

STATE OF TEXAS
COUNTIES OF POTTER
AND RANDALL
CITY OF AMARILLO

On the 20th day of November 2019, the Amarillo Firemen’s Relief and Retirement Fund Board of Trustees met at 10:00 a.m. in regular session in Room 306, located on the first floor of City Hall at 601 S. Buchanan ST, Amarillo, Texas.

VOTING MEMBERS	PRESENT	NO. OF MEETINGS HELD SINCE APPOINTMENT	NO. OF MEETINGS ATTENDED SINCE APPOINTMENT
JOSEPH PETERSON, MAYOR APPOINTEE	Yes	19	17
TONY ROBINSON, CHAIRMAN	Yes	191	178
BRANDON MASON, VICE-CHAIRMAN	Yes	82	75
MICHELLE BONNER, SECRETARY	Yes	81	69
ARICK WRAY, FIREFIGHTER	No	23	20
RODNEY RUTHART, CIVILIAN MEMBER	Yes	23	18
DEAN FRIGO, CIVILIAN MEMBER	Yes	57	51

Also in attendance were the following:

LAURA STORRS	FINANCE DIRECTOR, CITY OF AMARILLO
LAURO ARIAS	RECORDING SECRETARY, CITY OF AMARILLO
LESLIE SCHMIDT	SENIOR ASST. CITY ATTORNEY, CITY OF AMARILLO
LISA SIMPSON	AVP FINANCIAL RELATIONSHIP MANAGER, AMARILLO NATIONAL BANK
LUTHER KING	INVESTMENT MANAGER, LUTHER KING CAPITAL MANAGEMENT
PAUL GREENWELL	INVESTMENT MANAGER, LUTHER KING CAPITAL MANAGEMENT
KELLY BEVIS	INVESTMENT COUNSELOR, WELLS FARGO ADVISORS
STEPHEN WHEELER	INVESTMENT COUNSELOR, WELLS FARGO ADVISORS

Mr. Robinson established a quorum, called the meeting to order at 10:05 a.m., and the following items of business were conducted:

ITEM 1. Consider Minutes. Mr. Robinson presented the minutes from the last regular meeting held October 16, 2019. Mr. Mason made a motion to approve the minutes as presented. Mr. Frigo seconded the motion and it carried unanimously.

ITEM 2. Consider Investment Resolution. Ms. Storrs presented the Fund’s Investment Resolution at October 31, 2019. A motion was made by Mr. Peterson, seconded by Ms. Bonner and unanimously carried to approve the investment resolution as presented.

ITEM 3. Presentation of Revenue and Expenditures Summary. Ms. Storrs presented the Fund’s Summary of Revenue and Expenditures at October 31, 2019 and reviewed a total market value of \$184,792,973.80. She reviewed total receipts of \$830,494.76 versus total disbursements of \$1,035,229.09. Ms. Storrs explained that the Fund’s investments were within the Policy limits with 6.18% invested in cash, 19.70% in bonds and 74.12% in stock. Ms. Storrs noted that all employee/employer contributions were made on time and at the correct percentages for the month of October.

ITEM 4. Presentation of Investment Performance by Wells Fargo Advisors. Mr. Wheeler reviewed the Capital Market Summary and Economic Overview at September 30, 2019. Reviewing the Fund’s investment performance, Ms. Beavis reported that Luther King Capital Management was slightly down 0.6% for the quarter. Kayne

Anderson Rudnick (KAR) experienced a great quarter and was up 4.1% outperforming the benchmark. Vanguard Small Cap was slightly down 1.4% for the quarter. She added that overall, the Total Fund was doing a good job despite the rough quarter accomplishing goals in the three year time period and the five year time period.

ITEM 5. Discuss and Consider International and Global Small Cap Investment Options. A motion was made by Mr. Peterson to approve moving \$9 million to the Virtus Kanye Anderson Rudnick (KAR) International Small Cap Fund, Ms. Bonner seconded the motion and it carried unanimously.

ITEM 6. Presentation of Investment Report by Luther King Capital Management. Mr. King reviewed the status of the Luther King Capital Management Company and gave the Current Economic Review and Outlook at September 30, 2019. Mr. Greenwell reviewed the asset diversification of the funds managed by Luther King Capital Management at October 31, 2019 and stated that the total market value of the Fund was \$161,688,277. He added that approximately 71.0% of the Fund's Portfolio was invested in common stock, 22.5% was in fixed income, 6.4% was invested in cash, and 0.2% was in accrued income. Mr. Greenwell explained that the weighted average of the equity ranking by quality rating was A2, which reflected a very high rating for stocks. He noted that the weighted average maturity in fixed income was 2.96 years. Mr. Greenwell reported that the total Portfolio had an annualized return since inception of 10.57%.

ITEM 7. Review Written Investment Report from Luther King Capital Management. The Board acknowledged receipt of the Fund's Luther King Capital Management Written Investment Report dated October 21, 2019 for the quarter ending September 30, 2019.

ITEM 8. Consider Statement from John M. Crider, Jr. A motion to approve payment in the amount of \$2,230.00 for preparation of the Fund's 2018 disclosures under GASB Statement 68 to John M. Crider, Jr. was made by Ms. Bonner, seconded by Mr. Peterson, and carried unanimously.

ITEM 9. Consider Statement from Kayne Anderson Rudnick (KAR). A motion to approve payment in the amount of \$30,916.75 to Kayne Anderson Rudnick (KAR) for investment management for the quarter ending September 30, 2019 was made by Ms. Bonner, seconded by Mr. Peterson, and it carried unanimously.

ITEM 10. Consider Statement from Frost. A motion to approve payment in the amount of \$149.72 to Frost Bank for a custody fee from 9/15/2019 - 10/15/2019 was made by Ms. Bonner, seconded by Mr. Peterson, and carried unanimously.

ITEM 11. Consider Payment to the City of Amarillo for Administrative Services from 10/1/18 - 9/30/19. A motion to approve payment in the amount of \$21,359.04 to the City of Amarillo for administrative services from 10/1/2018 - 9/30/2019 was made by Mr. Mason, seconded by Mr. Ruthart, and carried unanimously.

ITEM 12. Discuss and Consider Actuarial Services Contract. Ms. Bonner motioned to approve the Actuarial Services contract with Rudd & Wisdom, Inc., Mr. Peterson seconded the motion and it carried unanimously.

ITEM 13. Discuss Funding Policy. The Board discussed the Funding Policy.

ITEM 14. Discussion on Future Agenda Items. The Board would like to further discuss the Funding Policy on the December Agenda.


ITEM 15. Public Forum. There were no public comments at this meeting.

There being no further business, the meeting adjourned at 11:55 a.m. This meeting was recorded and all comments are on file with the City Finance Department.



Tony Robinson, Chairman

ATTEST;



Michelle Bonner, Secretary