

Lubbock Fire Pension Fund
Wednesday, November 12, 2014
#15 Briercroft Office Park, Lubbock Texas
The Lubbock Fire Pension Fund met in a Regular Meeting on Wednesday, November 12, 2014 at 1:00 P.M.

<u>Members Present</u>	<u>Members Absent</u>	<u>Staff Present</u>	<u>Contractors Present</u>
Kevin Ivy, Chairman	None	Jack Watkins	Tim Sharpe (Morgan Stanley Wealth Management)
Roger Lindsey, Vice-Chairman		Kayla Burcham	
Linda Cuellar, Secretary			
Randy Butcher, Member			
Steve Exter, Member			
Alva Littlejohn, Member			
Dub Wade, Member			

Kevin Ivy, Chairman, called the meeting to order at 1:05 p.m.

1. October 8, 2014 Board meeting minutes

Alva Littlejohn made a motion to approve the minutes for the October 8, 2014, meeting as written. The motion was seconded by Steve Exter and approved by the Board.

2. Benefit Applications, Changes and QDROs (Qualified Domestic Relations Order)

Randy Butcher made a motion to approve a service benefit for Russell Biggs. The motion was seconded by Roger Lindsey and approved by the Board.

Alva Littlejohn made a motion to approve a service benefit for Dwayne Pounds. The motion was seconded by Randy Butcher and approved by the Board.

3. Review sales and purchases

The Board reviewed sales and purchases.

4. Consultant presentation by Tim Sharpe with Morgan Stanley Wealth Management

Tim Sharpe presented the 3rd quarter review. Headlines highlighted a loss of 2% in the market during the 3rd Quarter. Returns were very mixed, indicating a significant disparity in the returns in various stocks and sectors. Changing currency rates similarly had a significant effect on returns. Unemployment fell during the quarter while corporate earnings were up. Inflation for 2014 is expected at 2% and 1.8% for 2015. Housing is strong but very area-specific. Economic policy in the rest of the world was slow to respond in the same way as in the U.S., causing a recovery lag in foreign markets.

Mr. Sharpe continued his presentation by reviewing Fund performance generally and for each specific account. He presented anonymous comparisons of performance with the other Funds he served, and then presented findings summarizing the contribution each accounts made to the underperformance of the Fund. After significant discussion by the Board, Mr. Sharpe moved on to discuss proposed re-balance for the Fund.

Alva Littlejohn made a motion to rebalance in accordance with the exception, as presented in the second proposal. The motion was seconded by Linda Cuellar and approved by the Board.

The Chairman directed Mr. Sharpe to bring potential replacements for the commodities account. Mr. Sharpe closed his discussion with a recap of directives given by the Board.

The Chairman called for a 5 minute break at 2:40 p.m. and Mr. Sharpe left the meeting. The meeting reconvened at 2:45 p.m.

5. Consider invoice from Glenn Goldwater in the amount of \$2,100.00 for pension information services

Randy Butcher made a motion to approve payment of Glenn Goldwater's invoice for pension information services in the amount of \$2,100.00. The motion was seconded by Roger Lindsey and approved by the Board.

6. Administrators Report

- Custodial Bank Balance Report -- \$188,897,611.56
- Office Expenses
- October financial worksheet
- Investment updates

7. Committee reports


No committee reports were presented.

8. Public Comment

No public comment was made.

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

The meeting adjourned at 3:05 p.m.



Kevin Ivy, Chairman



Roger Lindsey, Vice-Chairman