

8. Administrator's Report

- Custodial Bank Balance Report: \$158,526,330.16
- Office expenses
- November financial worksheet
- Investments update
- Other Items: Retiree verification update, John Crider to present at February Meeting, Paul Greenwell and Luther King to present at the March Meeting, Update on Attorney Kim Wilkerson's conversation with the City Attorney on gratuities.

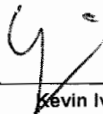
9. Committee reports

Alva Littlejohn briefed the Board on the Chairman's Meeting in Dallas with the Pension Commissioner.

10. Public comment

No public comment was made.

Roger Lindsey made a motion to adjourn the meeting. The motion was seconded by Randy Butcher and approved by the Board.



Kevin Ivy, Chairman



James Capps, Secretary