

NEW ORLEANS FIRE FIGHTER'S PENSION AND RELIEF FUND

(Investment Board Meeting)

**William M. Carrouche`
Board President**

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

SUBJECT:

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

TIME, DATE AND PLACE:

**1:00 p.m., August 13, 2013
3520 DeGaulle Drive
Suite 3001
New Orleans, Louisiana 70114**

Board Secretary-Treasurer Richard Hampton called the meeting to order. The following members of the Board of Trustees were present: Richard Hampton, Terry Hampton, Nicholas Felton, Darryl Klumpp and Norman Foster.

Absent: Tim McConnell, Dean DiSalvo, Keith Noya and William Carrouche

Five (5) members present and four (4) members absent and one (1) vacancy (Board member McConnell appointed to Superintendent of Fire). With a quorum being present, the Secretary-Treasurer declared the meeting duly convened to conduct business at 1:00 pm.

Also present

Joe Meals, CSG Consulting
Paul Mitchell
Derrick Francis
Jesse Evans
Eneida Younis, OIG
John Breth, Bogdahn Group
Joe Bogdahn, Bogdahn Group

COMMUNICATIONS

None

REVIEW & ACCEPT MINUTES

MOTION: Moved by Klumpp and seconded by Felton to approve the July 2013 Investment Board minutes.

Motion passed.

NO OBJECTIONS

OLD BUSINESS:

Bogdahn Group: Mr. Hampton noted that the contract was signed. Contract provides for reduction in fees over the three year period under certain conditions.

Fire Hotel IV(Natchez): Final documents are due from Solomon attorney. All parties have agreed to terms of the agreement in principal. Closing expected shortly after final review of documents by our attorney. Details of the terms of sale were discussed. Buying group is not expected to change the terms of sale.

Fire Hotel III (Aventura): Transaction has closed. \$3,000,000 in cash received. Other sale specifics discussed.

Clifton Group: Mr. R. Hampton noted that the investment strategy for the overlay was implemented placing all cash balances over \$4, 000,000 in the S&P 500. Old System DROP and PLOP balances were invested at Clifton with a 65%-35% split.

Fletcher: R. Hampton informed the Board that there is no new information to provide on Fletcher.

REGULAR BUSINESS:

Fund performance - period ended July 31, 2013

Total Fund (includes equities, fixed income, and alternatives)

Up 2.2% vs. 3.1% 60%/40% mix for current month

Up 4.1% vs. 10.7% 60%/40% mix year to date

Up 2.2% vs. 13.9% 60%/40% mix trailing one year

Total Equities

Up 4.6% vs. 5.1% for S&P for current month

Up 11.3% vs. 19.6% for S&P year to date

Up 12.4% vs. 25.0% for S&P trailing one year

Total Fixed Income

Up 2.3% vs. 0.1% for Barclay's Aggregate current month

Up 3.1% vs. -1.7% for Barclay's Aggregate year to date

Down -0.7% vs. -1.3 % for Barclay's Aggregate trailing 1 year

Joe Meals of CSG lead the discussion on the performance of the Fund and provided commentary on the performance of various sectors and money managers in particular. Mr. Meals provided market comments.

NEW BUSINESS:

First National Band of Commerce (FNBC): Discussion on share sales.

Mr. Mitchell noted that 178,300 shares have been sold at prices ranging from \$25.85 to \$26.00. 81,700 shares remain to be sold following the directive to sell 260,000 shares. Discussion followed on the feasibility of increasing the total allocation of shares to be sold. The Fund's consultant noted that maintaining an allotment in FNBC of 2% of the total portfolio would be sufficient exposure for this holding. Discussion followed on the reasons supporting a 2% allocation. Members noted that there would be no rush to sell the shares. Discussion followed on the timing of the sale of the remaining shares.

Motion: Moved by Terry Hampton and second by Dean DiSalvo to direct staff to have Sandler O'Neill to sell the 81,7000 shares at \$25.50 or greater for large blocks over 25,000 shares and any other sales at market price above \$25.75. Sales of the additional shares to reach a 2% holding will be performed at \$25.75 or better per share.

Motion passed.

NO OBJECTIONS

Trustee Election: Election notices were sent out to all members.

Budget Appropriation: Mr. Hampton noted that he has requested \$33,786,000 for the New Fund and \$19,900,000 in appropriations for the Old Fund.

Longevity Suit – “New Orleans Firefighters et al v City of New Orleans”, CDC No. 81-11108. Discussion and action regarding ongoing litigation.

The Board of Trustees hereby reserves its right to enter executive session pursuant to R.S. 42:17 (A) (1) for discussion of the character or professional competence of the juridical entities identified in agenda item above; and the Board of Trustees hereby further reserves its right to enter executive session pursuant to R.S. 42:17 (A) (2) for discussion of strategy or negotiations with respect to actual litigation, where an open meeting would have a detrimental effect on the litigating position of NOFF in any judicial matters related to agenda item above; all pertinent notification has been provided.

MOTION: Moved by Klumpp and seconded by Terry Hampton to enter into Executive Session to discuss the Longevity Suit.

Motion Passed.

NO OBJECTIONS.

MOTION: Moved by Klumpp and seconded by Felton to end the Executive Session to discuss the Longevity Suit and return to Regular Session.

Motion Passed.

NO OBJECTIONS.

MANDAMUS SUIT/RECONVENTIONAL DEMANDS – “NOFF PENSION AND RELIEF FUND v CITY OF NEW ORLEANS et al”, CDC No. 2012-7061

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MOTION: Moved by Noya and seconded by Terry Hampton to enter into Executive Session to discuss the Mandamus Suit.

Motion Passed.

NO OBJECTIONS.

MOTION: Moved by Klumpp and seconded by Felton to end the Executive Session to discuss the Mandamus Suit and return to Regular Session.

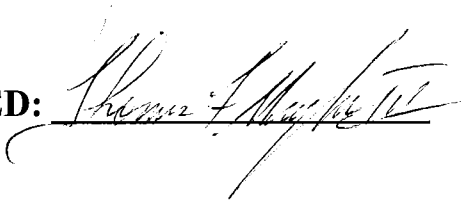
Motion Passed.

NO OBJECTIONS.

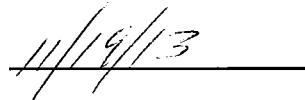
New Board seating: Mr. R. Hampton noted that recent legislation requires that the next Board meeting be held on August 29, 2013 to seat the new Board. Mr. Hampton noted that the Board will meet about noon and as soon as the ballots are counted. New Officers are expected to be elected at this meeting. No other business is expected to be discussed.

There being no further business, the meeting adjourned at 4:00 p.m. The next Investment Board Meeting of the Board of Trustees will be on September 12, 2013.

APPROVED:

A handwritten signature in black ink, appearing to read "Thomas F. Hampton IV", written over a horizontal line.

DATE:

A handwritten date "11/19/13" written in black ink over a horizontal line.