

NEW ORLEANS FIRE FIGHTER'S PENSION AND RELIEF FUND

**William M. Carrouche`
Board President**

**Richard J. Hampton, Jr.
Secretary-Treasurer**

SUBJECT:

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

TIME, DATE AND PLACE:

**9:00 am, July 10, 2013
3520 General DeGaulle
Suite 4053
New Orleans, Louisiana 70130**

Board Secretary-Treasurer Richard Hampton called the meeting to order. The following members of the Board of Trustees were present: Richard Hampton, William Carrouche Keith Noya, Terry Hampton, Darryl Klumpp, Dean DiSalvo, Nick Felton and Norman Foster.

Total as follows: Eight (8) members present, one (1) member absent (Tim McConnell named Fire Superintendent) and (1) vacancy (Retirement of Superintendent Charles Parent). A quorum being present, the Secretary-Treasurer declared the meeting duly convened to conduct business.

Also present,

**Louis Robein, Board Attorney
Pam Meyer
Paul Mitchell
Jesse Evans
Derrick Francis
Erica Smith, OIG
Eneida Younis, OIG
Kenny Prevost, Firefighter
Ryan Mast, Firefighter
Mike Langston, Retired Fire Captain**

**Richard Thompson, Times Picayune
Barry Bryant, Dahab
Steve Roth, Dahab
Joe Bogdahn, Bogdahn Group
John Breth, Bogdahn Group
Ron Partain, Bogdahn Group
Michele Cunningham, Duplantier
Bill Stamm, Duplantier
Mike Conefry, Actuary
Wayne Xia, NOFF Fiscal Manager**

CONSULTANT SEARCH:

Board members heard one hour presentations each from Dahab Associates and the Bogdahn Group, finalists for the role as NOFFP investment consultant. These presentations followed two earlier presentations from both groups to the Search Committee. Both firms presented their qualifications, experience, organizational strengths, fees and approach to managing the New Orleans Firefighters' account.

Discussions on the presentations followed. Board members reflected on the due diligence of both the staff and consultant firms in this process. Both firms spent a great amount of time studying the portfolio and developing management plans for the Fund. Both appeared well acquainted with the challenges facing the Fund. Each would have been more than capable to handle this account.

MOTION: Moved by T. Hampton and seconded by Klumpp to hire Bogdahn Group as the Fund's Consultant subject to contract approval by legal and staff.

Motion passed (7-1).

Foster OBJECTED

COMMUNICATIONS

Mr. Hampton acknowledged receipt of emails and thank you cards from friends and family of deceased firefighters.

REVIEW AND ACCEPT MINUTES

MOTION: Moved by Carrouche and seconded by T. Hampton to approve the June 2013 minutes.

Motion passed.

NO OBJECTIONS

REFUND OF CONTRIBUTIONS

Jeremy Sanchez

MOTION: Moved by Carrouche and seconded by T. Hampton to approve the refund of contributions for Jeremy Sanchez.

Motion passed.

NO OBJECTIONS

CHANGE OF BENEFICIARY

Elmer J. Washington, Kevin R. Williams, Autrey Plaisance Jr. William Sanchez, Leland L. Pellegrin, Jr. and Roxanne H. Hadley

DROP WITHDRAWAL

None

NEW APPLICATIONS

**MOTION: Moved by Noya and seconded by Klumpp to go into executive session to discuss medical matters of individuals submitting disability retirement applications.
Motion passed. NO OBJECTIONS**

**MOTION: Moved by Noya and seconded by Carrouche to end the executive session to discuss medical matters of individuals submitting disability retirement applications.
Motion passed. NO OBJECTIONS**

Michael J. Schorr: New Fund Fire Captain, Age 60 with 31 years of service is submitting an application for a 66 2/3% Service Connected Disability Pension effective July 22, 2013.

**MOTION: Moved by R. Hampton and seconded by DiSalvo to approve a 50% Service Connected Disability Pension effective July 22, 2013, deny the 66 2/3% disability and notify the member of his right to appeal.
Motion passed. NO OBJECTIONS**

Robert D. Reuther, Sr.: New Fund Fire Fighter, age 58, with 22 years of service is submitting an application for a 50% Service Connected Disability Pension effective July 24, 2013.

**MOTION: Moved by Carrouche and seconded by Noya to approve a 50% Service Connected Disability Pension effective July 24, 2013.
Motion passed. T. Hampton and R. Hampton Abstain**

Bryant M. Messina: New Fund Fire Fighter, age 57, with 22 years of service is submitting an application for a 50% Service Connected Disability Pension effective July 24, 2013.

**MOTION: Moved by Klumpp and seconded by Carrouche to approve a 50% Service Connected Disability Pension effective July 24, 2013.
Motion passed. NO OBJECTIONS**

DROP APPLICATIONS:

Darren Imbraguglio: New Fund Fire Education Officer, Age 55 with 30 years of service.

MOTION: Moved by Felton and seconded by Klumpp to approve the DROP application effective July 1, 2013.

Motion passed.

NO OBJECTIONS

REPORTS OF DEATHS

Pensioners:

Charles L. Bourdonnay, Jr.: died on June 13, 2013 at age 65 with widow and no minor children. Joined the department on August 10, 1967 and retired with 28 years of service on April 15, 1995. He spent 18 years on pension.

William F. Dillenkoffer: died on June 27, 2013 at age 77 with widow and no minor children. Joined the department on July 22, 1957 and retired with 30 years of service on December 28, 1987. He spent 25 years on pension.

Widows:

None

MOTION: Moved by Noya and seconded by T. Hampton to remove the above noted members from the rolls.

Motion passed.

NO OBJECTIONS

WIDOW'S APPLICATIONS

Mrs. Gerald Lopinto: Application for a Line of Duty Widow's Benefit effective retroactive to June 1, 2013. Application for a Child's benefit retroactive to June 1, 2013.

MOTION: Moved by Felton and seconded by Klumpp to approve the Line of Duty Widow's benefit effective June 1, 2013.

Motion passed.

NO OBJECTIONS

MOTION: Moved by Felton and seconded by Klumpp to approve the Child's benefit effective June 1, 2013.

Motion passed.

NO OBJECTIONS

Mrs. John C. Klumpp: Application for a Line of Duty Widow's Benefit effective retroactive to June 1, 2013.

MOTION: Moved by R. Hampton and seconded by Felton to approve the Line of Duty Widow's benefit effective June 1, 2013.

Motion passed.

Klumpp abstained

Mrs. Charles L. Bourdonnay, Jr. : Application for a Line of Duty Widow's Benefit effective retroactive to June 1, 2013.

MOTION: Moved by Felton and seconded by DiSalvo to approve the Line of Duty Widow's benefit effective June 1, 2013.

Motion passed.

NO OBJECTIONS

Mrs. Walter J. Stutson, III: Application for a Line of Duty Widow's Benefit effective retroactive to June 1, 2013.

MOTION: Moved by Noya and seconded by R. Hampton to approve the Line of Duty Widow's benefit effective June 1, 2013.

Motion passed.

NO OBJECTIONS

APPLICATIONS PENDING

Gary Ballier: Mr. Ballier requested a 66 2/3% Service Connected Disability Pension and was granted a 50% Service Connected Disability Pension effective April 11, 2013. Board approved appeal letter requesting an additional 30 days. Hearing date needed.

Adler Foret: New Fund Fire Operator, age 57, with 22 years of service is submitting an application for a 66 2/3% Service Connected Disability requested effective June 5, 2013. Hearing date is needed.

Irving Bubeck: At the April 11, 2013 meeting, Mr. Bubeck requested a change in pension status from a Regular Service Pension to a Service Connected Disability Pension. The request was denied via certified letter with the option to appeal. Mr. Bubeck is requesting an appeal per his letter dated May 25, 2013. Hearing date needed.

MOTION: Moved by Carrouche and seconded by T. Hampton to grant the appeal and hearing dates.

Motion passed.

NO OBJECTIONS

MOTION: Moved by Carrouche seconded by DiSalvo to establish an appeals committee to comprise Felton, R. Hampton, T. Hampton and Noya.

Motion passed.

NO OBJECTIONS

A meeting of the appeals committee is tentatively set for July 25, 2013 at nine a.m.

OLD BUSINESS

Hotel Aventura: Mr. R. Hampton informed the Board that matters related to the Hotel Aventura require Board approval and requested that the item is added to the agenda.

MOTION: Moved by Carrouche and seconded by Noya that the Hotel Aventura be added to the agenda.

Motion passed.

NO OBJECTIONS

Mr. Hampton indicated that during the negotiations to sell the Hotel, the interest rate on the note will increase to a default rate. Management is requesting that the Board continue charging the current interest rate on the note and waive the default interest rate increase. Management indicated that they have every intention to close on the sale before the default rate takes effect, however in the event there are delays, the waiver would ease negotiations. Discussion followed.

MOTION: Moved by Carrouche and seconded by Felton to waive the default interest for two months.

Motion passed.

NO OBJECTIONS

Fire Eagle LLC: R. Hampton noted that 40 boxes of materials for LCRA cases are maintained by the attorney, three of which are not maintained electronic format. NOFFP will take possession of all electronic files and the boxes not coded electronically.

Fletcher: R. Hampton informed the Board that he is prepared to provide an update on the Fletcher matter. He noted that the Fund has received a check of nearly \$100,000.00. Legal teams have indicated that additional funds will be forth coming. The Board will go into executive session to discuss progress on the litigation and recovery efforts.

MOTION: Moved by T. Hampton and seconded by Noya to go into executive session to discuss matters relating to Fletcher.

Motion passed.

NO OBJECTIONS

MOTION: Moved by W. Carrouche and seconded by T. Hampton to end the executive session to discuss matters relating to Fletcher.

Motion passed.

NO OBJECTIONS

NEW BUSINESS

LATEC Summer Educational Conference: Conference will be held July 15-16, 2013 in New Orleans, Louisiana.

NOFF Pension Fund Educational Conference: Conference will be held on July 17-19, 2013 in New Orleans, Louisiana.

2012 Year End Audit: Michelle Cunningham and Bill Stamm of the Duplantier audit firm were on hand to present the 2012 year end audit report to the Board. Ms. Cunningham provided an overview of the audit process, discussed the firm's opinion on the financial statements and other matters of interest in the audit report. Mr. Foster inquired about the audit firm's review of Fund's method of benefit calculation for members with 30 years of service. Mr. Stamm noted Duplantier found no reason to disagree with the method used by the Fund to calculate benefits for members with 30 years of service. Discussion on the matter followed.

MOTION: Moved by Klumpp and seconded by Carrouche to accept the 2012 year end audit report.

Motion passed.

NO OBJECTIONS

2012 Actuarial Report: Mike Conefry was on hand to present the 2012 year end actuarial report. Mr. Conefry discussed his report and pointed out the impact of underfunding the Actuarial required contribution (ARC) has had on the fund. Discussion on the matter followed.

MOTION: Moved by Felton and seconded by T. Hampton to accept the 2012 year end actuarial report.

Motion passed.

NO OBJECTIONS

2013 Pension Board Election: Mr. Hampton presented the Board with a schedule and rules for the upcoming election.

MOTION: Moved by Klumpp and seconded by Carrouche to accept the 2013 election schedule and related rules.

Motion passed.

NO OBJECTIONS

Lakewood: Mr. Hampton led a discussion regarding potential options of the Fund for the Lakewood development. He noted that the development has met with several potential investors over recent months. Each investor has provided ideas for development under the currently approved master plan. The Fund's planning session will include a presentation by a Texas developer willing to assist in the long-term development of the property. Mr. Hampton also noted that offers to purchase the property have been made. He would like approval from the Board to continue efforts to develop the property with outside support and entertain any bona fide purchase options for the property. Discussion followed on potential sales prices, master plan objectives, and development options.

MOTION: Moved by T. Hampton and seconded by Klumpp to allow the Fund to review all sale and development options for Lakewood.

Motion passed.

NO OBJECTIONS

Legal:

QDRO: Mr. Hampton noted that legal counsel has reviewed and approved a QDRO for Sidney Nunez. The QDRO has been presented to the Board for approval.

MOTION: Moved by Noya and seconded by Carrouche to approve the QDRO of Mr. Nunez.

Motion passed.

NO OBJECTIONS

OIG Update: Mr. Hampton noted that the Fund continues to cooperate with representatives of the OIG's office. The OIG has requested an entrance conference. Erica Smith and Eneida Younis, representatives of the OIG noted that entrance conferences are typically scheduled before any requests for information is made. That was not the case here. The OIG would like to discuss with the Fund administration the scope of their inquiry during the entrance conference. They indicated the scope of the review will be limited to credit card and travel expenses for calendar years 2010, 2011 & 2012. The timing of the entrance conference will be scheduled for the week of July 21, 2013. While the OIG and the Fund would like to schedule the entrance conference before that, Pam Meyer has been out of the office for most of the previous two weeks attending to personal matters. The Board will be attending its annual planning conference the week of July 14, 2013 (next week). The Administration has several member meetings and disability hearings, among other meetings scheduled involving Ms. Meyer and Mr. Hampton during the week following the planning conference (the week of July 21, 2013).

While Pension Staff has provided copies of all NOFFCU statements requested by the OIG, Ms. Smith noted that she may need additional confirmation from the NOFFCU. Pension Staff will assist in acquiring additional confirmation from the NOFFCU. She was reminded that the Fund will not be responsible for any costs associated with gathering that information. Discussion followed.

Ethics Board Request: The State ethics board has subpoenaed Board minutes. Staff will comply with this request.

IRS Determination Letter: Mr. Robein provided the Board with an update on the matter of the IRS determination letter. Negotiations with the IRS have resulted in a favorable ruling on a conditional basis, subject to NOFF providing interest earned as a definite determinable benefit. DROP interest will have to be paid at a fixed or average rate. Discussion followed on possible interest rate structures, including an average rate over certain years, and a fixed rate. State Statutes may have to be amended to reflect this change.

Mandamus Litigation: Mr. Hampton noted that legal counsel would provide an update on the mandamus litigation matter.

MOTION: Moved by Felton and seconded by W. Carrouche to go into executive session to discuss the Mandamus litigation.

Motion passed.

NO OBJECTIONS

MOTION: Moved by W. Carrouche and seconded by T. Hampton to end the executive session to discuss the Mandamus litigation.

Motion passed.

NO OBJECTIONS

Longevity: Mr. Hampton noted that legal counsel would like to discuss matters relating to the longevity litigation.

MOTION: Moved by T. Hampton and seconded by Noya to go into executive session to discuss matters relating to Longevity.

Motion passed.

NO OBJECTIONS

MOTION: Moved by W. Carrouche and seconded by T. Hampton to end the executive session to discuss the Longevity litigation.

Motion passed.

NO OBJECTIONS

TIMELY FILING OF APPLICATIONS:

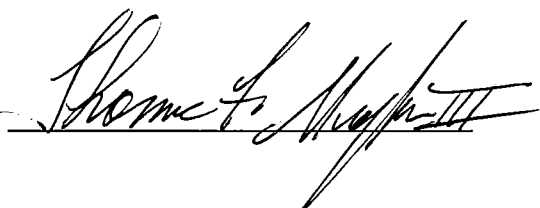
All Members applying for Pension, DROP or PLOP must do so 45 days in advance of the scheduled retirement date. All medical documentation for disability applications must be in the administrative office 45 days prior to the scheduled retirement date. Failure to comply with the Fund's rules will cause a delay in the Board taking action and will probably force an extension beyond the member's desired retirement date.

The administrative office will continue to process all paperwork in a friendly, orderly, and timely fashion. We thank all applying members for their continued cooperation. This will enable the Administrative Office and the Board of Trustees to perform their jobs more efficiently.

Members who have recently changed their address or marital status and have not updated their beneficiary form should do so at this time. Please contact the Pension Office during the hours of 10:00 am to 2:00 pm for beneficiary verifications. Your cooperation is appreciated.

ADJOURNMENT

There being no further business, the meeting adjourned at 4:30 pm. The next regular meeting of the Board of Trustees is August 7, 2013.

APPROVED:  Date: 11/21/13