

NEW ORLEANS FIRE FIGHTER'S PENSION AND RELIEF FUND (Investment Board Meeting)

Martin Gaal
Board President

Tommy F. Meagher, III
Secretary-Treasurer

SUBJECT:

Board of Trustees Investment Board Meeting
Fire Fighter's Pension & Relief Fund

TIME, DATE AND PLACE:

9:00 am June 11, 2014
3520 DeGaulle Drive
Suite 3001
New Orleans, Louisiana 70114

Board President Martin Gaal called the meeting to order. The following members of the Board of Trustees were present: Gaal, Meagher, Lavene, McConnell, Marchese, Foster, and Jacobs.

Absent: None

Seven (7) members present and no members absent. With a quorum being present, the Board President declared the meeting duly convened to conduct business at 9:05 a.m.

Also present

Paul Mitchell
Jesse Evans, NOMERS
Jon Brett, Bogdahn Group
Joe Bogdahn, Bogdahn Group
Kenny Prevost, Firefighter
John Petruska, Firefighter
Nick Felton, Firefighter
Terry Hampton, Retired Firefighter
Derrick Francis, Mayor's office

COMMUNICATIONS:

Mr. Meagher indicated that the Fund automobile was sold for \$10,000. Mr. Meagher noted that the car was advertised on Craig's list for several months without an offer. A visit to three local auto dealers resulted in an offer of \$10,000. This was in the middle of the NADA values of \$8,500

and \$13,000. Insurance on the vehicle has been cancelled.

REVIEW & ACCEPT MINUTES:

Members were provided copies of the minutes by Mr. Meagher for review and approval.

MOTION: Moved by Jacobs and seconded by Marchese to approve of the May 2014 Investment Board minutes.

Motion passed.

NO OBJECTIONS

OLD BUSINESS:

Natchez: Mr. Mitchell noted that the Natchez sale is moving forward with closing scheduled in the coming weeks. Documents are finalized and complete.

Fire Flix: Mr. Tufaro has failed to respond to our request for additional information.

REGULAR BUSINESS:

Fund performance - period ended May 31, 2014

Jon Brett led the discussion on the performance of the Fund and provided commentary on the performance of various sectors and money managers in particular. Information of particular interest is noted below. Jon noted that performance on the Fund is up 5 bps driven by its allocation to the equity markets, primarily the performance of Orleans Capital Management and the performance of the Clifton S&P index driven account.

American Pension Consultants: Mr. Mitchell informed the Board that Mr. Triche will visit the Fund offices on Friday June 20, 2014 to deliver all data on American Pension Consultants. Currently we pay \$6,500 per month for five policies with a value of \$750,000. The Fund expects that we will handle management of the policies and ascertain the Fund is the beneficiary on those policies.

Clinton Magnolia Fund: Mr. Mitchell noted that the Fund has redeemed \$8,816,900 from the Clinton Magnolia Fund which was pledged to FNBC bank line of credit. \$3,000,000 was remitted on May 30, 2014, another \$3,500,000 was remitted on June 5, 2014 and a third payment of \$2,316,900 was remitted on June 11, 2014. Approximately \$3,500,000 remains to be redeemed, which will be closed later in the year. All proceeds from this redemption went directly to FNBC and reduced our outstanding line of credit pledged against Lakewood. The line outstanding at June 12, 2014 is approximately \$20,400,000.

Orleans Capital Management: Jon Brett informed the Board that he is continuing to work with Orleans Capital to adjust its investment holdings. Details will be forwarded when complete.

Corner Pocket and Sadie Creek: Closing documents have been signed by the Secretary Treasurer and a closing date is set for the first week of September 2014.

Sail: Extreme Power has gone through bankruptcy resulting in a write down of the assets.

Greensprings: The Fund received a distribution.

St. Raymond: Jon Breth noted that current year appraisals are lower than the current carrying value of the assets. Discussion followed on the potential options on this property. We have also been notified the property has been subdivided.

Westwego property: Jon Breth noted that Mr. Crenshaw will discuss finalizing his offer to make the first takedown of a 3 stage purchase of the property.

Waterpark: Mr. Breth and Meagher discussed profit and dividend prospects for the investment. They noted during a recent meeting management informed them that the investment is in the final year of its property tax break, received a check from its BP claim last year, and we are second in line following the FNBC note.

Other matters: Jon noted that we should review our options to liquidate investments in the Waterpark, Wiznia and Cocowalk. The Board may not have sufficient ownership to dictate a sale in any of the investments. He and Mr. Mitchell will discuss those options with Mr. Tarcza. Jon also mentioned the possibility of introducing a core fixed income manager or multi strategy bond fund to our current asset mix. Board members noted that \$4,000,000 of the Clifton balances are dedicated to fixed income to guard against market fluctuations. With our current line of credit bearing interest above potential income from the proposed core fixed income investment, a move to hire a core fixed income manager does not seem practical at this time.

There being no further business, the meeting adjourned at 10:05 a.m. The next Investment Board Meeting of the Board of Trustees will be on July 9, 2014.

APPROVED:  DATE: 7/10/14