

Lubbock Fire Pension Fund
Friday, August 14, 2015
#15 Briercroft Office Park, Lubbock Texas

The Lubbock Fire Pension Fund met in a Regular Meeting Friday, August 14, 2015 at 1:00 P.M.

Members Present

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

Members Absent

None

Staff Present

Jack Watkins
Kayla Burcham

Contractors Present

Tim Sharpe

Roger Lindsey, Chairman, called the meeting to order at 1:00 p.m.

1. July 8, 2015 and July 29, 2015 Board meeting minutes

Alva Littlejohn made a motion to approve the minutes from the July 8, 2015 and July 29, 2015 Board meetings. The motion was seconded by Randy Butcher and approved by the Board.

2. Presentation by Tim Sharpe with Morgan Stanley Wealth Management

Tim Sharpe presented the quarterly review to the Board. He reviewed market fundamentals, highlighting the effect of economic challenges in China, Greece and Puerto Rico. He commented that Japanese equities offered the best performance for the quarter. Continuing with a market overview, Mr. Sharpe reviewed the domestic economy and equity markets, global equities and the U.S. bond market. Moving on to discussion specific to the Fund, he presented performance results for the quarter for each individual account, as well as collectively for the Fund. Mr. Sharpe presented updates to the Board on the recent Blackstone investments and recounted a conversation he had with Brian Forth of WHV about performance prospects for that account. He added that at the next review he would set up a conference call to further the discussion with Mr. Forth.

Mr. Sharpe handed out information on two recommended investments, hedge funds managed by Millennium and Balyasny. He gave a history of the Millennium fund along with performance results over the life of the fund.

At 1:45 p.m., Roger Lindsey call for a five minute break. The meeting resumed at 1:50 p.m.

Mr. Sharpe resumed his presentation, discussing the structure and management of this fund, other TLFFRA funds who had invested, and how the investment flowed thru Morgan Stanley's platform. At the questioning of the Board, Mr. Sharpe stated that a 5% allocation to this type of investment would be his recommendation. Mr. Sharpe then presented the fundamentals to the board on a fund managed by Balyasny which has a very similar structure and return history as Millennium. Mr. Sharpe discussed allocations, funding arrangements, and political aspects of the potential investments. The Board expressed a desire to further discuss the item at the next Board meeting, and if warranted, Mr. Sharpe stated that he could arrange formal presentations for the October meeting.

No rebalance was indicated.

Mr. Sharpe presented the draft of the updated Investment Policy to the Board. Randy Butcher made a motion to approve the updated Investment Policy as written. The motion was seconded by Kevin Ivy and approved by the Board.

At 2:40 p.m., Tim Sharpe left the meeting.

- 3. Conduct an executive session pursuant to section 551.074 of the Government Code regarding:
a). Application for Disability Benefit, and b). Office Relocation Real Estate**

Roger Lindsey called for a five minute break.

At 2:45 p.m., the board conducted an executive session. The meeting resumed at 3:10 p.m.

- 4. Benefit Applications, Changes, and QDROs (Qualified Domestic Relations Order)**

Randy Butcher made a motion to terminate the service benefit to HG Trammell, due to death. The motion was seconded by Alva Littlejohn and approved by the Board.

Alva Littlejohn made a motion to approve payment of a widow's benefit to Doris Trammell. The motion was seconded by Randy Butcher and approved by the Board.

Kevin Ivy made a motion to qualify and approve payment of a QDRO submitted for Eddie and Deitra Kirkpatrick. The motion was seconded by Randy Butcher and approved by the Board.

Alva Littlejohn made a motion to approve a disability benefit to Travis Parkinson. The motion was seconded by Dub Wade and approved by the Board.

- 5. Office Relocation**

The Board discussed relocation of the office. No action was taken.

- 6. Review sales and purchases**

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

- 7. Discussion and Action on proposal by Champion Capital Research for independent assessment of current Lubbock Fire Pension Fund Investment Policy and Asset Allocation**

In considering the proposal for service by Champion Capital Research, Alva Littlejohn commented that a presentation by the firm was on the agenda for the upcoming TLFFRA conference. Alva Littlejohn made a motion to take no action on the item. The motion was seconded by Randy Butcher and approved by the Board.

8. Consider invoice from Robinson Burdette Martin & Seright, L.L.P. in the amount of \$14,250.00 for the 2014 audit

Kevin Ivy made a motion to approve payment of the invoice from Robinson Burdette Martin & Seright, L.L.P. in the amount of \$14,250 for the 2014 audit. The motion was seconded by Alva Littlejohn and approved by the Board.

9. Consider invoice from Hund, Krier, Wilkerson & Wright, P.C. in the amount of \$1,198.00 for legal services

Kevin Ivy made a motion to approve payment of the invoice from Kim Wilkerson in the amount of \$1,198.00 for legal services. The motion was seconded by Alva Littlejohn and approved by the Board.

10. Consider invoice from John M. Crider, Jr. in the amount of \$2,404.00 for actuarial services

Alva Littlejohn made a motion to approve payment of the invoice from John Crider in the amount of \$2,404.00 for actuarial services. The motion was seconded by Randy Butcher and approved by the Board.

11. Administrator's Report

- Custodial Bank Balance Report- \$177,858,677.77
- Office expenses
- July financial worksheet
- Investments update

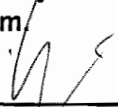
12. Committee Reports

Alva Littlejohn commented on the investments advised by the consultant earlier in the meeting. He also updated the Board on the Continuing Education hours available at the upcoming TLFFRA conference in Laredo.

13. Public Comment

There was no public comment.

Randy Butcher made a motion to adjourn the meeting. The motion was seconded by Kevin Ivy and approved by the Board. The meeting adjourned at 3:35 p.m.



Kevin Ivy, Vice-Chairman



Linda Cuellar, Secretary