

**Lubbock Fire Pension Fund**  
**Wednesday, November 9, 2016**  
**#15 Briercroft Office Park, Lubbock Texas**

**The Lubbock Fire Pension Fund met in a Regular Meeting on Wednesday, November 9, 2016 at 1:00 P.M**

**Members Present**

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

**Members Absent**

**Steve Exter, Member**

**Staff Present**

**Jack Watkins**  
**Kayla Burcham**

**Contractors Present**

**Ken Cooley**  
**Jon Donahue**  
**Tim Sharpe**

**Public Present**

**Raymond Stanford**

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

**1. October 12, 2016 Board meeting minutes**

Kevin Ivy made a motion to approve the minutes from the October 12, 2016 Board meeting. The motion was seconded by Alva Littlejohn and by the Board.

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

No Benefit related items were considered.

**3. Review sales and purchases**

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

**4. Portfolio review and update by Ken Cooley and Jon Donahue with Harvest Interests**

Ken Cooley gave the Board an update on the name change for the firm. He added that they had settled with Dallas Police and Fire, but the paperwork was still being worked through; that being instrumental in completing the change. Mr. Cooley explained that the original firm will exist for the term of the multifamily investment fund, but will be defunct once that fund's investments are sold and the fund is terminated. He continued his presentation with a review of the portfolio holdings. Mr. Cooley covered the handout page by page, highlighting significant strengths and weaknesses in each of the investments, along with steps being taken to get lagging projects back in line with original performance expectations. Local economy issues as well as staffing and leasing changes were discussed. After a thorough review, Mr. Cooley and Mr. Donahue presented their thoughts on possible retail and bridge loan programs as added directions for the firm in the coming year. Questions by the Board were answered and Mr. Cooley closed the presentation.

**Roger Lindsey called for a 5 minute break at 1:45 p.m.**

**Ken Cooley and Jon Donahue left the meeting.**

**The meeting reconvened at 1:50 p.m.**

**5. Consultant presentation by Tim Sharpe with Morgan Stanley Wealth Management**

Tim Sharpe present the quarterly review to the Board. He opened his presentation with comments about the strength of the returns during the 3rd quarter compared to previous quarters. Continuing with a review of market fundamentals, he discussed both the domestic and global economy, relative to equities and fixed markets.

Mr. Sharpe reviewed the performance data for the fund, giving both time weighted and dollar weighted return comparisons. He reviewed each of the investments with the Board, giving benchmark performance and historical performance values for each. Completing the performance review, a rebalance schedule was presented for consideration. No action was taken by the Board.

Continuing, Mr. Sharpe presented data on an investment offered by Graham Capital Management. After discussion and answering questions from the Board, Mr. Sharpe closed his presentation

**Roger Lindsey called for a 5 minute break at 3:10 p.m.**

**Tim Sharpe left the meeting.**

**The meeting reconvened at 3:15 p.m.**

**6. Consider expenses from the TLFFRA Educational Conference, October 1-4, 2016, in McAllen, Texas, in the amount of \$6,254.20**

Alva Littlejohn made a motion to approve the expenses from the TLFFRA Educational Conference in the amount of \$6,254.20. The motion was seconded by Randy Butcher and approved by the Board.

**7. Consider expenses for Glenn Goldwater from the TLFFRA Educational Conference, October 1-4, 2016, in McAllen, Texas, in the amount of \$1,738.00 (Per Service and Software License Agreement)**

Randy Butcher made a motion to approve the expenses for Glenn Goldwater from the TLFFRA Educational Conference in the amount of \$1,738.00. The motion was seconded by Kevin Ivy and approved by the Board.

**8. Consider invoice from John M. Crider, Jr. in the amount of \$1,967.00 for actuarial services**

Kevin Ivy made a motion to approve payment of an invoice from John M. Crider, Jr. in the amount of \$1,967.00 for actuarial services. The motion was seconded by Dub Wade and approved by the Board.

**9. Consider invoice from Hund, Krier, Wilkerson & Wright, P.C. in the amount of \$2,373.00 for legal services**

Kevin Ivy made a motion to approve payment of an invoice from Hund, Krier, Wilkerson & Wright, P.C. in the amount of \$2,373.00 for legal services. The motion was seconded by Alva Littlejohn and approved by the Board.

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

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

**11. Consider Frost Insurance quotes for Directors and Officers insurance**

The Board considered proposals for Directors and Officers insurance. Kevin Ivy made a motion to renew Directors and Officers insurance in the amount of \$5,000,000.00, at a premium amount of \$21,216.00. The motion was seconded by Alva Littlejohn and approved by the Board.

**12. Consider Hartford Insurance invoice in the amount of \$872.00 for Business Owners liability insurance**

Randy Butcher made a motion to approve payment of the invoice from Hartford Insurance in the amount of \$872.00 for Business Owners liability insurance. The motion was seconded by Alva Littlejohn and approved by the Board.

**13. Administrator's Report**

- Custodial Bank Report-- \$173,337,541.14
- Office expenses
- October financial worksheet
- Investments updates

**14. Committee reports**

Alva Littlejohn reported on the Pension Review Board Actuarial Soundness Committee Meeting in Austin on November 3, 2016. He reviewed items of interest that were discussed; shortening amortization periods, smoothing methods, conversion to defined contribution plans and actuarial experience studies.

**15. Public comment**


No public comment was made.

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



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Kevin Ivy, Vice-Chairman



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Kevin Rule, Secretary