

Lubbock Fire Pension Fund
Wednesday, April 11, 2018
4223 85th Street, Lubbock Texas

The Lubbock Fire Pension Fund met in a Regular Meeting on Wednesday, April 11, 2018 at 1:00 P.M.

Members Present

Kevin Ivy, Chairman
Randy Lammons, Vice-Chairman
Blu Kostelich, Secretary
Steve Exter, Member
Alva Littlejohn, Member
Dub Wade, Member

Members Absent

Cory McLaurin, Member

Staff Present

Jack Watkins
Krista Bailey
Kayla Burcham

Contractors Present

Dale Connors (via teleconference)
Andy Fiegel (via teleconference)

Public Present

None

Kevin Ivy, Chairman, called the meeting to order at 1:00 p.m.

1. Give Oath of Office to Civilian Board Member

The Oath of Office was given to Alva Littlejohn.

2. March 14, 2018 Board meeting minutes

Randy Lammons made a motion to approve the minutes from the March 14, 2018 Board meeting. The motion was seconded by Blu Kostelich and approved by the Board.

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

Dub Wade made a motion to approve a service retirement benefit for Robert Stanley Bailey. The motion was seconded by Randy Lammons and approved by the Board.

Alva Littlejohn made a motion to approve a return of contributions for Justin Paul Rhodes. The motion was seconded by Randy Lammons and approved by the Board.

Randy Lammons made a motion to certify as qualified the QDRO submitted for Matt Hixon and Maria Hixon. The motion was seconded by Alva Littlejohn and approved by the Board.

4. Review sales and purchases

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

5. Consultant presentation via teleconference by Dale Connors and Andy Fiegel with Ellwood Associates

At 1:05 p.m., Dale Connors and Andy Fiegel with Ellwood Associates joined the meeting via teleconference. After opening remarks by Mr. Connors, Mr. Fiegel presented the performance review for March. Market conditions and concerns were expressed as well as performance data. Investment returns for each account were reviewed with comments on challenges faced in current market environment. After briefing the Board on upcoming capital calls, Mr. Fiegel ended his presentation.

Mr. Connors presented the completed Asset Allocation Study, opening with capital market assumptions data for the coming 10 year period. He reviewed an analysis of the assumed rate of return for the Fund and gave probabilities for capturing that long term return, compared to attainment probabilities for incrementally similar returns. Efficient frontier comparisons were discussed, as well as volatility risk and worst case scenario expectations. After entertaining questions on the study, Mr. Connors ended the presentation with rebalance recommendations.

The teleconference ended at 1:35 p.m.

6. Discussion and Action on Consultant presentation

Alva Littlejohn made a motion to rebalance, as recommended by the Consultant, moving \$6 million from fixed income with Garcia Hamilton to floating rate debt in Virtus Seix mutual fund. The motion was seconded by Randy Lammons and approved by the Board.

7. Administrator's Report

- Custodial Bank Report-- \$194,211,084.77
- Office expenses
- March financial worksheet
- Investments updates

8. Committee reports

Kevin Ivy gave an update from the Disability Committee.
Alva Littlejohn reported on the upcoming Pension Review Board Plan Design Committee meeting.

9. Public comment

There was no public comment

Randy Lammons made a motion to adjourn. The motion was seconded by Alva Littlejohn and approved by the Board. The meeting adjourned at 1:55 p.m.



Kevin Ivy, Chairman



Blu Kostelich, Secretary