

Lubbock Fire Pension Fund
Wednesday, June 8, 2016
#15 Briercroft Office Park, Lubbock Texas
The Lubbock Fire Pension Fund met in a Regular Meeting on Wednesday, June 8, 2016 at 1:00 P.M.

Members Present

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

Members Absent

None

Staff Present

Jack Watkins
Kayla Burcham

Contractors Present

Brent Redford and Alazar Martinez (Robinson Burdette Martin & Seright, L.L.P.)
Jon Donahue, Brent Kroener, and Amanda Cooley (CDK Realty Advisors)
Glenn Goldwater

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

Several agenda items were taken out of order. The minutes reflect the order each item was taken.

1. **May 9, 2016 and May 11, 2016 Board Meeting minutes**

Alva Littlejohn made a motion to approve the minutes from the May 9, 2016 and May 11, 2016 Board meetings. The motion was seconded by Randy Butcher and approved by the Board.

4. **Presentation and review of the 2015 audit by Brent Redford and Alazar Martinez of Robinson Burdette Martin & Seright, L.L.P.**

Brent Redford presented the Audit of Financial Statements as of December 31, 2015, to the Board. He reviewed the final report page by page highlighting derivation of balance sheet entries, changes in GASB reporting requirements, and exception reporting of account value for asset valuations. He pointed out relevant entries for required actuarial reporting and answered questions by the Board specific to the changes in those entries from the previous year's report. Mr. Redford reviewed the associated letter of required communications, expressing that in his opinion the financial statements fairly represent the financial status of the Fund. After thanking the Board, Mr. Redford closed his presentation.

Brent Redford and Alazar Martinez left the meeting at 1:15 p.m.

5. **Consider approval of the audit of the financial statements ending December 31, 2015**

Kevin Ivy made a motion to approve the audit as presented. The motion was seconded by Dub Wade and approved by the Board.

Jon Donahue, Brent Kroener, and Amanda Cooley entered the meeting at 1:17 p.m.

6. **Investment Review and Update by Jon Donahue, Brent Kroener, and Amanda Cooley with CDK Realty Advisors**

Brent Kroener opened the presentation with a review of CDK's investments with respect to Dallas Police and Fire and changes in the Dallas Board's investment strategy as a result of Board composition changes. He outlined the changing relationship between Dallas Police and Fire and CDK, and the unfolding of significant events leading to termination of Dallas Police and Fire as a CDK client. Mr. Kroener described CDK's operational strategy going forward and briefed the Board on upcoming changes in office location and firm name. After answering questions from the Board, he turned the presentation over to Amanda Cooley. Ms. Cooley presented a portfolio review to the Board. She covered the review page by page, emphasizing significant aspects of each investment with respect to pro forma deviations, correction measures pursued, returns, scheduled closes, and potential capital calls for stabilization efforts. After a brief review and progress update on the holdings in the Multi-Family portfolio, Ms. Cooley returned the presentation to Mr. Kroener. Mr. Kroener handed out materials to the Board on the Keller investment and presented options to the Board for hold/sell of the Fund's interest in the Keller investment to the general partner.

After discussion, Randy Butcher made a motion to pursue sale of the Keller property as presented by the manager. The motion was seconded by Alva Littlejohn and approved by the Board.

Jon Donahue, Brent Kroener, and Amanda Cooley left the meeting at 1:40 p.m.

Roger Lindsey called for a 5 minute break.

The meeting reconvened at 1:45 p.m.

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

Randy Butcher made a motion to terminate the service retirement benefit for Ed Maeker, due to death, and to approve a widow's benefit for Pauline Maeker. The motion was seconded by Kevin Ivy and approved by the Board.

3. Review sales and purchases

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

7. Service Credit for Benefit Calculation

Randy Butcher made a motion that service calculations will count both the beginning and ending dates of the employment period considered. The motion was seconded by Kevin Ivy and approved by the Board.

8. Consider expenses from the TLFFRA Trustee Training in Irving, Texas, May 12-13, 2016, in the amount of \$2,084.13

Kevin Ivy made a motion to approve the expenses from the TLFFRA Trustee Training in the amount of \$2,084.13. The motion was seconded by Alva Littlejohn and approved by the Board.

9. Consider invoice from John M. Crider, Jr. in the amount of \$3,633.00 for actuarial services

Dub Wade made a motion to approve payment of the invoice from John Crider in the amount of \$3,633.00 for actuarial services. The motion was seconded by Alva Littlejohn and approved by the Board.

10. Consider invoice from Glenn Goldwater in the amount of \$2,100 for pension information services

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

11. Consider invoice from Robinson Burdette Martin & Seright, L.L.P. in the amount of \$14,750.00 for the 2015 audit

Randy Butcher made a motion to approve payment of the invoice from Robinson Burdette Martin & Seright, L.L.P. in the amount of \$14,750.00 for the 2015 audit. The motion was seconded by Kevin Ivy and approved by the Board.

12. Administrator's Report

- Custodial bank balance report: \$176,187,421.41
- Office expenses
- May financial worksheet
- Investments update


13. Committee reports

Alva Littlejohn updated the Board on recent investment committee discussions. He also gave an update on facilities and schedule preparations for the upcoming TLFFRA Conference in McAllen, Texas.

14. Public comment

Glenn Goldwater commented that there would be no programming charge for the Board's clarification of calculation on service.

Alva Littlejohn made a motion to adjourn. The motion was seconded by Kevin Ivy and approved by the Board.


Roger Lindsey, Chairman


Kevin Rule, Secretary