

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 October 8, 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, Marchese, McConnell, and Foster.
Resigned: Jacobs

Six (6) members present and no member absent. With a quorum being present, the Board President declared the meeting duly convened to conduct business at 9:12 a.m. The Secretary Treasurer opened the meeting with the Pledge of Allegiance and a moment of silence for fallen firefighters.

Also present

- Paul Mitchell
- Jon Brett, Bogdahn Group
- Kenny Prevost, Firefighter
- Richard Hampton, retired firefighter
- J. Petruska, Retired Firefighter
- Marie Cangemi, Board attorney

COMMUNICATIONS:

None

REVIEW & ACCEPT MINUTES:

Minutes were made available for review and approval.

MOTION: Moved by Marchese and seconded by Gaal to approve the September investment minutes.

Motion passed.

NO OBJECTIONS

OLD BUSINESS:

Lakewood Golf Course:

MOTION: Moved by Gaal and seconded by Lavene to go into executive session to discuss matters pertaining to Lakewood Golf.

Motion passed.

NO OBJECTIONS

MOTION: Moved by Gaal and seconded by Lavene to come out of executive session.

Motion passed.

NO OBJECTIONS

Mr. Meagher noted that with the assistance of our attorney, Ms. Rico's tenure at Lakewood Golf has ended. Jay Mamus will replace Ms. Rico at Lakewood and Ms. Laura Guinea will manage the operations at Falconhead. Mr. Meagher discussed termination terms, salary, and told the Board he will travel to Austin to have Ms. Guinea sign her employment agreements.

Discussion followed on the specifics of Ms. Rico's contract, timing and the Board's process for entering into and out of agreements. Members requested that Mr. Tarcza be requested to attend the next Board meeting to provide the Board with information on the legal actions taken at Lakewood and Falconhead. Mr. Meagher agreed to contact Mr. Tarcza.

Mr. Mitchell noted that the operations at Lakewood are performing below budget. As a result, the operations require a cash contribution to meet current obligations. Outstanding obligations at Lakewood include \$147,000 in accounts payable, termination pay due Ms. Rico and \$51, 894.46 due Boh Bros. for construction work done at Lakewood Development.

MOTION: Moved by Gaal and seconded by Lavene to authorize capital contributions of up to \$147,000 to provide of payment of trade payables at Lakewood pending review of the outstanding obligations by management of the course and Mr. Mitchell.

Motion passed.

NO OBJECTIONS

MOTION: Moved by Gaal and seconded by Meagher to authorize payment of \$42,000 to complete the employment obligations.

Motion passed.

NO OBJECTIONS

MOTION: Moved by Gaal and seconded by Marchese to provide payment of \$51,894.46 to provide payment to Boh Bros for contractual services related to construction for a water line at Lakewood Development per contract No 1055700.

Motion passed.

NO OBJECTIONS

Mr. Foster has requested that a review of Lakewood and Falconhead budgets be included in the expense committee review on Oct. 16, 2014.

NEW BUSINESS:

REGULAR BUSINESS:

Fund performance - period ended September 30, 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. Jon discussed the recent volatility in the market. Jon noted that the equity markets fell during the last month resulting in negative performance. He noted that all markets were down. The market was uneasy due to concerns that the Feds were considering a rate increase. While oil prices were falling, our portfolio was not hurt as much due to our concentration in energy suppliers. Jon reviewed distributions received during the month.

American Pension Consultants: Mr. Mitchell informed the Board that the October policy payment will be made. Mr. Triche has not completed the transfer of the insurance policies to the Fund. Jon noted that during his visit to Mr. Triche that AVP will move Triche out after transfer of the policies. AVP will also compile a list of potential buyers of the policies.

Corner Pocket and Sadie Creek: Jon noted that a former partner is putting together an offer on the Sadie Creek property. He noted that the Board should not make any payments on the Corner Pocket note as it is possible that the sales price on the note for Corner Pocket is lower than the outstanding balance on the note.

Westwego property: Jon Breth noted that Mr. Crenshaw is expected to close on a portion of the property sometime during October. Crenshaw is moving forward with the assisted living development. Mr. Crenshaw noted that Walmart is still interested in developing land near the property.

Saratoga Lofts, Maritime and Stevens Garage: Meetings dates with Mr. Wiznia have been rescheduled for later this month.

Clinton Magnolia: the Fund is awaiting liquidation. Discussion with management indicates that liquidation is moving according to plan. July and Aug performance is up. The 5-6 restricted holdings are expected to be sold by year end.

Parks of Plaquemines: David Waltemath will make a presentation to the Fund at the December meeting. He expects the note to be paid off during 2015.

CoCo Walk: Mr. Whalen has informed the Board that the investment is up for sale. He is currently in discussions with potential buyers. Jon noted that a sale price of \$100 million has been accepted. Under the current waterfall, a \$100 million sales price would return our investment of \$2.3 million and an additional \$1 million. Jon expects the due diligence to begin in 60 days with closing estimated during the first quarter of 2015.

Intercontinental: This investment has indicated that they anticipate fully liquidating the investment within the next 12 months.

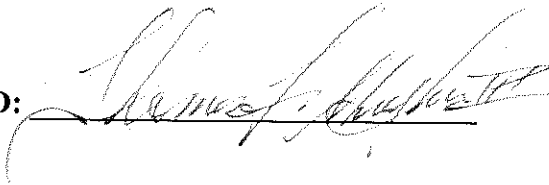
Falconhead: discussions with Colliers indicate there are six suitors for the property. Charles Leddie and his group are moving forward with the sale/listing of the hotel pad.

Sail Venture: Jon will invite this manager to the November Board meeting.

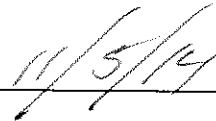
Louisiana Fund I: Jon will have this manager present at the November Board meeting.

There being no further business, the meeting adjourned at 11:45. The next Investment Board Meeting of the Board of Trustees will be on November 12, 2014.

APPROVED:

A handwritten signature in cursive script, appearing to read "Dennis J. Hubert", written over a horizontal line.

DATE:

A handwritten date "11/5/14" written in cursive script over a horizontal line.