

Lubbock Fire Pension Fund
Wednesday, July 13, 2016
#15 Briercroft Office Park, Lubbock Texas
The Lubbock Fire Pension Fund met in a Regular Meeting on Wednesday, July 13, 2016 at 1:00 P.M.

Members Present

Roger Lindsey, Chairman
Kevin Ivy, Vice-Chairman
Kevin Rule, Secretary
Randy Butcher, Member
Steve Exter, Member
Dub Wade, Member

Members Absent

Alva Littlejohn, Member

Staff Present

Jack Watkins
Kayla Burcham

Contractors Present

Ken Cooley and Amanda Cooley (CDK Realty Advisors)
Dwight Walker and Rick D'Angelo (Huff Energy)

Roger Lindsey, Chairman, called the meeting to order at 1:00 p.m.

Several agenda items were taken out of order. The minutes reflect the order each item was taken.

1. June 8, 2016 Board meeting minutes

Randy Butcher made a motion to approve the minutes from the June 8, 2016 Board meeting. The motion was seconded by Steve Exter and approved by the Board.

2. Mayor's appointee to the Board

The Board acknowledged correspondence from the Honorable Mayor Pope confirming a continued appointment of Steve Exter as the Mayor's designee.

3. Benefit Applications, Changes, and QDROs (Qualified Domestic Relations Order)

Dub Wade made a motion to terminate the retirement benefit to Willis Tyson, due to death. The motion was seconded by Randy Butcher and approved by the Board.

Randy Butcher made a motion to approve payment of a widow's benefit to Patsy Tyson. The motion was seconded by Dub Wade and approved by the Board.

Randy Butcher made a motion to terminate the widow's benefit to Jo Baxley, due to death. The motion was seconded by Dub Wade and approved by the Board.

Randy Butcher made a motion to terminate the service benefit to Joe Wilbanks, due to death, and approve a widow's benefit to Brenda Wilbanks. The motion was seconded by Dub Wade and approved by the Board.

Kevin Ivy entered the meeting at 1:07 p.m.

6. Presentation by Ken Cooley and Amanda Cooley with CDK Realty Advisors

Amanda Cooley opened the presentation with a review of the Fund's investments with CDK. She gave a review and status update for each investment with extended discussion on those projects failing to meet pro forma expectations and measures taken for each as corrective action. Mr. Cooley interjected comments as needed for topic expansion and clarification. Miss Cooley continued with a review and analysis on each of the holdings in the Multi-Family investment, giving general schedule prospects as to completion, stabilization, marketing and final dissolution of each. Cap rate influences and funding options, as well as local market influences were discussed. She then updated the Board on negotiations for the disposition of several of the older investment properties, giving potential time frames for dissolution.

Mr. Cooley updated the Board on progress of his firm's name change. He presented the Board with a draft copy of a contract for their consideration, and explained which of the investments would continue to be managed by CDK Realty Advisors, and which would be transferred under the management of Harvest Interests, LP. Mr. Cooley and Miss Cooley closed their presentation and thanked the Board.

At 1:40 p.m., Roger Lindsey called for a 5 minute break.
Ken Cooley and Amanda Cooley left the meeting.
The meeting reconvened at 1:45 p.m.

5. Portfolio review by Dwight Walker and Rick D'Angelo of Huff Energy

Rick D'Angelo gave an investment review and update on the Huff Energy investment. He briefly covered the handout material, focusing on status explanation of the Longview lawsuit. He state that the lower court ruling had been overturned but an appeal had been filed in the Texas Supreme Court. Mr. D'Angelo discussed generally anticipated time frames on briefs and hearings, and gave possible outcomes and effects on the investment. Continuing, he gave "worst case scenario" planning and reviewed market influences and anomalies experienced during the life of the investment. After reviewing the tracts purchased, development status and holding companies in the investment, Mr. D'Angelo briefed the Board on a opportunity to purchase debt from the financing bank on the investment. After asking the Board for questions and comments, Mr. D'Angelo closed his presentation.

Dwight Walker and Rich D'Angelo left the meeting.

4. Review sales and purchases

The Board reviewed sales and purchases. No action was taken.

7. New office building furniture and fixtures

Steve Exter made a motion for the Administration to made an offer up to \$2,000 for the furniture and fixtures offered for the office. The motion was seconded by Kevin Ivy and approved by the Board.

8. Administrator's Report

- Custodial bank balance report: \$176,447,196.31
- Office expenses
- June financial worksheet
- Investments update

9. Committee reports

After discussion by the Board, the investment committee directed the Administrator to arrange a special Board meeting with the Consultant during the last week of August. Items to be discussed will include the quarterly review and Investment Policy review.

10. Public comment

No public comment was made.

Kevin Ivy made a motion to adjourn. The motion was seconded by Randy Butcher and approved by the Board.



Roger Lindsey, Chairman



Kevin Rule, Secretary