

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

On this the 15<sup>th</sup> day of May 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	23	6
JOE NEELY, CHAIRMAN	YES	204	175
TONY ROBINSON, VICE-CHAIRMAN	YES	113	103
MICHELLE BONNER, SECRETARY	YES	3	3
BRANDON MASON, FIREMAN	YES	5	4
DAVID PRESTON, CIVILIAN MEMBER	YES	219	169
JOE HOWELL, CIVILIAN MEMBER	NO	188	149

Also present: Kelly Bevis, Wells Fargo Advisors; Lani Hall, Connor, McMillon, Mitchell & Shennum, PLLC; Patricia Slaughter, AFRRF Retiree; Bobby Martinez, Amarillo National Bank; Curtis Bainum, Finance Director, City of Amarillo; and Andrea Rains, Recording Secretary, City of Amarillo.

ITEM 1. Mr. Neely presented the minutes from the meeting held on April 17<sup>th</sup>, 2013. There were no questions or comments. Motion was made by Mr. Preston, seconded by Mr. Robinson, and unanimously carried to approve the minutes as written.

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

Maturities

04/01/13	\$750,000.00 Par Value 5.0% Coupon – Maturity Date: 04/01/2013 Hershey Co	
	Total Proceeds:	\$ 750,000.00
	Total Costs:	\$ 755,872.50
	Net Gain (Loss):	(\$ 5,872.50)
04/15/13	\$750,000.00 Par Value 5.25% Coupon – Maturity Date: 04/15/2013 Apache Corp	
	Total Proceeds:	\$ 750,000.00
	Total Costs:	\$ 741,570.00
	Net Gain (Loss):	\$ 8,430.00
04/24/13	\$1,000,000.00 Par Value 1.9% Coupon – Maturity Date: 04/24/2013 Novartis Capital Corp	
	Total Proceeds:	\$ 1,000,000.00
	Total Costs:	\$ 1,022,570.00
	Net Gain (Loss):	(\$ 22,570.00)

Purchases

04/15/13	23,000 Shares Merck & Co Inc New Com	
	Total Costs:	\$ 1,067,312.70

Motion was made by Mr. Robinson to approve the Investment Resolution as presented. Mr. Mason seconded the motion and it carried unanimously.

ITEM 3. Summary of Revenue and Expenditures. Ms. Bonner reported the Fund's summary of revenue and expenditures at April 30<sup>th</sup>, 2013 and explained that total receipts of \$536,198.12 did not cover total disbursements of \$1,027,168.79. She added that for the month, the Fund received unrealized appreciation in the amount of \$330,270.79 and accrued income in the amount of \$226,191.34. Ms. Bonner stated that the total market value of the Fund at April 30<sup>th</sup> was \$132,576,526.87. She noted that all employer/employee contributions for the month were made timely and correctly.

ITEM 4. Written Investment Report by Luther King Capital Management. The Board acknowledged receipt of the Luther King Capital Management Written Investment Report at March 31<sup>st</sup>, 2013.

ITEM 5. Presentation of Investment Review by Wells Fargo Advisors. Ms. Bevis reviewed the Capital Markets Review for periods ending March 31<sup>st</sup>, 2013. She reported from the Fund's Investment Performance Analysis as of March 31<sup>st</sup>, 2013 that the Fund had outperformed the Policy in all time periods with regards to annualized returns. Ms. Bevis stated that the Fund is receiving a good amount of return compared to the amount of risk taken and reviewed that the Sharpe ratio was 1.08 of the Fund versus 1.03 of the Policy for the 3-year period; 0.62 versus 0.43 for the 5-year period, and 0.80 versus 0.58 for the 10-year time period. She added that the Fund ranked in the top half quartile for all time periods. In closing, Ms. Bevis stated that the Fund had experienced a great quarter; 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.

ITEM 6. Presentation and Discussion of Audited Financial Statements by Connor, McMillon, Mitchell & Shennum, PLLC. Ms. Hall presented the Amarillo Firemen's Relief and Retirement Fund Annual Financial Report at December 31<sup>st</sup>, 2012 and 2011. She reported that the audit produced a clean, unqualified opinion; which was the best opinion that could be achieved.

ITEM 7. Consider Form 100, Update of Beneficiary, for Arick M. Wray. Motion to approve Form 100, Change of Beneficiary, for Arick M. Wray was made by Ms. Bonner, seconded by Mr. Robinson, and unanimously carried.

ITEM 8. Consider Form 100, Update of Beneficiary, for Johnny F. Gutierrez. Ms. Bonner motioned to approve Form 100, Change of Beneficiary, for Johnny F. Gutierrez. The motion was seconded by Mr. Robinson and carried unanimously.

ITEM 9. Consider Off-Duty Retirement Benefits for Johnny F. Gutierrez. Motion was made by Mr. Mason to approve Off-Duty Retirement Benefits for Johnny F. Gutierrez in the amount of \$2,394.05 monthly. Mr. Robinson seconded the motion and it unanimously carried.

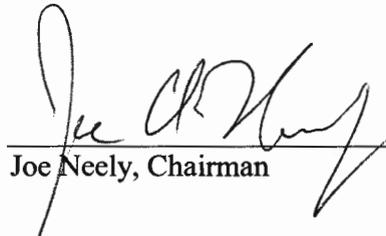
ITEM 10. Consider On-Duty Retirement Benefits for Angela R. Goodson. Motion was made by Mr. Robinson, seconded by Mayor Harpole and carried unanimously to approve On-Duty Retirement Benefits for Angela R. Goodson in the amount of \$3,533.15 monthly.

ITEM 11. Review and Consider Disability Pension for Patricia Slaughter. The Board convened into Executive Session, under Section 551.074 of the Texas Open Meetings Act, at 10:43 a.m. At 10:46 a.m., the Board completed its Executive Session. Mr. Robinson motioned to continue on-duty retirement benefits for Ms. Slaughter. Mayor Harpole seconded the motion and it carried unanimously.

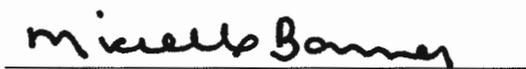
ITEM 12. Review and Consider Disability Pension for Scottey McBroom. Mr. Bainum reported that Mr. McBroom had called the morning of the meeting to inform that he was unable to be in attendance. Mr. Bainum stated that he explained to Mr. McBroom that staff was still in need of requested tax returns from 2011 and 2012 from Mr. McBroom and informed him that the meeting to review his disability pension could be moved to the June 19<sup>th</sup>, 2013 meeting to allow Mr. McBroom more time to submit the requested documentation. Mr. Bainum added that he also informed Mr. McBroom that he was not required to attend the meeting. The Board agreed to move Mr. McBroom's review to the June 19<sup>th</sup>, 2013 meeting. No action was taken on this item.

ITEM 13. Public Comments. There were no public comments.

THERE being no further business, the meeting adjourned at 10:50 a.m.

  
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Joe Neely, Chairman

ATTEST:

  
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Michelle Bonner, Secretary