

STATE OF TEXAS }
COUNTIES OF POTTER }
AND RANDALL }
CITY OF AMARILLO }

On this the 18th day of August 2010, members of the Firemen's Relief and Retirement Fund Board of Trustees of Amarillo, Texas met in regular session at City Hall, 509 East Seventh Avenue, Amarillo, Texas, with the following members and guests present:

<u>MEMBERS</u>	<u>PRESENT</u>	<u>HELD SINCE APPOINTMENT</u>	<u>ATTENDED SINCE APPOINTMENT</u>
DEBRA MCCARTT, MAYOR	NO	62	0
JOE NEELY, CHAIRMAN	YES	171	148
JEFF GREENLEE, VICE CHAIRMAN	YES	105	99
DEAN FRIGO, SECRETARY	YES	239	221
DAVID PRESTON, CIV. MEM.	NO	186	145
JOE HOWELL, CIV. MEM.	NO	155	124
TONY ROBINSON, FIREMAN	YES	80	73

Also present: Kelly Bevis (Wells Fargo Advisors), Mary Davidson (Abel/Noser), Michelle Bonner, Finance Director, and Andrea Rains, Recording Secretary.

ITEM 1. Mr. Neely presented the minutes from the regular monthly meeting held July 21st, 2010 for approval. There were no questions or comments. Motion to approve the minutes as written was made by Mr. Robinson, seconded by Mr. Greenlee and carried unanimously.

ITEM 2. Ms. Bonner presented the Investment Resolution as follows:

Sales

07/16/10	10,000 Shares Resmed Inc Com	
	Total Proceeds:	\$ 658,797.85
	Total Costs:	\$ 513,107.00
	Net Gain (Loss):	\$ 145,690.85

07/23/10	10,000 Shares Resmed Inc Com	
	Total Proceeds:	\$ 636,959.22
	Total Costs:	\$ 513,107.00
	Net Gain (Loss):	\$ 123,852.22

Purchases

07/26/10	7,970 Shares Roper Inds Inc Com	
	Total Costs:	\$ 465,020.81

07/27/10	4,030 Shares Roper Inds Inc Com	
	Total Costs:	\$ 242,275.94

07/29/10	10,000 Shares Ball Corp Com	
	Total Costs:	\$ 574,000.00

Mr. Greenlee motioned to approve the investment resolution as presented. The motion was seconded by Mr. Robinson and unanimously carried.

ITEM 3. Mr. Frigo presented the Fund's summary of revenue and expenditures and reported the total market value of the Fund was \$106,501,181.19 at July 31st, 2010. He reviewed employer/employee receipts of about \$320 thousand and approximately \$120 thousand received in earnings from investments. He noted that total receipts were in excess of approximately \$144 thousand over total disbursements. Of the total disbursements, Mr. Frigo reported that the Fund paid out over \$550 thousand in benefit payments for the month. He reminded the Board that because the Fund now has a total market value of over \$100 million, the Fund will be required to have an actuarial audit of its' 2010 valuation.

ITEM 4. Ms. Bevis presented the Fund's Investment Performance Review and reviewed the Capital Markets Review at June 30, 2010. She reported that the Fund had returns of -5.23% versus that of the Policy of -6.57% for the latest quarter and stated that the Fund outperformed the Policy in each time period since inception with returns of -1.38% for the latest year to date, 13.19% for the latest one-year period, -0.90% for the latest three-years, 4.15% for the latest five-years, and 2.71% for the latest 10-year period. On a risk-adjusted basis, Ms. Bevis reported that the Fund is taking less risk and getting more return than that of the market. She reviewed the Summary of Cash Flows and stated that the Fund had an ending market value of \$103,179,592 for the last

three months. Reviewing Risk/Return Statistics, Ms. Bevis noted the sharpe ratio of the Fund was -0.18 versus -0.37 of the market for the latest 3 years; 0.17 versus -0.09 for the latest 5 years, and 0.03 versus -0.11 for the latest 10 years. She pointed out that the Fund ranked in the top quarter for the year to date and stated that Luther King is doing well compared to his peers. In summary, Ms. Bevis stated that on an absolute return, Luther King is doing a good job in a tough environment.

ITEM 5. Mary Davidson presented the Trading Report prepared by Abel/Noser Corporation at June 30, 2010 and reported that the Fund had an average commission cost of 4.0 cents a share versus a universe average of 2.5 cents for the first-half of 2010. She noted that although the Fund's commission cost had remained fairly consistent since 2008, the cost had dropped significantly since 2003. Ms. Davidson reviewed the Fund's executions costs and reported that Luther King's trades for the for the first-half of the year resulted in an average trading cost of 15.3 cents per share versus a universe trading cost of 1.2 cents per share. She explained that the high trading costs could be identified back to three trades and stated that overall; Luther King had produced a good report.

ITEM 6. The Board acknowledged receipt of the quarterly Written Investment Report prepared by Luther King Capital Management.

ITEM 7. The Board reviewed Luther King Capital Management's Privacy Notice.

ITEM 8. The Board accepted receipt of the Management Uniform Application for Investment Adviser Registration from Luther King Capital Management.

ITEM 9. Form 100, Change of Beneficiary, for David R. Michelotti was motioned for approval by Mr. Robinson. Mr. Greenlee seconded the motion and it carried unanimously.

ITEM 10. Payment in the amount of \$54,225.00 to Luther King Capital Management for the billing period 07/01/2010 to 09/30/2010 was motioned for approval by Mr. Greenlee. The motion was seconded by Mr. Robinson and unanimously carried.

ITEM 11. Public Comments. There were no public comments.

THERE being no further business, the meeting adjourned at 10:45 a.m.

Joe Neely, Chairman

ATTEST:

Dean Frigo, Secretary