

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

On this the 21st day of August 2013, 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>
PAUL HARPOLE, MAYOR	YES	26	9
JOE NEELY, CHAIRMAN	YES	207	177
TONY ROBINSON, VICE-CHAIRMAN	YES	116	106
MICHELLE BONNER, SECRETARY	YES	6	5
BRANDON MASON, FIREMAN	YES	8	7
DAVID PRESTON, CIVILIAN MEMBER	NO	222	171
JOE HOWELL, CIVILIAN MEMBER	YES	191	152

Also present: Bobby Martinez, Amarillo National Bank; Kelly Bevis, Wells Fargo Advisors; Stephen Wheeler, Wells Fargo Advisors.

ITEM 1. Mr. Neely presented the minutes from the meeting held on July 17<sup>th</sup>, 2013. With no questions or comments, Mr. Robinson motioned to approve the minutes as presented. Mr. Mason seconded the motion and it unanimously carried.

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

Sales

07/09/13	1,875 Shares Mallinckrodt PLC	
	Total Proceeds:	\$ 80,011.04
	Total Costs:	\$ 65,974.37
	Net Gain (Loss):	\$ 14,135.67
07/19/13	10,000 Shares Allergan Inc Com	
	Total Proceeds:	\$ 900,484.32
	Total Costs:	\$ 884,157.00
	Net Gain (Loss):	\$ 16,327.32

Purchases

07/11/13	12,000 Shares Prudential Financial Inc Com	
	Total Costs:	\$ 920,242.80

Motion was made by Mr. Howell, seconded by Mr. Mason and carried unanimously to approve the Investment Resolution as presented.

ITEM 3. Summary of Revenue and Expenditures. Ms. Bonner presented the Fund's Summary of Revenue and Expenditures at July 31, 2013 and reported an unrealized appreciation in the market value of investment of \$5.4 million with a total market value of \$138,026,623.31. She reviewed employer/employee receipts of approximately \$367,000 and earnings from interest and dividends of about \$130,000. Ms. Bonner noted total receipts of \$527,224.50 versus total disbursements of \$776,508. She explained that the Fund was invested about 6% in cash, 16% in fixed income, and 78% in equities. She added that although the Fund's Investment Policy includes a limit of 75% of the market value of the portfolio, the Policy recognizes that market value fluctuations affect the percent invested and will be monitored going forward. Ms. Bonner stated that all employer/employee contributions were made timely for the month of July.

ITEM 4. Presentation of Investment Review by Wells Fargo Advisors. Mr. Wheeler reviewed the Capital Markets Review for periods ending June 30, 2013. Ms. Bevis presented the Fund's Investment Performance Analysis as of June 30, 2013 and reported that the Fund was slight behind the Policy for the quarter with a return of 1.17% versus 1.34%; however, the Fund had outperformed the Policy for the 1 year, 5 year and 10 year periods with regards to annualized returns. Ms. Bevis stated that for the three year period, the Fund's return and amount of risk was right in line with the benchmark. However, for the five year period, the Fund was receiving a better return with less risk than that of the benchmark. She added that the Fund ranked in the top one-third percentiles for all time periods. In closing, Ms. Bevis stated that Luther King was successful in meeting the Fund's goals and objectives, had taken an acceptable amount of risk, and had added value to the Fund. Ms. Bevis also presented the Money Market Comparison for the Securities Lending Program. She stated that the money markets used were all highly rated. Mr. Preston asked if there were any dangers or

positives in the investment market that the Board should be aware of. Ms. Bevis replied that the market hates uncertainties and that there are lots of uncertainties in the market at this time including the economy, housing and consideration of a replacement of Ben Bernanke. Mr. Wheeler reviewed the risk of a rising interest rate environment.

ITEM 5. Written Investment Report by Luther King Capital Management. The Board acknowledged receipt of the Luther King Capital Management Written Investment Report at June 30, 2013.

ITEM 6. Presentation of Luther King Capital Management Form ADV Part 2A (Brochure) and Brochure Supplement. The Board acknowledged receipt of the Luther King Capital Management Written Form ADV Part 2A (Brochure) and Brochure Supplement.

ITEM 7. Presentation of Luther King Capital Management Privacy Notice. The Board acknowledged receipt of the Luther King Capital Management Privacy Notice.

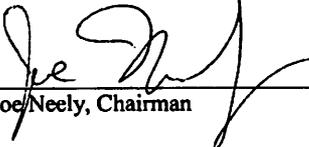
ITEM 8. Consider Form 135, Termination of Employment Application for Refund of Retirement Contributions, for Matthew Moss. Mr. Robinson motioned to approve Form 135, Termination of Employment Application for Refund of Retirement Contributions, for Matthew Moss in the gross amount of \$3,923.63. Ms. Bonner seconded the motion and it unanimously carried.

ITEM 9. Consider Form 100, Update of Beneficiary, for Raymond Craddock. Form 100 for Raymond Craddock was motioned for approval by Mr. Mason, seconded by Mr. Robinson and unanimously carried.

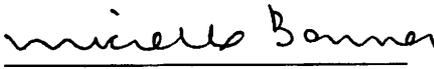
ITEM 10. Consideration of Attendance to Texas Local Fire Fighters' Retirement Act Educational Conference to be held September 15-18, 2013 in Lubbock, Texas. Mr. Robinson made the motion to approve all travel expenses for Board members related to attendance of the TLFFRA conference. Ms. Bonner seconded the motion and it carried unanimously.

ITEM 11. Public Comments. There were no public comments at this meeting.

THERE being no further business, the meeting adjourned at 10:36 a.m.

  
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Joe Neely, Chairman

ATTEST:

  
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Michelle Bonner, Secretary