# *SEWERAGE & WATER BOARD OF NEW ORLEANS*

## PENSION COMMITTEE MEETING

### WEDNESDAY, AUGUST 6, 2014

### 10:30 AM

**COMMITTEE MEMBERS**

Mr. Wm. Raymond Manning, Chair • Mr. Alan Arnold • Mrs. Robin Barnes • Mr. Marion Bracy • Mr. Harold Heller, Jr. • Mr. Marvin Russell • Mr. Gerald Tilton • Mr. John Wilson

## FINAL AGENDA

**ACTION ITEMS**

1. Approval of Previous Report

**INFORMATION ITEMS**

2. Results of Employee Representative Election
3. Voluntary Retirement(s) - 1
4. Vanguard Index (Domestic REIT)– **(Verbal)**
5. FFC Monthly Report
6. New South Capital Management
7. Pyramis Global Advisors (US Fix Income Core Plus)
8. Prisma Capital Partners
9. Earnest Partners
10. Equitas Capital Advisors (Hedge Fund)
11. Western Asset Management (Global Fixed Income TIPS)
12. Barrow Hanley
13. Chicago Equity Partners
14. iShares (NAREIT)
15. Powershares DB Commodity Index (Domestic Commodities)
16. Zazove (Residual Asset)
17. Fidelity Inst Prime Mmkt CL (Cash)
18. Status Update on Recommended Selection of Pension Investment Consultant
19. Recommended Changes to Pension Rules
20. Securities Lending Report
21. LAMP/DROP Statements
22. Quarterly Pension Financial Activities Period Ending June 30, 2014
23. 2014 Committee/Board Meeting Schedule
24. Any Other Matters

25. Reference Material **(In Binders)**

    A. Sewerage & Water Board By-Laws
    B. Pension Rules and Regulations
    C. Investment Policy
    D. Actuarial Valuation Report
    E. Strategic Plan
    F. Tracking Tool for Commitments to the City Council
    G. Bond Rating

26. Adjournment

July 2, 2014

TO THE HONORABLE PRESIDENT AND MEMBERS OF THE SEWERAGE AND WATER BOARD OF NEW ORLEANS

Mesdames and Gentlemen:

The PENSION COMMITTEE of the Sewerage and Water Board of New Orleans ("Board") met on Wednesday, July 2, 2014 at 10:30 a.m. in the Board Room at 625 St. Joseph Street.

## ATTENDANCE

**PRESENT:** Mr. Wm. Raymond Manning (Chairman)*, Mr. Alan Arnold, Ms. Robin Barnes, Mr. Marion Bracy, Mr. Harold Heller, Jr., Mr. Joseph Peychaud, Mr. Marvin R. Russell, Jr., Mr. Gerald Tilton and Mr. John H. Wilson III

*Mr. Manning departed the meeting at approximately 11:31 a.m. Mr. Wilson motioned to appoint Mr. Bracy as temporary chair for the duration of the meeting. Mr. Heller seconded the motion. The motion passed.

**ABSENT:** None

Also in attendance were Director's Office, Legal, Finance, Budget and Personnel Department staff; Stephen Daste of FFC Capital Management; John Weiler of Weiler & Rees; Janice Leaumont of Capital One.

The Committee meeting was called to order at approximately 10:30 a.m. to discuss and act upon the following matters:

## APPROVAL OF PREVIOUS REPORTS (ACTION)

The Pension Committee received the Pension Committee Report of June 4, 2014 for review and action. Mr. Wilson motioned to approve the report and Mr. Russell seconded the motion. The motion passed.

## DEATH BENEFIT

There was one (1) death benefit application submitted to the Pension Committee for review:

**Nickolaus, Shelly A.** (Spouse of deceased disability retiree Edward L. Nickolaus, Sr.)
Retirement Date: 03/28/14

## CHICAGO EQUITY PARTNERS -LARGE CAP ENHANCED CORE MANAGER (PRESENTATION)

James A. DeZellar, Managing Director, and Michael L. Nairne, Director, of Chicago Equity Partners, presented to the committee an update of the Board's Enhanced Index Core Investment Portfolio. The portfolio performance statement submitted prior to the meeting indicates that the portfolio increased in value from $29,595,819.86 to $30,304,432.36 for the period ending May 31, 2014. This resulted in a one-month return rate of 2.39% (Gross) and 2.36% (Net) compared to the Russell 1000 Index return rate of 2.39% for the same period. ($0.56 was debited from this account; $78,276.54 was credited to this account)

## FFC MONTHLY REPORT (PRESENTATION)

Stephen Daste of FFC Capital Management presented to the committee the Executive Summary Performance Table and Market Index Performance Report for the period ending May 31, 2014.

## PENSION PLAN RULE CHANGES – EMPLOYEE LISTENING SESSIONS (PRESENTATION)

At a previous meeting Mr. Miller recommended that the employee members host listening sessions to notify employees that an action plan is being developed to meet the goals of strengthening the pension plan and increasing the funded ratio. The employee members hosted six (6) listening sessions at the four (4) main S&WB facilities. The employee members provided feedback to the committee from the listening sessions.

## PENSION COMMITTEE ELECTION – EXPIRING EMPLOYEE MEMBER SEAT

The committee received a memo from the Personnel Department notifying them that the current term of Employee Member John H. Wilson III is set to expire on August 31, 2014. An election has been scheduled to fill the new full-term that will begin on September 1, 2014. The memo also included a schedule of events relating to the election.

## REVIEW OF FINANCIAL STATEMENTS

Prior to its meeting, the Pension Committee was provided with the following Financial Statements:

## NEWSOUTH CAPITAL MANAGEMENT-SMALL/MID CAP EQUITY MANAGER

The portfolio performance statement submitted by the Board's Small/Mid Cap Equity Investment Manager indicates that the portfolio decreased in value from $29,520,221.00 to $28,886,738.00 for the period ending May 31, 2014. This resulted in a one-month return rate of 1.10% (Gross) and 0.87 (Net) compared to the Russell 2500 Index return rate of 1.17% for the same period. ($950,000.00 was debited from this account)

## PYRAMIS GLOBAL ADVISORS-US FIXED INCOME CORE PLUS MANAGER

The portfolio performance statement submitted by the Board's U.S. Fixed Core Plus Investment Manager indicates that the portfolio increased in value from $57,993,254.00 to $58,709,205.00 for the period ending May 31, 2014. This resulted in a one-month return rate of 1.23% (Gross) and 1.22% (Net) compared to the BC US Aggregate return rate of 1.14% for the same period. ($6,410.00 was credited to this account)

## PRISMA CAPITAL PARTNERS-HEDGE FUND ABSOLUTE RETURN MANAGER

The portfolio performance statement submitted by the Board's Hedge Fund Absolute Return Investment Manager indicates that the portfolio increased in value from $20,468,172.00 to $20,702,429.00 for the period ending May 31, 2014. This resulted in a one-month return rate of 1.20% (Gross) and 1.14% (Net) compared to the Dow Jones Credit Suisse HFI return rate of 1.13% for the same period.

## EARNEST PARTNERS-INTERNATIONAL MANAGER

The portfolio performance statement submitted by the Board's International Investment Manager indicates that the portfolio decreased in value from $17,702,040.00 to $16,940,990.00 for the period ending May 31, 2014. This resulted in a one-month return rate of 1.10% (Net) compared to the MSCI ACWI ex US Index return rate of 1.32% for the same period.

## EQUITAS CAPITAL ADVISORS-HEDGE FUND

The portfolio performance statement submitted by the Board's Hedge Fund Absolute Return Investment Manager indicates that the portfolio decreased in value from $37,034.00 to $36,966.00 for the period ending May 31, 2014. This resulted in a one-month return rate of -0.1% (Gross) and -0.2% (Net) compared to the Dollar-Weighted return rate of -0.2%; Credit Suisse Hedge Fund Index return rate of 1.1% and the Evergreen Main Account return rate of 0.8% for the same period.

## WESTERN ASSSET MANAGEMENT-GLOBAL FIXED INCOME TIPS

The portfolio performance statement submitted by the Board's Global Fixed Income TIPS Manager indicates that the portfolio increased in value from $17,492,251.00 to $17,698,541.00 for the period ending May 31, 2014. This resulted in a one-month return rate of 1.18% (Gross) and 1.15% (Net) compared to the Barclay's Capital World Government IL AII Mat Index return rate of 1.22% and the Citigroup World Govt Bond Index, USD Unhedged Index return rate of 0.36% for the same period.

## BARROW, HANLEY, MEWHINNEY & STRAUSS-LARGE CAP VALUE MANAGER

The portfolio statement submitted by the Board's Large Cap Value Investment Manager indicated that the portfolio value remained unchanged at $24,597,276.00 for the period ending May 31, 2014. This resulted in a one-month return rate of 1.96% (Gross) and 1.88% (Net) compared to the Russell 1000 Value Index return rate of 1.46% for the same period. ($36,501.00 was debited from this account)

## ISHARES-NAREIT

There was no portfolio performance statement submitted for the period ending May 31, 2014.

## POWERSHARES DB COMMODITY INDEX-DOMESTIC COMMODITIES

There was no portfolio performance statement submitted for the period ending May 31, 2014.

## VANGUARD INDEX-DOMESTIC REIT

There was no portfolio performance statement submitted for the period ending May 31, 2014.

## ZAZOVE-RESIDUAL ASSET

There was no portfolio performance statement submitted for the period ending May 31, 2014.

## FIDELITY INST PRIME MMKT CL-CASH

There was no portfolio performance statement submitted for the period ending May 31, 2014.

## SECURITIES LENDING REPORT

The Securities Lending Report submitted by BMO Securities Lending indicates that the year-to-date revenue from securities lending is $59,475.00 as of May 2014.

## LAMP/DROP STATEMENTS

The DROP report submitted by Louisiana Asset Management Pool (LAMP) indicates that the DROP account had an ending balance of $13,246,034.11 for the period ending June 2014.

## 2014 COMMITTEE/BOARD MEETING SCHEDULE

The updated Committee and Board Meeting Schedule was submitted to the Pension Committee for review.

## OTHER MATTERS

- At a previous meeting the committee was notified that the Board of Directors directed staff to begin the proposal process for the Pension Investment Advisory Services Contract. The Request for Proposal (RFP) has been finalized and will be advertised on three (3) separate dates, beginning on May 12, 2014, with each advertisement lasting thirty (30) days in duration. The selection committee was scheduled to submit a recommendation for the July 2014 meeting. Mr. Miller informed the committee that the recommendation from the selection committee will be presented at the August 2014 meeting.

## REFERENCE MATERIAL (INFORMATION)

The following documents were provided to Pension Committee Members for use during the meeting:

- By-Laws of the Sewerage & Water Board of N.O.
- Rules & Regulations of the Employees' Retirement System of the Sewerage & Water Board of N.O.
- Sewerage & Water Board of N.O. Employees' Retirement System Investment Policy Statement
- Sewerage and Water Board of N.O. Strategic Plan 2011-2020
- Tracking Tool for Comments to City Council
- Bond Rating

## ADJOURNMENT

Mr. Wilson motioned to adjourn the meeting and Mr. Russell seconded. The motion passed. The meeting adjourned at approximately 12:05 p.m.

Very Truly Yours,

Wm. Raymond Manning
Chairman

**SEWERAGE AND WATER BOARD OF NEW ORLEANS**
Inter-Office Memorandum

**TO:** Pension Committee Members

**FROM:** Personnel Department

**DATE:** July 21, 2014

**RE:** **PENSION COMMITTEE ELECTION – EXPIRING EMPLOYEE MEMBER SEAT**

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The membership of Pension Committee Employee Member John H. Wilson III is scheduled to expire on August 31, 2014. An election was scheduled to fill the new full-term membership that will run from September 1, 2014 through August 31, 2018. The nomination process began on June 20, 2014 and was open for employee participation (excluding retirees and DROP participants). John H. Wilson III received the only nomination and will retain his Employee Membership on the Pension Committee. Mr. Wilson will serve a full-term membership on the Pension Committee, which will run through August 31, 2018.

# SEWERAGE AND WATER BOARD OF NEW ORLEANS
## Inter-Office Memorandum

**DATE:** July 24, 2014

**FROM:** Personnel Department

**TO:** Cedric R. Grant, Executive Director

**RE:** Summary Report on Application(s) for Retirement for the Month of August 2014

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The following is a summary of the application(s) for retirement for the month of August 2014:

### VOLUNTARY

**Howard, Clarence M. (DROP)**
**DOR:** 08/01/2014; **Age:** 49.729

**Pay Group:** 6010
**Service:** 30.12 years

cc: Level 1 Managers
Level 2 Managers
EIC Chairperson

# Sewerage and Water Board New Orleans

Mandatory Monthly Manager's Report - NewSouth Capital Management

For Period Ending -

**June 30, 2014**

| SWBNO Portfolio Trailing Period Performance | | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| ROR | Trailing1M | Trailing 3M | YTD | Trailing 1Y | Trailing 2Y | Trailing 3Y | Trailing 4Y | Inception |
| Gross-of-Fee | 5.74 | 6.52 | 8.87 | 28.41 | 26.75 | | | 23.11 |
| Net-of-Fee | 5.73 | 6.26 | 8.35 | 27.24 | 25.61 | | | 22.11 |
| *Russell 2500* | 4.78 | 3.57 | 5.95 | 25.58 | 25.60 | | | 22.70 |

*** Manager must name/ include performance stats for relative benchmark as stipulated in IPS and/or contract.**

| SWBNO Portfolio Period To-Date & Calendar Year Performance | | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| ROR | MTD | QTD | YTD | 2013 | 2012 | **2011 | 2010 | 2009 |
| Gross-of-Fee | 5.74 | 6.52 | 8.87 | 28.84 | 16.76 | 10.85 | | |
| Net-of-Fee | 5.73 | 6.26 | 8.35 | 27.69 | 15.75 | 10.74 | | |
| *Russell 2500* | 4.78 | 3.57 | 5.95 | 36.80 | 17.88 | 5.26 | | |

*** Manager must name/include performance stats for relative benchmark as stipulated in IPS and/or contract.**

**** inception date 8/17/11**

| SWBNO Portfolio Market Value and Statistics | | |
|---|---|---|
| | Prior Month *End. 6/30/14* | Recent Quarter *End. Q2-14* |
| Beginning Market Value (near $) | 28,886,738 | 30,582,925 |
| Contributions/Withdrawals | 0 | (1,900,000) |
| Market Impact +/- | 1,656,430 | 1,860,243 |
| Ending Market Value (near $) | 30,543,169 | 30,543,169 |
| Commissions Paid | *890* | *3,246* |
| Commissions Recaptured | *NA* | *NA* |
| Management Fees (accrued est) | | |
| Performance Fees (if applicable) | *NA* | *NA* |
| Cash Held in Account ($ Amt.) | *973,445* | *973,445* |
| Cash Held in Account (%) | *3.2* | *3.2* |

**Comments:**

1) For the period (prior month), is the portfolio in compliance with the guidelines stated in the IPS? If not, please explain in detail.

**Yes**

2) For the period (prior month), has there been any substantive changes in your firm's investment management professional staff or ownership structure? If so, please describe in detail.

**None**

3) For the period (prior month), has there been any substantive changes to your firm's investment strategy or philosophy? If so, please describe in detail.

**None**

4) Please disclose any/all quantitative and qualitative information about your firm, that the Board would find pertinent.

**N/A**

Please attach a list of portfolio holdings for the period (prior month end).

For quarter ending periods, please provide a proxy report detailing all proxies voted during the quarter.

**Holdings Report as of 6/30/14:**

| Security Description | Price Base | Shares | Total Adjusted Cost (Base) | Current Value |
|---|---|---|---|---|
| Cash & Equivalents | | | 973,444.70 | 973,444.70 |
| Amdocs LTD | 35.43 | 22,300 | 790,154.38 | 1,033,159.00 |
| Autozone Inc. | 284.46 | 2,000 | 568,911.00 | 1,072,480.00 |
| Bally Technologies Inc. | 65.17 | 5,290 | 344,728.37 | 347,658.80 |
| CGI Group Inc - Class A | 30.2 | 18,100 | 546,676.11 | 642,188.00 |
| Corrections Corp of America | 26.51 | 31,500 | 834,935.22 | 1,034,775.00 |
| Dun & Bradstreet Corp | 85.01 | 10,400 | 884,136.18 | 1,146,080.00 |
| Ensco PLC Shares Class A | 43.73 | 8,200 | 358,622.08 | 455,674.00 |
| Fiserv Inc | 26.17 | 18,000 | 471,035.70 | 1,085,760.00 |
| Flowserve Corp | 32.1 | 20,300 | 651,613.48 | 1,509,305.00 |
| Gannett Inc. | 10.82 | 55,000 | 595,143.48 | 1,722,050.00 |
| Gencorp | 16.11 | 46,700 | 752,172.11 | 891,970.00 |
| HCC Insurance Holdings Inc. | 27.73 | 17,700 | 490,753.74 | 866,238.00 |
| Howard Hughes Corp | 117.58 | 8,400 | 987,680.40 | 1,325,772.00 |
| HSN Inc. | 30.3 | 16,100 | 487,762.38 | 953,764.00 |
| iShares - Russell 2000 | 115.42 | 17,400 | 2,008,348.12 | 2,067,294.00 |
| Jarden Corp. | 59.06 | 4,900 | 289,378.32 | 290,815.00 |
| Mettler Toledo International | 151.58 | 3,800 | 575,998.55 | 962,084.00 |
| MSC Industrial Direct Co-A | 58.91 | 10,800 | 636,237.65 | 1,032,912.00 |
| Open Text Corp | 29.16 | 28,900 | 842,679.01 | 1,385,466.00 |
| Scripps Networks Interactive Class A | 39.96 | 11,200 | 447,528.48 | 908,768.00 |
| Service Corp International | 9.32 | 45,600 | 424,896.24 | 944,832.00 |
| Shire PLC ADR | 94.37 | 5,300 | 500,135.67 | 1,248,097.00 |
| Stancorp Financial Group | 29.03 | 11,600 | 336,783.96 | 742,400.00 |
| Teleflex Inc | 82.11 | 5,600 | 459,836.72 | 591,360.00 |
| Thermo Fisher Scientific Inc. | 51.49 | 11,600 | 597,306.04 | 1,368,800.00 |
| Walter Investment Management Corp | 22.68 | 31,100 | 705,275.06 | 926,158.00 |
| Willis Group Holdings Public Ltd | 38.19 | 18,800 | 717,968.68 | 814,040.00 |
| Xylem Inc | 24.4 | 26,800 | 654,018.85 | 1,047,344.00 |
| Zebra Technologies Corp Cl A | 37.57 | 14,000 | 526,049.70 | 1,152,480.00 |
| TOTAL PORTFOLIO | | | | $ 30,543,168.50 |

Manager's Report - Pyramis Global Advisors
For Period Ending -
June 30, 2014

| SWBNO Portfolio Trailing Period Performance | | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| ROR | Trailing1M | Trailing 3M | YTD | Trailing 1Y | Trailing 2Y | Trailing 3Y | Trailing 4Y | LOF Ann |
| Gross-of-Fee | 0.20 | 2.38 | 4.69 | 6.24 | 3.73 | 5.18 | 5.71 | 6.20 |
| Net-of-Fee | 0.18 | 2.33 | 4.57 | 6.00 | 3.48 | 4.93 | 5.47 | 5.95 |
| *BC US Aggregate* | 0.05 | 2.04 | 3.93 | 4.37 | 1.81 | 3.66 | 3.72 | 5.13 |

*** Manager must name/ include performance stats for relative benchmark as stipulated in IPS and/or contract.**

| SWBNO Portfolio Period To-Date & Calendar Year Performance | | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| ROR | MTD | QTD | YTD | 2013 | 2012 | 2011 | 2010 | 2009 |
| Gross-of-Fee | 0.20 | 2.38 | 4.69 | (0.67) | 7.65 | 7.80 | 10.01 | 21.00 |
| Net-of-Fee | 0.18 | 2.33 | 4.57 | (0.91) | 7.39 | 7.56 | 9.76 | 20.72 |
| *BC US Aggregate* | 0.05 | 2.04 | 3.93 | (2.02) | 4.21 | 7.84 | 6.54 | 5.93 |

*** Manager must name/include performance stats for relative benchmark as stipulated in IPS and/or contract.**

| SWBNO Portfolio Market Value and Statistics | | |
|---|---|---|
| | Prior Month *End. 06/14* | Recent Quarter *Q2-14* |
| Beginning Market Value (near $) | 58,709,205 | 57,457,708 |
| Contributions/Withdrawals | 0 | 0 |
| Income | 7139 | 20,355 |
| Market Impact +/- | 125,035 | 1,389,748 |
| Ending Market Value (near $) | 58,827,101 | 58,827,101 |
| Commissions Paid | *NA* | *NA* |
| Commissions Recaptured | *NA* | *NA* |
| Management Fees (accrued est) | 9,844 | 32694* |
| Performance Fees (if applicable) | *NA* | *NA* |
| Cash Held in Account ($ Amt.) | *NA* | *NA* |
| Cash Held in Account (%) | *NA* | *NA* |

* Q1 fee used as a proxy as current fee is not available yet.

**Comments:**

1) For the period (prior month), is the portfolio in compliance with the guidelines stated in the IPS? If not, please explain in detail.

**Yes, the portfolio is in compliance with the investment policy specified in the account guic**

2) For the period (prior month), has there been any substantive changes in your firm's investment management professional staff or ownership structure? If so, please describe in detail.

**NA**

3) For the period (prior month), has there been any substantive changes to your firm's investment strategy c philosophy? If so, please describe in detail.

**For the current period, there were no significant changes to the investment strategy.**

4) Please disclose any/all quantitative and qualitative information about your firm, that the Board would find pertinent.

**NA**

Please attach a list of portfolio holdings for the period (prior month end).

**See below**

For quarter ending periods, please provide a proxy report detailing all proxies voted during the quarter.

**NA**

**Holdings Report as of 06/30/14:**

| Security Description | Price Base | Share/Par | Market Value (Base) | Amortized Cost (Base) | Acc. Income Base |
|---|---|---|---|---|---|
| FIDELITY REAL ESTAT HGH INC FD | 8.98 | 171,746.67 | 1,542,285.09 | 1,472,789.56 | 7,139.01 |
| PYR HI YLD BD | 58.76 | 62,405.59 | 3,666,952.70 | 2,081,096.16 | - |
| PYR EMD CORE PLUS | 45.68 | 35,493.47 | 1,621,341.58 | 853,262.96 | - |
| PYR BRD MKT DUR | 41.45 | 1,254,439.60 | 51,996,521.59 | 35,851,320.83 | - |
| | | | **58,827,100.96** | | |

# SEWERAGE & WATER BOARD OF NEW ORLEANS

## Monthly Manager Report – Prisma Spectrum Fund Ltd

### Estimated Performance – June 30, 2014

| SWBNO Portfolio Trailing Period Performance | | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| ROR | Trailing1M | Trailng 3M | YTD | Trailing 1Y | Trailing 2Y ^ | Trailing 3Y ^ | Trailing 4Y ^ | Inception |
| Gross-of-Fee | 0.84% | 1.10% | 1.74% | 8.19% | 16.32% | 10.61% | 7.85% | 4.31% |
| Net-of-Fee | 0.80% | 1.04% | 1.71% | 7.84% | 15.31% | 9.96% | 7.38% | 4.06% |
| *Benchmark* | 0.96% | 1.89% | 2.84% | 8.83% | 16.03% | 10.42% | 7.72% | 4.24% |

* Benchmark shown is the Dow Jones Credit Suisse HFI.

^ The Trailing 2, 3 and 4 year performance numbers are calculated as an annualized return.

| SWBNO Portfolio Period To-Date & Calendar Year Performance | | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| ROR | MTD | QTD | YTD | 2013 | 2012 | 2011 | 2010 | 2009 |
| Gross-of-Fee | 0.84% | 1.10% | 1.74% | 11.54% | 7.66% | -3.13% | 7.82% | 17.31% |
| Net-of-Fee | 0.80% | 1.04% | 1.71% | 10.96% | 7.52% | -3.28% | 7.47% | 17.31% |
| *Benchmark* | 0.96% | 1.89% | 2.84% | 9.72% | 7.67% | -2.52% | 10.95% | 18.58% |

* Benchmark shown is the Dow Jones Credit Suisse HFI.

| SWBNO Portfolio Market Value and Statistics | | | |
|---|---|---|---|
| | Month End *06/14* | Recent Quarter *End. Q1-14* | |
| Beginning Market Value (near $) | 20,706,389 | 20,522,226 | |
| Contributions/Withdrawals | | | |
| Income | | | |
| Market Impact +/- | 166,070 | 134,414 | |
| Ending Market Value (near $) | 20,872,459 | 20,656,639 | |
| Commissions Paid | | | |
| Commissions Recaptured | | | |
| Management Fees (accrued) | (17,271) | (51,812) | |
| Performance Fees (if applicable) | (8,702) | (6,909) | |
| Cash Held in Account ($ Amt.) | | | |
| Cash Held in Account (%) | 0.66% | 0.26% | |

Note: Gross-of-Fee includes management fees, but excludes performance fees.

**Comments:**

1) For the period (prior month), is the portfolio in compliance with the guidelines stated in the IPS? If not, please explain in detail. Yes.

2) For the period (prior month), has there been any substantive changes in your firm's investment management professional staff or ownership structure? If so, please describe in detail. No

3) For the period (prior month), has there been any substantive changes to your firm's investment strategy or philosophy? If so, please describe in detail. No

4) Please disclose any/all quantitative and qualitative information about your firm, that the Board would find pertinent. None

# Sewerage and Water Board New Orleans

Mandatory Monthly Manager's Report - Earnest Partners

For Period Ending -

**June, 2014**

| SWBNO Portfolio Trailing Period Performance | | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| ROR | Trailing1M | Trailing 3M | YTD | Trailing 1Y | Trailing 2Y | Trailing 3Y | Trailing 4Y | Inception |
| **Net-of-Fee** | 1.10 | (0.48) | (0.41) | (5.61) | 2.95 | | | 15.47 |
| ***MSCI ACWI ex US*** | 1.94 | 0.26 | 0.63 | (4.34) | 6.60 | | | |

*** Manager must name/ include performance stats for relative benchmark as stipulated in IPS and/or contract.**

| SWBNO Portfolio Period To-Date & Calendar Year Performance | | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| ROR | MTD | QTD | YTD | 2013 | 2012 | 2011 | 2010 | 2009 |
| **Net-of-Fee** | 2.16 | (0.41) | (0.41) | 12.43 | 18.50 | NA | NA | NA |
| ***MSCI ACWI ex US*** | 1.68 | 0.63 | 0.63 | 15.32 | 16.84 | NA | NA | NA |

*** Manager must name/include performance stats for relative benchmark as stipulated in IPS and/or contract.**

| SWBNO Portfolio Market Value and Statistics | | | |
|---|---|---|---|
| | **Prior Month** ***End. 5/14*** | **Recent Quarter** ***End. Q2-14*** | |
| **Beginning Market Value (near $)** | 17,702,040 | 17,532,758 | |
| **Proceeds from Sales/Maturities** | 950,000 | 950,000 | |
| **Contributions/Withdrawals** | (950,000) | (950,000) | |
| **Income** | 0 | 0 | |
| **Market Impact +/-** | 183,146 | 709,690 | |
| **Ending Market Value (near $)** | 16,940,990 | 17,307,282 | |
| **Commissions Paid** | *NA* | *NA* | |
| **Commissions Recaptured** | *NA* | *NA* | |
| **Management Fees (accrued est)*** | *NA* | *NA* | |
| **Performance Fees (if applicable)** | *NA* | *NA* | |
| **Cash Held in Account ($ Amt.)** | *NA* | *NA* | |
| **Cash Held in Account (%)** | *NA* | *NA* | |

*An annual 0.85% fee, is embedded in the asset value

# Sewerage and Water Board New Orleans

Mandatory Monthly Manager's Report - Equitas Evergreen Fund, L.P.

## For Period Ending: June 30, 2014

| SWBNO Portfolio Trailing Period Performance | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| ROR | Trailing 1M | Trailing 3M | YTD | Trailing 1Y | Trailing 2Y | Trailing 3Y | Trailing 4Y | Trailing 5Y | Trailing 6Y | *Since Inception |
| Gross-of-Fee | 0.1% | 0.0% | -0.2% | -31.7% | -36.4% | -34.8% | -28.1% | -22.2% | -22.2% | -18.0% |
| Net-of-Fee | 0.0% | -0.2% | -0.7% | -32.4% | -37.1% | -35.5% | -28.7% | -22.9% | -22.9% | -18.9% |
| Dollar-Weighted | 0.0% | -0.2% | -0.7% | -32.4% | -37.7% | -33.5% | -16.9% | 1.8% | -11.6% | -5.7% |
| Credit Suisse Hedge Fund Index | 1.0% | 1.9% | 2.8% | 8.8% | 9.0% | 5.2% | 6.9% | 7.8% | 3.8% | 4.2% |
| Evergreen Main Account | 0.5% | 0.6% | 7.6% | 15.3% | 11.6% | 6.4% | 10.8% | 10.0% | 3.9% | 4.2% |

*Inception: May 1, 2007.

Returns for periods longer than one year are annualized.

| SWBNO Portfolio Period To-Date & Calendar Year Performance | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| ROR | MTD | QTD | YTD | 2013 | 2012 | 2011 | 2010 | 2009 | 2008 | 2007 |
| Gross-of-Fee | 0.1% | 0.0% | -0.2% | -29.1% | -51.2% | -20.2% | -1.6% | 9.6% | -26.9% | 11.0% |
| Net-of-Fee | 0.0% | -0.2% | -0.7% | -29.8% | -51.7% | -20.8% | -2.2% | 8.5% | -27.7% | 9.2% |
| Dollar-Weighted | 0.0% | -0.2% | -0.7% | -25.4% | -48.4% | -10.7% | 1.4% | 8.5% | -27.7% | 9.2% |
| Credit Suisse Hedge Fund Index | 1.0% | 1.9% | 2.8% | 9.7% | 7.7% | -2.5% | 11.0% | 18.6% | -19.1% | 6.8% |
| Evergreen Main Account | 0.5% | 0.6% | 7.6% | 15.7% | 4.0% | -0.7% | 17.9% | 11.5% | -27.5% | 9.4% |

| SWBNO Portfolio Market Value and Statistics | | | |
|---|---|---|---|
| | Prior Month Ending *06/30/14* | Recent Quarter Ending *06/30/14* | |
| Beginning Market Value (near $) | 36,986 | 37,079 | |
| Contributions/Withdrawals | - | - | |
| Income | - | - | |
| Market Impact +/- | 33 | 2 | |
| Ending Market Value (near $) | 36,989 | 36,989 | |
| Commissions Paid | - | - | |
| Commissions Recaptured | - | - | |
| Management Fees (accrued) | (31) | (93) | |
| Performance Fees (if applicable) | - | - | |
| Cash Held in Account ($ Amt.) | - | - | |
| Cash Held in Account (%) | - | - | |

# Sewerage and Water Board New Orleans

Mandatory Monthly Manager's Report - Equitas Evergreen Fund, L.P.

**For Period Ending: June 30, 2014**

| Comments: | |
|---|---|
| 1) For the period (prior month), is the portfolio in compliance with the guidelines stated in the IPS? If not, please explain in detail. | **YES** |
| 2) For the period (prior month), has there been any substantive changes in your firm's investment management professional staff or ownership structure? If so, please describe in detail. | **NO** |
| 3) For the period (prior month), has there been any substantive changes to your firm's investment strategy or philosophy? If so, please describe in detail. | **NO** |
| 4) Please disclose any/all quantitative and qualitative information about your firm, that the Board would find pertinent. | **NO** |

### Equitas Open Book Policy

**Equitas has an open book, but not open distribution policy. This means that while we are happy to discuss and review the managers on our platform with our investors, we do not mass distribute confidential information. This is for the protection of the investors in our Fund by limiting exposure to potential conflicts from outside investors in the Fund's managers.**

### Disclaimer

***The information contained in this report is an unaudited preliminary estimate based on current information. It is obtained from sources deemed to be reliable and accurate, but may be revised periodically without notice, especially at month-end when the net asset value (NAV) of the Fund is set and your monthly statement is mailed from the Fund's administrator.**

# Sewerage and Water Board New Orleans

Mandatory Monthly Manager's Report - Western Asset Management
For Period Ending - June 30, 2014

| SWBNO Portfolio Trailing Period Performance | | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| ROR | Trailing1M | Trailng 3M | YTD | Trailing 1Y | Trailing 2Y | Trailing 3Y | Trailing 5Y | Inception |
| Gross-of-Fee | 1.01% | 3.82% | 6.96% | 10.09% | 3.21% | 3.74% | 5.25% | 5.34% |
| Net-of-Fee | 0.98% | 3.72% | 6.75% | 9.65% | 2.80% | 3.32% | 4.83% | 4.92% |
| *Benchmark* | 0.75% | 3.67% | 6.44% | 9.27% | 2.79% | 3.63% | 5.72% | 5.71% |
| ***Custom Benchmark* | 0.80% | 2.27% | 5.00% | 6.85% | 1.01% | 1.57% | 3.60% | 5.37% |

*** Manager must name/ include performance stats for relative benchmark as stipulated in IPS and/or contract.**

| SWBNO Portfolio Period To-Date & Calendar Year Performance | | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| ROR | MTD | QTD | YTD | 2011 | 2010 | 2009 | 2008 | 2007 |
| Gross-of-Fee | 1.01% | 3.82% | 6.96% | 10.37 | 2.09 | 13.37 | -7.04 | 9.93 |
| Net-of-Fee | 0.98% | 3.72% | 6.75% | 9.94 | 1.68 | 12.92 | -7.42 | 9.49 |
| *Benchmark* | 0.75% | 3.67% | 6.44% | 10.65 | 3.95 | 2.55 | 10.89 | 10.95 |
| ***Custom Benchmark* | 0.80% | 2.27% | 5.00% | 6.35 | 5.17 | 13.21 | -7.32 | 11.84 |

****The Fund's benchmark is the Barclays Capital World Government IL All Mat, USD Unhedged; Custom benchmark is the Citigroup World Govt Bond Index, USD Unhedged**

| SWBNO Portfolio Market Value and Statistics | | |
|---|---|---|
| | Prior Month *End. 6/14* | Recent Quarter *End. Q2-14* |
| Beginning Market Value (near $) | 17,877,719 | $17,877,719 |
| Contributions/Withdrawals | - | 0 |
| Income | 0.00 | 0 |
| Market Impact +/- | (179,178) | (179,178) |
| Ending Market Value (near $) | 17,698,541 | 17,698,541 |
| Commissions Paid | N/A | N/A |
| Commissions Recaptured | N/A | N/A |
| Management Fees (accrued) | 0 | $ 17,689.50 |
| Performance Fees (if applicable) | N/A | N/A |
| Cash Held in Account ($ Amt.) | 0 | 0 |
| Cash Held in Account (%) | 0 | 0 |

# Employees' Retirement System of the Sewerage and Water Board of New Orleans

Performance Summary Report

June 30, 2014

| | Current Month | Latest 3 Months | Year to Date | Latest 12 Months | Latest 2 Years | Latest 3 Years | Latest 5 Years | Inception to Date [1] |
|---|---|---|---|---|---|---|---|---|
| | | | | | Annualized [2] | | | |
| Portfolio (Gross) [3] | 1.01% | 3.82% | 6.96% | 10.09% | 3.21% | 3.74% | 5.25% | 5.34% |
| Portfolio (Net) [4] | 0.98% | 3.72% | 6.75% | 9.65% | 2.80% | 3.32% | 4.83% | 4.92% |
| Benchmark [5] | *0.75%* | *3.67%* | *6.44%* | *9.27%* | *2.79%* | *3.63%* | *5.72%* | *5.71%* |

*[1] Subject to the performance clock date, close of business day 04/06/2006, as agreed upon by Client and Investment Manager.*

*[2] Represents the annualized return for the period indicated.*

*[3] The performance calculation reflects the deduction of administrative and custodian fees only. The impact of advisory fees on performance is not reflected in this calculation.*

*[4] Net-of-Fees performance returns are an estimate of time-weighted rate of return. The effective fee, based on a fee schedule, is deducted from the monthly return.*

*[5] Barclays World Government IL All Mat, USD Unhedged*

*Past investment results are not necessarily indicative of future investment results.*

# Employees' Retirement System of the Sewerage and Water Board of New Orleans

Summary of Holdings

June 30, 2014

| Security Description | | Book Value | Market Value | Accrued Interest | % of Assets |
|---|---|---|---|---|---|
| | Total Assets | $11,693,013.65 | $17,877,719.09 | $0.00 | 100.00% |

**Total Account Value (Market Value & Accrued Interest)** **$17,877,719.09**

# Employees' Retirement System of the Sewerage and Water Board of New Orleans

## Schedule of Current Holdings

## June 30, 2014

| Asset ID | Current Units/ Original Face | Security Description | Ratings Moody's | Ratings S&P | Book Value Price | Book Value Total | Market Value Price | Market Value Total | Accrued Interest | % of Assets |
|---|---|---|---|---|---|---|---|---|---|---|
| W80000024 | 1,178,802.52 | WESTERN ASSET GLOBAL INFLATION LINKED PLUS LLC | Aa1 | AA+ | 9.9194 | 11,693,013.65 | 15.1660 | 17,877,719.09 | 0.00 | 100.00% |
| | | **Total Assets:** | | | | **$11,693,013.65** | | **$17,877,719.09** | **$0.00** | **100.00%** |

**Total Account Value (Market Value & Accrued Interest)** **$17,877,719.09**

*NR: SECURITY NOT RATED BY RATING AGENCY.*



WESTERN ASSET

# Employees' Retirement System of the Sewerage and Water Board of New Orleans

Purchases & Sales

For the Period June 01, 2014 through June 30, 2014

| Trade Date | Settlement Date | Asset ID | Current Units/ Original Face | Security Description | Price | Cost/ Proceeds | Accrued Interest | Total Transaction |
|---|---|---|---|---|---|---|---|---|

**No Purchases & Sales By Settlement Date transactions from June 01, 2014 through June 30, 2014**

# Employees' Retirement System of the Sewerage and Water Board of New Orleans

Portfolio Characteristics (% Of Market Value)

June 30, 2014

| | DURATION YEARS | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| SECTOR | < 1 | 1 TO 3 | 3 TO 5 | 5 TO 7 | 7 TO 10 | 10 TO 15 | 15 PLUS | TOTAL |
| | 0 | 0 | 0 | 0 | 0 | 100 | 0 | 100 |
| | 0 | 0 | 0 | 0 | 0 | 100 | 0 | 100 |
| **TOTAL** | 0 | 0 | 0 | 0 | 0 | 100 | 0 | 100 |

Bucketing of securities is based on un-adjusted duration, and Index Linked bonds are based on real yield duration

***TOTAL NUMBERS ARE SUBJECT TO ROUNDING DIFFERENCES.**

# Employees' Retirement System of the Sewerage and Water Board of New Orleans

Disclaimer

June 30, 2014

**The valuations provided herein are for informational purposes only, represent Western Asset's estimate of the current market value of an instrument, and are based on the effective date in which positions or transactions are reflected in the portfolio's net asset value. The valuations and accounting reports are not audited financial statements and are not intended to be used as the official accounting books and records for the portfolio. The valuations are supplied in good faith based on information Western Asset believes to be accurate. Please contact Western Asset directly if you would like more information regarding the valuation process.**

## Western Asset Global Inflation Linked Plus, L.L.C.
### Statement of Changes in Net Assets
### Month Ended June 30, 2014

| | | |
|---|---|---|
| **From operations** | | |
| Net investment loss | $ | (91,756,933) |
| Net realized gain | | 486,597 |
| Net change in unrealized gain (loss) | | 94,722,245 |
| Net increase in net assets resulting from operations | | 3,451,909 |
| **From participant transactions** | | |
| Proceeds from subscriptions | | - |
| Payments for redemptions | | (16,000,000) |
| Net decrease in net assets | | (12,548,091) |
| **Net assets** | | |
| Beginning of month | | 369,559,986 |
| End of month | $ | 357,011,895 |
| **Net asset value per share** | | |
| Beginning of month | | 15.015 |
| End of month | $ | 15.166 |

*Western Asset Global Inflation Linked Plus, L.L.C.*

*Affirmation of the Commodity Pool Operator*

**IN WITNESS WHEREOF, the undersigned has made and signed this document, and affirms that to the best of his knowledge and belief the information contained on the attached statement is accurate and complete.**

**By:** ______________________________

**Kevin Ehrlich, Esq., Chief Compliance Officer**
**Western Asset Management Company,**
**Commodity Pool Operator for *Western Asset Global Inflation Linked Plus, L.L.C.***

2Q 2014

Investment Report

# Global Inflation-Linked

## Real Yields

Real yields fell in the US and Europe as growth remained lower than expected and central banks dovish. In the UK real yields pushed higher as the BoE signalled the potential for an earlier rate increase.


Source: Barclays

## Central Bank Watch

Real policy rates (policy rates less core inflation) fell in both the US and Japan (in part due to the consumption tax increase). Despite the plethora of ECB actions, it had little effect on real policy rates.


Source: Fed, ECB, BoJ, Western Asset

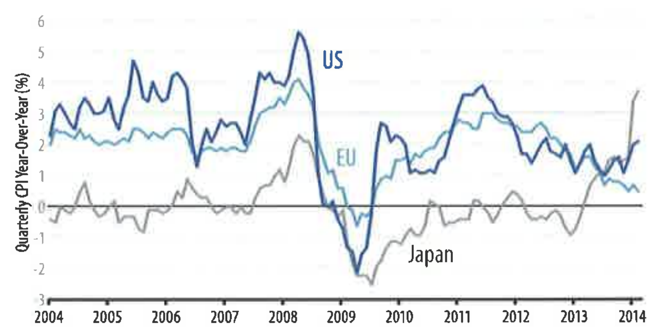
## Breakeven Spreads

Breakeven spreads continued to move sideways in the second quarter. But the trend for higher US versus EU began to pick up in June.


Source: Barclays

## Inflation Watch

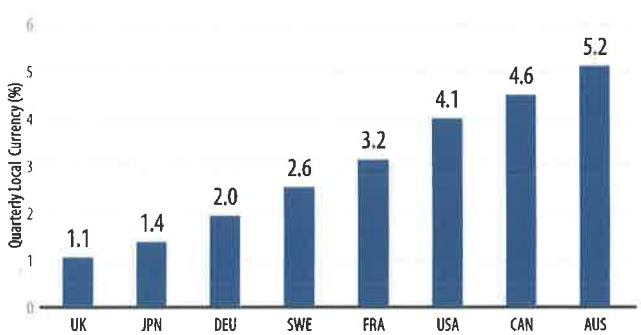
Inflation continued to fall in Europe but picked up in the US. Japan raised its consumption tax, which passed quickly into the headline measure.




Source: Bloomberg

## Country Returns

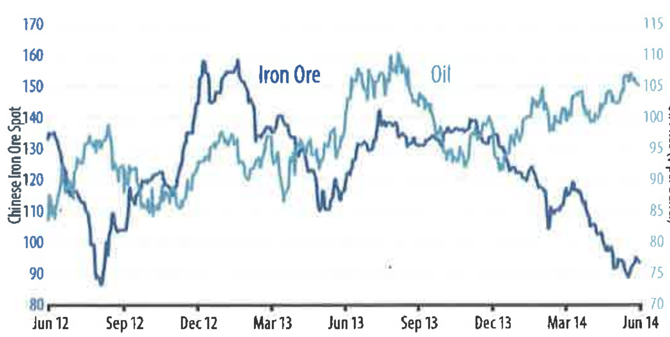
Real yields fell sharply adding to the strong absolute returns from the first quarter.




Source: Barclays

## Commodities

There was a sharp divergence in commodity prices as weaker growth in China pushed iron ore prices lower yet geopolitical strains supported oil prices.




Source: Bloomberg

## PERFORMANCE SCORECARD

| We thought that … | Therefore, we … | | And the results … |
|---|---|---|---|
| Temporary impacts from weather, inventories and the government shutdown in the US would abate to reveal a broadly similar growth trajectory to the recent past. European growth had improved but remained fragile and overly reliant on overseas demand. Momentum in the UK recovery needed to continue to broaden the growth drivers. | Maintained a modest underweight in front end US nominal yields, UK real yields and an overweight to European real yields. In TIPS we remained optimistic on 30-year bonds on the curve. Continued to short the yen and euro versus the US dollar. | + | Real and nominal yields fell globally. European real yields were spurred by ECB actions whilst UK real yields lagged other markets. Long-dated TIPS performed well versus intermediates. Foreign exchange detracted marginally from performance. |
| Questions over the degree of weather impact in the US and the duration of weaker data in China were the most pertinent questions during the quarter. We expected better US data and a calmer approach to China while policy responses took hold. | Tactically traded US and UK duration with an underweight bias. Added exposure to European real yields. | +/– | Despite our underweight, tactical trading offset these duration losses. |
| Both relative growth and inflation projections pointed towards weakness in the eurozone versus the UK and US. Our expectation was that this divergence would widen going forward. | Maintained our overweight In European real and nominal yields versus the UK and US. | + | European real yields performed well versus the UK and US. This was the biggest driver of performance over the quarter. |
| The resumption of moderate growth in the US should raise the specter of Fed hikes. Low inflation would moderate this view. This should be supportive of curve flatteners. In the UK, front end real yields should rise versus intermediate real yields. | Maintained a bias toward 30-year TIPS on the curve either versus 10-year TIPS or nominals. Held a modest underweight in front end UK real yields on the curve. | + | 30-year TIPS performed well and short-dated UK real yields poorly as UK inflation remained contained but the BoE seemed keen to direct the market toward earlier rate increases. |
| Inflation would remain volatile but trendless until later this year when we expect higher US and UK price rises. Breakevens are cheap for a reason, but should risk events or supply push them lower we would look to add. | We tactically added to US breakevens during the quarter. | + | US breakeven rates moved higher. |
| The BoJ would remain at the vanguard of expansionist monetary policy buying time for structural change. Real policy strength had buoyed the euro recently but currency strength could cap a nascent/weak recovery. | Maintained our long dollar position versus the euro and yen. Added small exposure, where possible, to Latin American currencies via the sterling. | – | The Japanese yen strengthened as policy waited to assess the impact of the consumption good tax increase. |

## OUTLOOK

Nascent trends are beginning to form in global inflation data. The US and Japan continue to post modestly higher numbers than expected, whereas European inflation remains stuck at 0.5% and UK inflation data have surprised to the downside. However, the low absolute level of inflation and the slow grind from the low side toward central bank targets mean that inflation has not had a meaningful impact on monetary policy outside of the eurozone, and, if anything, has slowed any likely move toward policy tightening. In the eurozone, inflation has been at very low levels for some time now and this is expected to continue in the third quarter. It has been the key driver of monetary policy changes.

The market response to the three, one-tenth upward surprises on US inflation has been telling. On the day, breakevens rallied by around 5 basis points (bps) up to 225 and then moved back downward toward 215 over the next couple of weeks. Only in the third instance in June did this reversal not take place. There is an entrenched view that inflation is low and will remain low, aided by the Federal Reserve (Fed), which referred to the recent move higher in inflation as "noise." Average inflation over the past 10 years in the US has been 2.5%. Despite reducing its view of the potential long-term growth rate, the Fed continues to forecast PCE inflation at 2.0%. This translates into roughly 2.4% CPI given historic differences between PCE and CPI. The ongoing pessimism regarding inflation creation (moreso given that the Fed are so relaxed about the current level and purportedly happy to see it run higher in the short-term), points to a low inflation premium. The recent move higher in inflation has been broadbased with both core services and core goods moving higher. Cyclical inflation components such as hotels, airfares, autos and apparel have been leading this push higher.

In Europe inflation continues to remain low and is likely to dip even lower during this quarter. Lower food and utility prices (from a warm winter) are still passing through the inflation data and weak money growth, and bank lending still points to low core inflation. Even wage dynamics in Germany are depressed as Italian and Spanish immigration has pulled wage growth towards zero. The European Central Bank (ECB) delivered a plethora of policy responses but shied away from the only one likely to bring about the higher-inflation, weaker euro that it needs to support growth and also protect debt dynamics from worsening. It's noticeable that neither breakevens (which are already substantially below ECB forecasts) nor the euro responded well to the new policy measures despite exceeding expectations. In our view, this is not buying time. Weak nominal growth (aka low inflation and low real growth) is a canker. Growth in the US has moved back to its modest trend after a weather-impacted first quarter, but signs of acceleration are few at the moment. Housing, which has been particularly weak, has begun to pick up; this is a positive sentiment; surveys remain buoyant. Job growth continues to rise gradually and unemployment falls are expected to continue given demographic exits from the labor force. Smaller companies are more confident and wage growth has turned higher. Overall, the economy is moving in the right direction but at a steady pace, which has frustrated many forecasts and duration calls. Given all of the above, the Fed has remained dovish and the taper continues at the pre-ordained pace. We expect that policy changes will be light until later this quarter when the Jackson Hole meeting takes place. In the past this has been used to change the policy narrative especially as the market is marginally more dovish than the Fed forecasts. In Europe growth remains fragile, initially falling inflation raises real incomes, which has benefited consumption. However, this is a one-off and higher real yields worsen already tepid investment lending. PMI surveys, after rising sharply, are flat-lining currently. Thus it feels that some of the impetus is fading. In a relative sense, high real policy rates are not helping investment or exports (via a strong euro).

In terms of strategy, we continue to like real yields in Europe versus a mixture of nominal and real yields in the UK and US. European breakevens are much lower than ECB forecasts; hence, lower inflation will likely generate market expectations of quantitative easing (QE). Any upside surprise should push real yields down as breakevens rally. The upcoming lull in index-linked supply over the summer and healthy index extensions in France add appeal from the micro standpoint. TIPS breakevens are attractive but expectations are low and real yields have performed well, hence we prefer a neutral bias currently. A pickup in UK index-linked supply combined with negative real yields in an economy that is still performing well point to higher real yields.

## INVESTMENT THEMES AND STRATEGIES

| Themes | Strategies |
| --- | --- |
| Inflation remains low but in has surprised on the upside in the US and Japan. The absolute level is not a concern for policymakers barring the eurozone where policy will need to respond if inflation falls further or fails to move higher. Growth looks strongest in the UK and US, whereas the outlook is still fragile in the eurozone. Geopolitics could push energy prices higher near term. | Underweight duration overall via the US and UK. Maintain our relative country stance towards European duration versus the US and UK. Bias towards 30-year US real yields on the curve. Remain short the yen and euro versus the US dollar. |
| Low inflation, modest but improving growth equals dovish policy over the summer. Should modest growth continue then policy at emergency settings will need to change. The UK seems likely to move first with the caveat of gradual rate rises and lower terminal rates. Should inflation pick up this will become quicker. Policy meetings later in the quarter could change the narrative. A pickup in UK index-linked supply in the third quarter should push real yields higher. | Tactical underweight to duration via the UK and US. Look to initiate and underweight in JGBs. |
| Both the relative growth and inflation projections point towards weakness in the eurozone versus the UK and US. Our expectation is that this divergence will continue to widen going forward. | Maintain our overweight in eurozone bonds versus the UK and US. Tactically adjust the real and nominal mix given breakeven moves. |
| A resumption of moderate growth in the US, with risk to the upside, should begin to raise the specter of Fed hikes. Lack of inflation will slow this call but this should pressure front-end yields versus long-dated ones. In Europe, longer-dated real yields should benefit from little supply and index extensions. | We continue to structurally like curve flatteners in the US, with the short in either real or nominal five-years versus longer-dated TIPS. Look for signs of inflation stabilisation to initiate curve steepeners in Europe. |
| We expect higher inflation in the US but the gradual move and consensus view that low inflation is here to stay will likely keep breakevens range-bound. Breakevens are cheap but righfully so. Should risk events push them lower then we would look to initiate long breakeven positions. In Europe short-dated breakevens are very low but will need a turn in the data or more policy to move them higher. | Await better levels to initiate long breakeven positions. |
| The BoJ will continue its expansionist monetary policy, buying time for structural change, but signals are mixed whether it will push harder. Real policy strength has buoyed the euro recently but higher levels could cap a nascent/weak recovery. | Tactically fund the overweight to the US dollar out of the euro and yen. |

# Western Asset
# Global Inflation-Linked Plus, L.L.C.
*Fact Sheet as of 6/30/14*

WESTERN ASSET

Fact Sheet June 2014

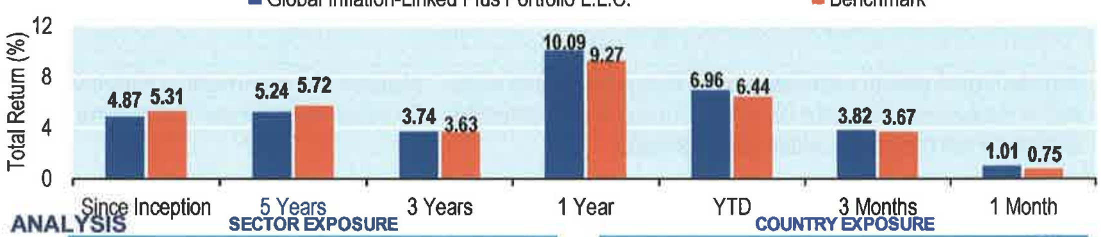
## STATISTICS

| | Inception Date | Total Net Assets | Net Asset Value | Index |
|---|---|---|---|---|
| | 10/4/2005 | $357,011,895 | $15.166 | Barclays World Govt Inflation Linked All Maturities (unhedged) |
| | **Yield To Maturity** | **Average Credit Quality** | **Duration** | **Convexity** |
| **Global Inflation-Linked Plus LLC** | 1.92% | AAA | 10.55 | 2.52 |
| ***Index*** [1] | *2.08%* | *AAA* | *11.59* | *2.55* |

## OBJECTIVES

The Global Inflation Linked Plus portfolio's investment objective is to maximize long-term total return, consistent with prudent investment management. Under normal market conditions, the Portfolio expects to invest at least 80% of its total net assets, either directly or indirectly through investments in other commingled investment vehicles, in inflation linked securities. In addition, under normal market conditions, the Portfolio expects to invest at least 80% of its total net assets, either directly or indirectly through investments in other commingled investment vehicles, in investment grade debt and fixed income securities (including inflation linked securities) rated at the time of purchase at least Baa3 or BBB- by a nationally recognized rating agency such as Moody's Investors Service, Inc., Standard & Poor's or Fitch Ratings, or that are of a comparable quality as determined by Western Asset.

## PERFORMANCE[2]




## ANALYSIS

### SECTOR EXPOSURE

| | FUND (%) | INDEX (%)[1] |
|---|---|---|
| Government | 0.02 | 0.00 |
| Inflation Protected | 94.39 | 100.00 |
| Investment Grade Credit | 0.00 | 0.00 |
| High Yield | 0.00 | 0.00 |
| Emerging Market | 0.94 | 0.00 |
| Foreign Exchange | 0.05 | 0.00 |
| Cash & Cash Equivalents | 4.60 | 0.00 |

### QUALITY EXPOSURE

| | FUND (%) | INDEX (%)[1] |
|---|---|---|
| AAA | 81.28 | 55.18 |
| AA | 10.28 | 44.82 |
| A | 0.45 | 0.00 |
| BBB | 3.35 | 0.00 |
| BB | 0.00 | 0.00 |
| B | 0.00 | 0.00 |
| CCC | 0.00 | 0.00 |
| FX Forwards- NR | 0.05 | 0.00 |
| Cash & Cash Equivalents | 4.60 | 0.00 |

### CURRENCY EXPOSURE

| | FUND (%) | INDEX (%)[1] |
|---|---|---|
| Australia | 1.05 | 1.32 |
| Brazil | 0.49 | 0.00 |
| Canada | 2.86 | 2.69 |
| Denmark | 0.00 | 0.28 |
| Euro | 15.71 | 16.96 |
| Japan | -0.31 | 1.77 |
| Mexico | 0.53 | 0.00 |
| New Zealand | 0.00 | 0.39 |
| Norway | 0.00 | 0.00 |
| Sterling | 30.16 | 29.90 |
| Sweden | 2.65 | 1.52 |
| United States | 46.87 | 45.19 |

### COUNTRY EXPOSURE

| | FUND (%) | INDEX (%)[1] |
|---|---|---|
| Australia | 1.05 | 1.32 |
| Canada | 2.86 | 2.69 |
| Hong Kong | 0.00 | 0.00 |
| France | 9.53 | 12.77 |
| Germany | 3.32 | 4.19 |
| Sweden | 2.65 | 1.52 |
| United Kingdom | 30.16 | 29.90 |
| United States | 46.87 | 45.19 |
| New Zealand | 0.00 | 0.39 |
| Italy | 2.86 | 0.00 |
| Japan | -0.31 | 1.77 |
| Mexico | 0.53 | 0.00 |
| Greece | 0.00 | 0.00 |
| Russia | 0.00 | 0.00 |
| Multi-National | 0.00 | 0.00 |
| Luxembourg | 0.00 | 0.00 |
| Spain | 0.00 | 0.00 |
| Kazakhstan | 0.00 | 0.00 |
| Netherlands | 0.00 | 0.00 |
| South Korea | 0.00 | 0.00 |
| Iceland | 0.00 | 0.00 |
| Brazil | 0.49 | 0.00 |
| Ireland | 0.00 | 0.00 |
| Denmark | 0.00 | 0.28 |
| Norway | 0.00 | 0.00 |
| South Africa | 0.00 | 0.00 |

*[1]Barclays World Government Inflation Linked All Maturities Index (Unhedged).*
*[2]The performance calculation reflects the deduction of administrative and custodian fees only. The impact of advisory fees on performance is not reflected in this calculation. Returns for periods greater than one year are annualized.*
*Past results are no guarantee of future performance. An investment in the Portfolio may be worth more or less than you originally paid for based on factors such as interest rate, credit, strategy and limited liquidity risks. Additional risks and information regarding fees, expenses and tax considerations are more fully described in the Confidential Offering Memorandum, which must precede or accompany this material. Please read the Offering Memorandum carefully before investing.*

WESTERN ASSET

# Western Asset Limited Liability Company (LLC) Oath of Affirmation and Statement of Changes in Net Assets

The Oath of Affirmation asserts Western Asset's belief that the information contained in the statement is accurate. The Statement of Changes in Net Assets represents a reconciliation of the change in net assets during the period, comprised of the income and gain or loss on the investments and activity from participant transactions. These monthly reports are provided in addition to each monthly statement you receive from The Bank of New York Mellon. Further information on the Fund—including an Oath of Affirmation and Statement of Changes in Net Assets for the Western Asset Limited Liability Company fund(s) in which you were invested during the month—is available on your "My Account" page via our website at: www.westernasset.com.

**Should you have any questions, please contact us at CSTeamLLC@westernasset.com.**

# Sewerage & Water Board of New Orleans

**Manager's Report - Barrow, Hanley, Mewhinney & Strauss**

**Periods Ending 6/30/14**

| SWBNO Portfolio Trailing Period Performance | | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| ROR | Trailing1M | Trailing 3M | YTD | Trailing 1Y | Trailing 2Y | Trailing 3Y | Trailing 5Y | Inception 9-5-06 |
| Gross-of-Fee | 1.85 | 3.81 | 7.77 | 23.11 | | 15.94 | 18.26 | 7.42 |
| Net-of-Fee | 1.81 | 3.66 | 7.46 | 22.38 | | 15.24 | 17.54 | 4.68 |
| *R1000V* | 2.61 | 5.10 | 8.28 | 23.81 | | 16.92 | 19.23 | 6.31 |

| SWBNO Portfolio Period To-Date & Calendar Year Performance | | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| ROR | MTD | Trailing 3M | YTD | 2013 | 2012 | 2011 | 2010 | 2009 |
| Gross-of-Fee | 1.85 | 3.81 | 7.77 | 32.45 | 15.17 | 2.60 | 11.70 | 23.44 |
| Net-of-Fee | 1.81 | 3.66 | 7.46 | 31.64 | 14.47 | 1.96 | 10.46 | 22.64 |
| *R100V* | 2.61 | 5.10 | 8.28 | 32.53 | 17.51 | 0.39 | 15.51 | 19.69 |

*** Manager must name/include performance stats for relative benchmark as stipulated in IPS and/or contract.**

| SWBNO Portfolio Market Value and Statistics | | | | |
|---|---|---|---|---|
| | Prior Month June2014 | | Recent Quarter *End. Q1-14* | |
| Beginning Market Value (near $) | 25,594,286 | | 25,597,276 | |
| Contributions/Withdrawals | 0 | | -36,501 | 1Q14 mgmt fees |
| Income | | | | |
| Market Impact +/- | 482,969 | | 94,250 | |
| Ending Market Value (near $) | 26,535,024 | | 26,535,024 | |
| Commissions Paid | | | | N/A |
| Commissions Recaptured | | | | N/A |
| Management Fees (accrued) | 12,719 | est | 38,000 | 2Q14 est |
| Performance Fees (if applicable) | | | | N/A |
| Cash Held in Account ($ Amt.) | 0 | | 0 | |
| Cash Held in Account (%) | 0 | | 0 | |

1) For the period (prior month), is the portfolio in compliance with the guidelines stated in the IPS? If not, please explain in detail. Yes

2) For the period (prior month), has there been any substantive changes in your firm's investment management professional staff or ownership structure? If so, please describe in detail.

Clare Burch =, Equity Ops Director, retired
Betty Cummins named Equity Ops Director
Stephanie Manter named Manager of Equity Ops
Michael Nayfa and Terry Pelzel, Equity Anakysts, added as assistant PMs to DLCV team

3) For the period (prior month), has there been any substantive changes to your firm's investment strategy or philosophy? If so, please describe in detail. No

4) Please disclose any/all quantitative and qualitative information about your firm, that the Board would find pertinent. none

Please attach a list of portfolio holdings for the period (prior month end).
For quarter ending periods, please provide a proxy report detailing all proxies voted during the quarter. N/A

## Sewerage and Water Board of New Orleans

Barrow, Hanley, Mewhinney & Strauss

Barrow Hanley Large Cap Value Fund
Month Ended: June 30, 2014
BHMF00204702

### Market Value Summary:

| | Current Period | Quarter to Date | Year to Date |
|---|---|---|---|
| Beginning Balance | $26,052,055.05 | $25,597,275.56 | $24,692,879.92 |
| Contributions | 0.00 | 0.00 | 0.00 |
| Redemptions | 0.00 | 0.00 | 0.00 |
| Management Fees | 0.00 | (36,500.75) | (72,723.61) |
| Unrealized Gains/Losses | 482,969.37 | 974,249.61 | 1,914,868.11 |
| Ending Balance | $26,535,024.42 | $26,535,024.42 | $26,535,024.42 |

### Unit Value Summary:

| | Current Period | Year to Date |
|---|---|---|
| Beginning Units | 1,139,815.300 | 1,143,134.216 |
| Unit Purchases from Contributions | 0.000 | 0.000 |
| Unit Sales for Withdrawals | 0.00 | 0.000 |
| Unit Withdrawals for Mgmt. Fees | 0.000 | (3,318.916) |
| Ending Units | 1,139,815.300 | 1,139,815.300 |
| Period Beginning Unit Value | 22.856383 | 21.601033 |
| Period Ending Unit Value | 23.280109 | 23.280109 |
| Net Change | 0.423726 | 1.679076 |

**Average Cost: 15,394,884.59

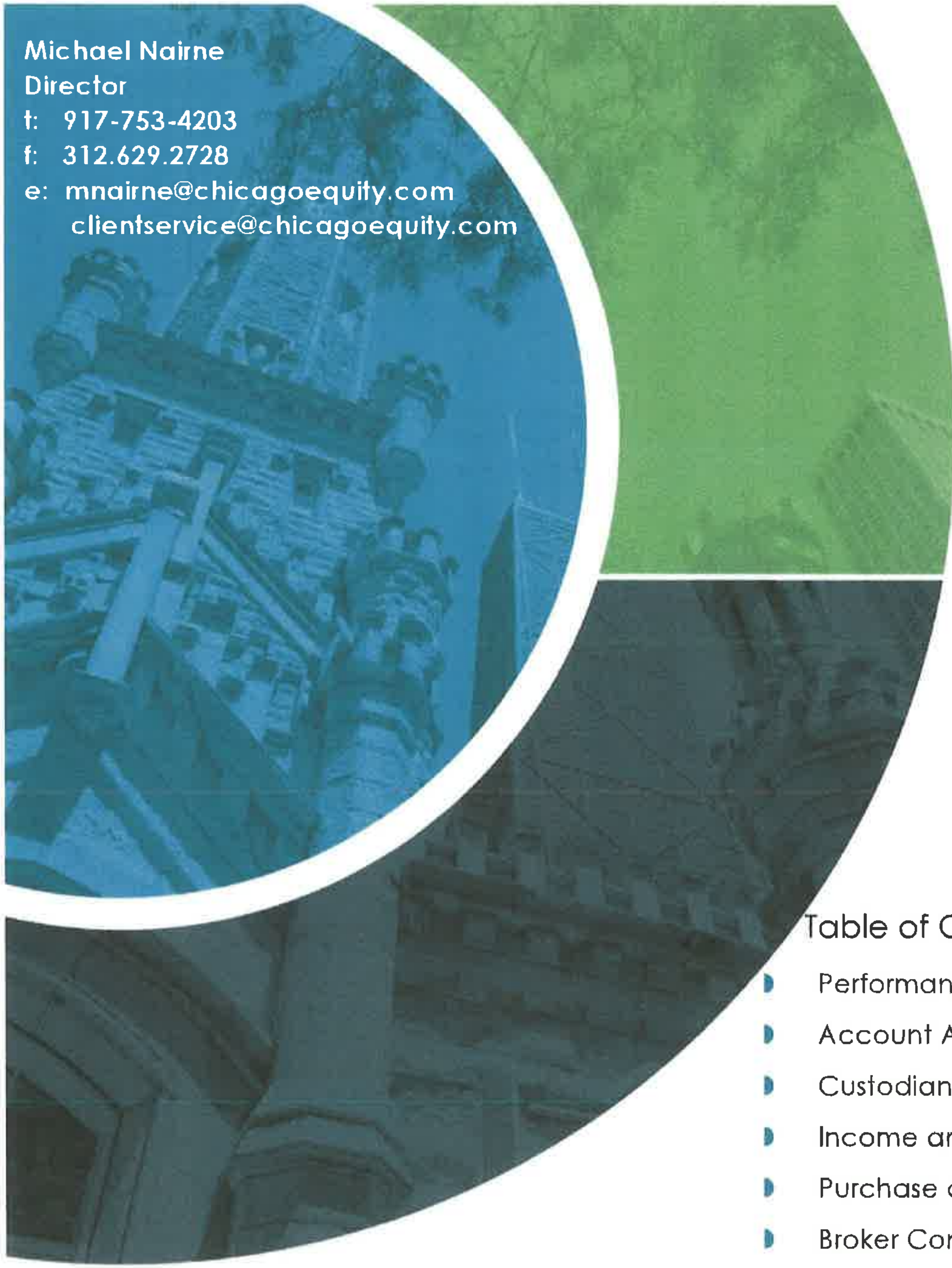
### Performance Summary:

| | Current Month | Quarter To Date | Three Months | Year to Date | One Year | Annualized Three Years | Annualized Five Years | Annualized Seven Years | Annualized Ten Years | Annualized Since Inception* |
|---|---|---|---|---|---|---|---|---|---|---|
| Gross of Fees: | 1.85% | 3.81% | 3.81% | 7.77% | 23.11% | 15.94% | 18.26% | 5.34% | N/A | 7.18% |
| Net of Fees: | 1.81% | 3.66% | 3.66% | 7.46% | 22.38% | 15.24% | 17.54% | 4.68% | N/A | 6.53% |

*Inception Date: 09/05/2006

***Statements are Produced by NRS***

***** Please note that average cost is being used to calculate the cost basis on statements.***



Michael Nairne
Director
t: 917-753-4203
f: 312.629.2728
e: mnairne@chicagoequity.com
clientservice@chicagoequity.com

# New Orleans Sewerage & Water Board

## Monthly Investment Report
## June 2014

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CHICAGO EQUITY PARTNERS

## Monthly Manager Reports

**Performance as of 6/30/2014**

| | Month | QTD | YTD | 1 Year | 2 Year | 3 Year | 4 Year | 5 Year |
|---|---|---|---|---|---|---|---|---|
| **Gross** | 2.16 | 4.66 | 7.78 | 26.14 | 23.21 | 16.70 | 21.30 | 20.32 |
| **Net** | 2.13 | 4.56 | 7.59 | 25.66 | 22.79 | 16.30 | 20.88 | 19.91 |
| **Russell 1000** | 2.27 | 5.11 | 7.26 | 25.35 | 23.27 | 16.62 | 20.27 | 19.25 |

**Portfolio Market Value as of 6/30/2014**

| | Current Month |
|---|---|
| **Beginning Portfolio Market Value** | $ 30,304,432.36 |
| **Contributions/Withdrawals** | $ (0.24) |
| **Income** | $ 45,028.39 |
| **Market Appreciation/Depreciation** | $ 610,486.03 |
| **Ending Balance** | **$ 30,959,946.54** |
| | |
| **Cost** | $ 24,572,707.04 |
| **Fees, Period** | $ 9,619.05 |
| **Cash** | $ 196,264.85 |
| **Cash % of Portfolio** | 0.6% |
| **Comments** | |

**1.)** For the current period, is the portfolio in compliance with the investment policy specified in the account guidelines? If not, please explain.

**Yes**

**2.)** For the current period, has there been any change in your firm's investment management professionals or ownership structure? If so, please explain.

**No**

**3.)** For the current period, have there been any changes to the portfolio's investment strategy? If so, please explain.

**No**

**4.)** Please note any additional firm-wide information that SWBNO would find of interest.

**NA**

**Chicago Equity Partners**
PORTFOLIO APPRAISAL
**NEW ORLEANS SEWERAGE AND WATER BOARD**
**ACCOUNT NUMBER: 902001114**
**June 30, 2014**

| Quantity | Security | Unit Cost | Total Cost | Price | Market Value | Pct. Assets | Annual Income | Yield |
|---|---|---|---|---|---|---|---|---|
| **COMMON STOCK** | | | | | | | | |
| STAPLES | | | | | | | | |
| Food | | | | | | | | |
| 6,750 | ARCHER DANIELS MIDLAND CO COM | 40.19 | 271,332.64 | 44.11 | 297,742.50 | 0.9 | 4,050.00 | 1.3 |
| 6,980 | TYSON FOODS INC CL A | 25.18 | 175,820.50 | 37.54 | 262,029.20 | 0.8 | 1,116.80 | 0.4 |
| | | | 447,153.15 | | 559,771.70 | 1.8 | 5,166.80 | 0.9 |
| Beverage | | | | | | | | |
| 2,340 | COCA COLA CO COM | 40.51 | 94,803.15 | 42.36 | 99,122.40 | 0.3 | 4,118.40 | 4.1 |
| 700 | CONSTELLATION BRANDS CL A | 54.58 | 38,208.66 | 88.13 | 61,691.00 | 0.1 | 0.00 | 0.0 |
| 3,800 | DR PEPPER SNAPPLE GRP COM | 45.20 | 171,794.62 | 58.58 | 222,604.00 | 0.7 | 3,800.00 | 1.7 |
| 900 | PEPSICO INC COM | 76.37 | 68,741.37 | 89.34 | 80,406.00 | 0.2 | 1,728.00 | 2.1 |
| | | | 373,547.81 | | 463,823.40 | 1.4 | 9,646.40 | 2.0 |
| Food and Drug Retailing | | | | | | | | |
| 8,625 | KROGER CO COM | 23.79 | 205,220.85 | 49.43 | 426,333.75 | 1.3 | 3,622.50 | 0.8 |
| Household and Personal Products | | | | | | | | |
| 1,925 | KIMBERLY CLARK CORP COM | 101.75 | 195,875.99 | 111.22 | 214,098.50 | 0.6 | 5,082.00 | 2.3 |
| 500 | NU SKIN ENTERPRISES CL A | 87.40 | 43,704.85 | 73.96 | 36,980.00 | 0.1 | 250.00 | 0.6 |
| 2,875 | PROCTER & GAMBLE CO COM | 71.38 | 205,238.02 | 78.59 | 225,946.25 | 0.7 | 5,540.70 | 2.4 |
| 875 | TUPPERWARE BRANDS CORP COM | 83.39 | 72,966.38 | 83.70 | 73,237.50 | 0.2 | 875.00 | 1.1 |
| | | | 517,785.24 | | 550,262.25 | 1.7 | 11,747.70 | 2.1 |

**Chicago Equity Partners**
PORTFOLIO APPRAISAL
**NEW ORLEANS SEWERAGE AND WATER BOARD**
**ACCOUNT NUMBER: 902001114**
**June 30, 2014**

| Quantity | Security | Unit Cost | Total Cost | Price | Market Value | Pct. Assets | Annual Income | Yield |
|---|---|---|---|---|---|---|---|---|
| Tobacco | | | | | | | | |
| 1,100 | ALTRIA GROUP INC COM | 37.42 | 41,162.33 | 41.94 | 46,134.00 | 0.1 | 1,672.00 | 3.6 |
| 5,025 | LORILLARD INC COM | 47.91 | 240,787.97 | 60.97 | 306,374.25 | 0.9 | 22,612.50 | 7.3 |
| 690 | PHILIP MORRIS INTL INC COM | 86.24 | 59,510.11 | 84.31 | 58,173.90 | 0.1 | 1,766.40 | 3.0 |
| | | | 341,460.41 | | 410,682.15 | 1.3 | 26,050.90 | 6.3 |
| | | | 1,885,167.49 | | 2,410,873.25 | 7.7 | 56,234.30 | 2.3 |
| HEALTH CARE | | | | | | | | |
| Biotechnology | | | | | | | | |
| 7,680 | GILEAD SCIENCES INC COM | 78.01 | 599,134.81 | 82.91 | 636,748.80 | 2.0 | 0.00 | 0.0 |
| 2,600 | MYRIAD GENETICS INC COM | 32.92 | 85,614.70 | 38.92 | 101,192.00 | 0.3 | 0.00 | 0.0 |
| 1,840 | UNITED THERAPEUTIC DEL COM | 64.80 | 119,249.57 | 88.49 | 162,821.60 | 0.5 | 0.00 | 0.0 |
| | | | 803,999.08 | | 900,762.40 | 2.9 | 0.00 | 0.0 |
| Health Equipment and Supply | | | | | | | | |
| 4,700 | COVIDIEN PLC SHS | 70.83 | 332,947.46 | 90.18 | 423,846.00 | 1.3 | 3,008.00 | 0.7 |
| 6,190 | JOHNSON & JOHNSON COM | 91.41 | 565,887.49 | 104.62 | 647,597.80 | 2.0 | 13,370.40 | 2.0 |
| 1,400 | MEDTRONICS INC | 45.78 | 64,093.33 | 63.76 | 89,264.00 | 0.2 | 1,260.00 | 1.4 |
| | | | 962,928.28 | | 1,160,707.80 | 3.7 | 17,638.40 | 1.5 |

# Chicago Equity Partners
## PORTFOLIO APPRAISAL
**NEW ORLEANS SEWERAGE AND WATER BOARD**
**ACCOUNT NUMBER: 902001114**
**June 30, 2014**

| Quantity | Security | Unit Cost | Total Cost | Price | Market Value | Pct. Assets | Annual Income | Yield |
|---|---|---|---|---|---|---|---|---|
| Health Providers and Services | | | | | | | | |
| 600 | AETNA INC NEW COM | 39.89 | 23,939.99 | 81.08 | 48,648.00 | 0.1 | 24.00 | 0.0 |
| 4,900 | CIGNA CORP COM | 61.76 | 302,662.71 | 91.97 | 450,653.00 | 1.4 | 196.00 | 0.0 |
| 600 | EXPRESS SCRIPTS HOLDING CO | 71.47 | 42,885.28 | 69.33 | 41,598.00 | 0.1 | 0.00 | 0.0 |
| 1,665 | WELLPOINT INC COM | 96.23 | 160,232.89 | 107.61 | 179,170.65 | 0.5 | 0.00 | 0.0 |
| | | | 529,720.87 | | 720,069.65 | 2.3 | 220.00 | 0.0 |
| Pharmaceuticals | | | | | | | | |
| 2,400 | ABBVIE INC. COM | 27.48 | 65,954.37 | 56.44 | 135,456.00 | 0.4 | 0.00 | 0.0 |
| 200 | ACTAVIS PLC SHS | 210.42 | 42,085.62 | 223.05 | 44,610.00 | 0.1 | 0.00 | 0.0 |
| 1,650 | AMERISOURCEBERGEN CORP COM | 63.51 | 104,791.88 | 72.66 | 119,889.00 | 0.3 | 528.00 | 0.4 |
| 1,750 | CARDINAL HEALTH INC COM | 47.03 | 82,317.04 | 68.56 | 119,980.00 | 0.3 | 1,365.00 | 1.1 |
| 1,300 | MCKESSON CORP COM | 123.81 | 160,964.13 | 186.21 | 242,073.00 | 0.7 | 936.00 | 0.3 |
| 19,918 | PFIZER INC COM | 21.64 | 431,196.49 | 29.68 | 591,166.24 | 1.9 | 14,340.96 | 2.4 |
| | | | 887,309.55 | | 1,253,174.24 | 4.0 | 17,169.96 | 1.3 |
| | | | 3,183,957.81 | | 4,034,714.09 | 13.0 | 35,028.36 | 0.8 |
| DISCRETIONARY | | | | | | | | |
| Apparel | | | | | | | | |
| 2,395 | HANESBRANDS INC COM | 54.68 | 130,969.39 | 98.44 | 235,763.80 | 0.7 | 0.00 | 0.0 |

**Chicago Equity Partners**

PORTFOLIO APPRAISAL

**NEW ORLEANS SEWERAGE AND WATER BOARD**

**ACCOUNT NUMBER: 902001114**

**June 30, 2014**

| Quantity | Security | Unit Cost | Total Cost | Price | Market Value | Pct. Assets | Annual Income | Yield |
|---|---|---|---|---|---|---|---|---|
| Automotive | | | | | | | | |
| 1,200 | DELPHI AUTOMOTIVE PLC SHS | 66.58 | 79,903.47 | 68.74 | 82,488.00 | 0.2 | 0.00 | 0.0 |
| 1,420 | LEAR CORPORATION | 68.99 | 97,969.52 | 89.32 | 126,834.40 | 0.4 | 0.00 | 0.0 |
| | | | 177,872.99 | | 209,322.40 | 0.6 | 0.00 | 0.0 |
| Hotels, Restaurant, Leisure | | | | | | | | |
| 1,085 | HARLEY DAVIDSON INC COM | 72.70 | 78,882.89 | 69.85 | 75,787.25 | 0.2 | 434.00 | 0.5 |
| 790 | HARMAN INTL INDS INC COM | 106.19 | 83,895.92 | 107.43 | 84,869.70 | 0.2 | 0.00 | 0.0 |
| 2,005 | LAS VEGAS SANDS CORP COM | 72.66 | 145,703.07 | 76.22 | 152,821.10 | 0.4 | 4,010.00 | 2.6 |
| 1,300 | MARRIOTT INTL INC NEW CL A | 54.03 | 70,247.40 | 64.10 | 83,330.00 | 0.2 | 208.00 | 0.2 |
| 1,890 | ROYAL CARIBBEAN CRUISE COM | 51.11 | 96,598.28 | 55.60 | 105,084.00 | 0.3 | 850.50 | 0.8 |
| 12,300 | WENDYS CO COM | 9.71 | 119,463.16 | 8.53 | 104,919.00 | 0.3 | 984.00 | 0.9 |
| | | | 594,790.72 | | 606,811.05 | 1.9 | 6,486.50 | 1.0 |
| Media | | | | | | | | |
| 13,600 | CABLEVISION SYS CORP CL A | 17.46 | 237,466.51 | 17.65 | 240,040.00 | 0.7 | 6,800.00 | 2.8 |
| 2,120 | COMCAST CORP NEW CL A | 46.93 | 99,507.86 | 53.68 | 113,801.60 | 0.3 | 801.36 | 0.7 |
| 2,250 | DIRECTV GROUP INC COM | 77.89 | 175,262.35 | 85.01 | 191,272.50 | 0.6 | 0.00 | 0.0 |
| 5,250 | DISNEY WALT CO COM DISNEY | 79.10 | 415,307.80 | 85.74 | 450,135.00 | 1.4 | 1,837.50 | 0.4 |

**Chicago Equity Partners**
PORTFOLIO APPRAISAL
**NEW ORLEANS SEWERAGE AND WATER BOARD**
**ACCOUNT NUMBER: 902001114**
**June 30, 2014**

| Quantity | Security | Unit Cost | Total Cost | Price | Market Value | Pct. Assets | Annual Income | Yield |
|---|---|---|---|---|---|---|---|---|
| 380 | NETFLIX COM INC COM | 237.67 | 90,317.71 | 440.60 | 167,428.00 | 0.5 | 0.00 | 0.0 |
| 2,400 | TIME WARNER INC COM | 68.42 | 164,219.56 | 70.25 | 168,600.00 | 0.5 | 2,040.00 | 1.2 |
| | | | 1,182,081.81 | | 1,331,277.10 | 4.2 | 11,478.86 | 0.8 |
| Publishing | | | | | | | | |
| 1,535 | MCGRAW HILL FINL INC COM | 69.81 | 107,164.28 | 83.03 | 127,451.05 | 0.4 | 1,719.20 | 1.3 |
| Retail | | | | | | | | |
| 500 | ADVANCED AUTO PARTS COM | 125.30 | 62,652.95 | 134.92 | 67,460.00 | 0.2 | 120.00 | 0.1 |
| 7,450 | BEST BUY INC COM | 35.13 | 261,763.67 | 31.01 | 231,024.50 | 0.7 | 4,470.00 | 1.9 |
| 1,500 | BIG LOTS INC COM | 44.31 | 66,470.44 | 45.70 | 68,550.00 | 0.2 | 0.00 | 0.0 |
| 2,200 | GAMESTOP CORP CL A | 43.94 | 96,689.14 | 40.47 | 89,034.00 | 0.2 | 0.00 | 0.0 |
| 4,400 | HOME DEPOT INC COM | 73.27 | 322,407.30 | 80.96 | 356,224.00 | 1.1 | 4,158.00 | 1.1 |
| 1,000 | LOWES COS INC COM | 47.20 | 47,207.91 | 47.99 | 47,990.00 | 0.1 | 440.00 | 0.9 |
| 3,500 | MACYS INC COM | 53.73 | 188,073.74 | 58.02 | 203,070.00 | 0.6 | 700.00 | 0.3 |
| 2,000 | WAL MART STORES INC COM | 68.55 | 137,100.11 | 75.07 | 150,140.00 | 0.4 | 2,420.00 | 1.6 |
| | | | 1,182,365.27 | | 1,213,492.50 | 3.9 | 12,308.00 | 1.0 |
| | | | 3,375,244.47 | | 3,724,117.90 | 12.0 | 31,992.56 | 0.8 |
| TECHNOLOGY | | | | | | | | |
| Communication Equipment | | | | | | | | |
| 1,150 | GARMIN LTD ORD | 60.26 | 69,304.30 | 60.90 | 70,035.00 | 0.2 | 2,587.50 | 3.6 |

# Chicago Equity Partners
## PORTFOLIO APPRAISAL
## NEW ORLEANS SEWERAGE AND WATER BOARD
## ACCOUNT NUMBER: 902001114
## June 30, 2014

| Quantity | Security | Unit Cost | Total Cost | Price | Market Value | Pct. Assets | Annual Income | Yield |
|---|---|---|---|---|---|---|---|---|
| 4,850 | HARRIS CORP DEL COM | 60.51 | 293,518.71 | 75.75 | 367,387.50 | 1.1 | 3,880.00 | 1.0 |
| 3,025 | QUALCOMM INC COM | 77.50 | 234,439.85 | 79.20 | 239,580.00 | 0.7 | 2,299.00 | 0.9 |
| | | | 597,262.86 | | 677,002.50 | 2.1 | 8,766.50 | 1.2 |
| Computers Peripherals | | | | | | | | |
| 6,720 | APPLE INC COM | 48.56 | 326,384.29 | 92.93 | 624,489.60 | 2.0 | 0.00 | 0.0 |
| 15,030 | HEWLETT PACKARD CO COM | 25.10 | 377,334.07 | 33.68 | 506,210.40 | 1.6 | 4,809.60 | 0.9 |
| 11,470 | PITNEY BOWES INC COM | 25.39 | 291,295.43 | 27.62 | 316,801.40 | 1.0 | 16,746.20 | 5.2 |
| 1,490 | SANDISK CORP COM | 69.00 | 102,820.96 | 104.43 | 155,600.70 | 0.5 | 0.00 | 0.0 |
| | | | 1,097,834.76 | | 1,603,102.10 | 5.1 | 21,555.80 | 1.3 |
| Semiconductors | | | | | | | | |
| 3,400 | LINEAR TECHNOLOGY CORP COM | 37.73 | 128,289.88 | 47.07 | 160,038.00 | 0.5 | 3,128.00 | 1.9 |
| 1,170 | SKYWORKS SOLUTIONS INC COM | 41.95 | 49,082.56 | 46.96 | 54,943.20 | 0.1 | 0.00 | 0.0 |
| 5,275 | XILINX INC COM | 44.68 | 235,700.16 | 47.31 | 249,560.25 | 0.8 | 3,376.00 | 1.3 |
| | | | 413,072.60 | | 464,541.45 | 1.5 | 6,504.00 | 1.4 |
| Software | | | | | | | | |
| 3,150 | ACTIVISION BLIZZARD IN COM | 17.21 | 54,242.14 | 22.30 | 70,245.00 | 0.2 | 472.50 | 0.6 |
| 7,635 | ELECTRONIC ARTS INC COM | 29.36 | 224,209.08 | 35.87 | 273,867.45 | 0.8 | 0.00 | 0.0 |
| 2,395 | INTUIT COM | 73.82 | 176,808.48 | 80.53 | 192,869.35 | 0.6 | 0.00 | 0.0 |

**Chicago Equity Partners**

PORTFOLIO APPRAISAL

**NEW ORLEANS SEWERAGE AND WATER BOARD**

**ACCOUNT NUMBER: 902001114**

**June 30, 2014**

| Quantity | Security | Unit Cost | Total Cost | Price | Market Value | Pct. Assets | Annual Income | Yield |
|---|---|---|---|---|---|---|---|---|
| 12,700 | MICROSOFT CORP COM | 33.83 | 429,685.32 | 41.70 | 529,590.00 | 1.7 | 6,604.00 | 1.2 |
| 3,300 | ORACLE SYS CORP COM | 34.97 | 115,403.46 | 40.53 | 133,749.00 | 0.4 | 660.00 | 0.4 |
| | | | 1,000,348.49 | | 1,200,320.80 | 3.8 | 7,736.50 | 0.6 |
| Software Services | | | | | | | | |
| 5,300 | COMPUTER SCIENCES CORP COM | 38.88 | 206,064.07 | 63.20 | 334,960.00 | 1.0 | 0.00 | 0.0 |
| 7,640 | FACEBOOK INC CL A | 52.86 | 403,868.79 | 67.29 | 514,095.60 | 1.6 | 0.00 | 0.0 |
| 270 | GOOGLE INC CL A | 510.16 | 137,743.40 | 584.67 | 157,860.90 | 0.5 | 0.00 | 0.0 |
| 130 | GOOGLE INC CL C | 510.16 | 66,320.89 | 575.28 | 74,786.40 | 0.2 | 0.00 | 0.0 |
| 50 | PRICELINE GRP INC COM NEW | 1,159.54 | 57,977.29 | 1,203.00 | 60,150.00 | 0.1 | 0.00 | 0.0 |
| 4,950 | VERISIGN INC COM | 52.62 | 260,500.58 | 48.81 | 241,609.50 | 0.7 | 0.00 | 0.0 |
| | | | 1,132,475.03 | | 1,383,462.40 | 4.4 | 0.00 | 0.0 |
| | | | 4,240,993.76 | | 5,328,429.25 | 17.2 | 44,562.80 | 0.8 |
| INDUSTRIAL | | | | | | | | |
| Aerospace | | | | | | | | |
| 1,345 | BOEING CO COM | 131.76 | 177,229.29 | 127.23 | 171,124.35 | 0.5 | 2,259.60 | 1.3 |
| 1,100 | LOCKHEED MARTIN CORP COM | 85.97 | 94,569.95 | 160.73 | 176,803.00 | 0.5 | 2,508.00 | 1.4 |
| 2,925 | NORTHROP GRUMMAN CORP COM | 51.00 | 149,196.08 | 119.63 | 349,917.75 | 1.1 | 5,499.00 | 1.5 |
| | | | 420,995.33 | | 697,845.10 | 2.2 | 10,266.60 | 1.4 |
| Capital Goods | | | | | | | | |
| 950 | 3M CO COM | 129.67 | 123,187.75 | 143.24 | 136,078.00 | 0.4 | 1,995.00 | 1.4 |

**Chicago Equity Partners**

PORTFOLIO APPRAISAL

**NEW ORLEANS SEWERAGE AND WATER BOARD**

**ACCOUNT NUMBER: 902001114**

**June 30, 2014**

| Quantity | Security | Unit Cost | Total Cost | Price | Market Value | Pct. Assets | Annual Income | Yield |
|---|---|---|---|---|---|---|---|---|
| 17,000 | GENERAL ELEC CO COM | 17.03 | 289,546.75 | 26.28 | 446,760.00 | 1.4 | 8,160.00 | 1.8 |
| 1,775 | HONEYWELL INTL INC COM | 62.29 | 110,575.44 | 92.95 | 164,986.25 | 0.5 | 2,147.75 | 1.3 |
| 3,125 | ITT CORP NEW COM NEW | 46.10 | 144,088.65 | 48.10 | 150,312.50 | 0.4 | 1,137.50 | 0.7 |
| | | | 667,398.60 | | 898,136.75 | 2.9 | 13,440.25 | 1.4 |
| Commercial Services | | | | | | | | |
| 600 | DUN & BRADSTREET NEW COM | 103.50 | 62,103.39 | 110.20 | 66,120.00 | 0.2 | 840.00 | 1.2 |
| 4,305 | MANPOWERGROUP INC COM | 70.65 | 304,158.84 | 84.85 | 365,279.25 | 1.1 | 3,185.70 | 0.8 |
| 1,270 | MASTERCARD INC COM | 67.24 | 85,395.37 | 73.47 | 93,306.90 | 0.3 | 762.00 | 0.8 |
| 1,270 | VISA INC COM CL A | 149.49 | 189,852.53 | 210.71 | 267,601.70 | 0.8 | 635.00 | 0.2 |
| | | | 641,510.14 | | 792,307.85 | 2.5 | 5,422.70 | 0.6 |
| Construction | | | | | | | | |
| 600 | LENNOX INTL INC COM | 70.19 | 42,119.58 | 89.57 | 53,742.00 | 0.1 | 360.00 | 0.6 |
| 700 | SNAP ON INC COM | 77.33 | 54,134.80 | 118.52 | 82,964.00 | 0.2 | 840.00 | 1.0 |
| 1,300 | WHIRLPOOL CORP COM | 97.71 | 127,033.79 | 139.22 | 180,986.00 | 0.5 | 2,236.00 | 1.2 |
| | | | 223,288.17 | | 317,692.00 | 1.0 | 3,436.00 | 1.0 |
| Machinery | | | | | | | | |
| 3,080 | CATERPILLAR INC COM | 105.35 | 324,480.44 | 108.67 | 334,703.60 | 1.0 | 5,420.80 | 1.6 |
| 900 | IDEX CORP COM | 73.04 | 65,736.92 | 80.74 | 72,666.00 | 0.2 | 540.00 | 0.7 |

# Chicago Equity Partners
## PORTFOLIO APPRAISAL
## NEW ORLEANS SEWERAGE AND WATER BOARD
## ACCOUNT NUMBER: 902001114
## June 30, 2014

| Quantity | Security | Unit Cost | Total Cost | Price | Market Value | Pct. Assets | Annual Income | Yield |
|---|---|---|---|---|---|---|---|---|
| 9,400 | TRINITY INDS INC COM | 33.53 | 315,228.10 | 43.72 | 410,968.00 | 1.3 | 3,008.00 | 0.7 |
| | | | 705,445.46 | | 818,337.60 | 2.6 | 8,968.80 | 1.0 |
| Transportation | | | | | | | | |
| 1,280 | AMERICAN AIRLS GRP INC COM | 38.05 | 48,711.57 | 42.96 | 54,988.80 | 0.1 | 0.00 | 0.0 |
| 7,305 | DELTA AIR LINES INC COM | 9.93 | 72,584.56 | 38.72 | 282,849.60 | 0.9 | 0.00 | 0.0 |
| 3,395 | SOUTHWEST AIRLS CO COM | 24.20 | 82,166.12 | 26.86 | 91,189.70 | 0.2 | 61.11 | 0.0 |
| 2,800 | UNION PAC CORP COM | 63.40 | 177,530.48 | 99.75 | 279,300.00 | 0.9 | 3,696.00 | 1.3 |
| | | | 380,992.73 | | 708,328.10 | 2.2 | 3,757.11 | 0.5 |
| | | | 3,039,630.44 | | 4,232,647.40 | 13.6 | 45,291.46 | 1.0 |
| FINANCIAL | | | | | | | | |
| Banks | | | | | | | | |
| 5,025 | CITIGROUP INC COM | 44.22 | 222,242.48 | 47.10 | 236,677.50 | 0.7 | 0.00 | 0.0 |
| 7,050 | JPMORGAN CHASE & CO COM | 38.68 | 272,700.21 | 57.62 | 406,221.00 | 1.3 | 1,410.00 | 0.3 |
| 14,475 | KEYCORP NEW COM | 13.60 | 196,983.21 | 14.33 | 207,426.75 | 0.6 | 579.00 | 0.2 |
| 750 | PNC FINL SVCS GROUP COM | 74.11 | 55,583.48 | 89.05 | 66,787.50 | 0.2 | 300.00 | 0.4 |
| 790 | SVB FINL GROUP COM | 110.40 | 87,221.30 | 116.62 | 92,129.80 | 0.2 | 0.00 | 0.0 |
| 16,300 | WELLS FARGO & CO NEW COM | 36.26 | 591,143.48 | 52.56 | 856,728.00 | 2.7 | 3,260.00 | 0.3 |
| | | | 1,425,874.17 | | 1,865,970.55 | 6.0 | 5,549.00 | 0.2 |

**Chicago Equity Partners**

PORTFOLIO APPRAISAL

**NEW ORLEANS SEWERAGE AND WATER BOARD**

**ACCOUNT NUMBER: 902001114**

**June 30, 2014**

| Quantity | Security | Unit Cost | Total Cost | Price | Market Value | Pct. Assets | Annual Income | Yield |
|---|---|---|---|---|---|---|---|---|
| Diversified Financials | | | | | | | | |
| 4,500 | AMERITRADE HLDG CORP COM | 32.62 | 146,802.66 | 31.35 | 141,075.00 | 0.4 | 0.00 | 0.0 |
| 1,880 | CAPITAL ONE FINL CORP COM | 76.79 | 144,380.91 | 82.60 | 155,288.00 | 0.5 | 376.00 | 0.2 |
| 3,750 | DISCOVER FINL SVCS COM | 24.80 | 93,024.92 | 61.98 | 232,425.00 | 0.7 | 300.00 | 0.1 |
| 3,300 | E TRADE FINANCIAL CORP COM NEW | 22.04 | 72,745.94 | 21.26 | 70,158.00 | 0.2 | 0.00 | 0.0 |
| 1,925 | GOLDMAN SACHS GROUP COM | 146.70 | 282,401.43 | 167.44 | 322,322.00 | 1.0 | 2,695.00 | 0.8 |
| 2,790 | MORGAN STANLEY COM NEW | 29.61 | 82,628.17 | 32.33 | 90,200.70 | 0.2 | 744.00 | 0.8 |
| | | | 821,984.03 | | 1,011,468.70 | 3.2 | 4,115.00 | 0.4 |
| Insurance | | | | | | | | |
| 1,250 | BERKSHIRE HATHAWAY INC CL B | 80.88 | 101,110.52 | 126.56 | 158,200.00 | 0.5 | 0.00 | 0.0 |
| 2,000 | EVEREST RE GROUP LTD COM | 117.02 | 234,044.23 | 160.49 | 320,980.00 | 1.0 | 3,840.00 | 1.1 |
| 8,800 | LINCOLN NATL CORP IND COM | 47.64 | 419,303.55 | 51.44 | 452,672.00 | 1.4 | 352.00 | 0.0 |
| 800 | PARTNERRE LTD COM | 100.82 | 80,660.82 | 109.21 | 87,368.00 | 0.2 | 1,600.00 | 1.8 |
| 4,470 | TRAVELERS COMPANIES COM | 81.65 | 364,997.95 | 94.07 | 420,492.90 | 1.3 | 6,436.80 | 1.5 |
| | | | 1,200,117.07 | | 1,439,712.90 | 4.6 | 12,228.80 | 0.8 |

**Chicago Equity Partners**

# PORTFOLIO APPRAISAL

**NEW ORLEANS SEWERAGE AND WATER BOARD**
**ACCOUNT NUMBER: 902001114**
**June 30, 2014**

| Quantity | Security | Unit Cost | Total Cost | Price | Market Value | Pct. Assets | Annual Income | Yield |
|---|---|---|---|---|---|---|---|---|
| Real Estate | | | | | | | | |
| 8,760 | ANNALY CAP MGMT INC COM | 11.19 | 98,050.11 | 11.43 | 100,126.80 | 0.3 | 23,827.20 | 23.7 |
| 8,970 | BRANDYWINE RLTY TR SH BEN INT NEW | 12.46 | 111,843.32 | 15.60 | 139,932.00 | 0.4 | 5,382.00 | 3.8 |
| 1,400 | CORRECTIONS CP AM NEW COM | 32.63 | 45,691.39 | 32.85 | 45,990.00 | 0.1 | 0.00 | 0.0 |
| 3,400 | HOSPITALITY PPTYS TR COM SH BEN INT | 26.11 | 88,797.63 | 30.40 | 103,360.00 | 0.3 | 6,120.00 | 5.9 |
| 4,900 | OMEGA HEALTHCARE INVS COM | 28.96 | 141,932.51 | 36.86 | 180,614.00 | 0.5 | 7,056.00 | 3.9 |
| 1,775 | PUBLIC STORAGE INC COM | 92.84 | 164,797.13 | 171.35 | 304,146.25 | 0.9 | 5,680.00 | 1.8 |
| | | | 651,112.10 | | 874,169.05 | 2.8 | 48,065.20 | 5.4 |
| | | | 4,099,087.39 | | 5,191,321.20 | 16.7 | 69,958.00 | 1.3 |
| UTILITIES | | | | | | | | |
| Utilities | | | | | | | | |
| 2,600 | AMEREN CORP COM | 28.60 | 74,382.72 | 40.88 | 106,288.00 | 0.3 | 4,004.00 | 3.7 |
| 1,100 | AMERICAN WTR WKS INC COM | 31.84 | 35,025.60 | 49.45 | 54,395.00 | 0.1 | 968.00 | 1.7 |
| 980 | ATMOS ENERGY CORP COM | 44.12 | 43,240.58 | 53.40 | 52,332.00 | 0.1 | 1,313.20 | 2.5 |
| 2,605 | ENTERGY CORP NEW COM | 75.03 | 195,467.02 | 82.09 | 213,844.45 | 0.6 | 8,648.60 | 4.0 |
| 2,000 | NATIONAL FUEL GAS N J COM | 58.00 | 116,009.54 | 78.30 | 156,600.00 | 0.5 | 2,760.00 | 1.7 |
| 6,675 | NRG ENERGY INC COM | 36.32 | 242,493.03 | 37.20 | 248,310.00 | 0.8 | 0.00 | 0.0 |

**Chicago Equity Partners**

PORTFOLIO APPRAISAL

**NEW ORLEANS SEWERAGE AND WATER BOARD**

**ACCOUNT NUMBER: 902001114**

**June 30, 2014**

| Quantity | Security | Unit Cost | Total Cost | Price | Market Value | Pct. Assets | Annual Income | Yield |
|---|---|---|---|---|---|---|---|---|
| 5,800 | PUBLIC SVC ENTERPRISE COM | 35.09 | 203,531.91 | 40.79 | 236,582.00 | 0.7 | 7,946.00 | 3.3 |
| | | | 910,150.41 | | 1,068,351.45 | 3.4 | 25,639.80 | 2.3 |
| | | | 910,150.41 | | 1,068,351.45 | 3.4 | 25,639.80 | 2.3 |
| ENERGY | | | | | | | | |
| Energy Equipment | | | | | | | | |
| 2,000 | BAKER HUGHES INC COM | 54.83 | 109,669.48 | 74.45 | 148,900.00 | 0.4 | 1,200.00 | 0.8 |
| 1,900 | HELMERICH & PAYNE INC COM | 63.88 | 121,373.99 | 116.11 | 220,609.00 | 0.7 | 456.00 | 0.2 |
| 6,500 | PATTERSON UTI ENERGY COM | 29.09 | 189,100.58 | 34.94 | 227,110.00 | 0.7 | 1,300.00 | 0.5 |
| 1,100 | SCHLUMBERGER LTD COM | 82.76 | 91,045.57 | 117.95 | 129,745.00 | 0.4 | 924.00 | 0.7 |
| | | | 511,189.62 | | 726,364.00 | 2.3 | 3,880.00 | 0.5 |
| Energy Exploration and Production | | | | | | | | |
| 3,000 | CHESAPEAKE ENERGY CORP COM | 26.80 | 80,412.54 | 31.08 | 93,240.00 | 0.3 | 900.00 | 0.9 |
| 2,600 | EOG RES INC COM | 82.84 | 215,388.56 | 116.86 | 303,836.00 | 0.9 | 1,612.00 | 0.5 |
| 1,560 | EQT CORP COM | 103.45 | 161,387.23 | 106.90 | 166,764.00 | 0.5 | 1,372.80 | 0.8 |
| 1,860 | VALERO ENERGY CORP NEW COM | 54.03 | 100,497.10 | 50.10 | 93,186.00 | 0.3 | 372.00 | 0.3 |
| | | | 557,685.43 | | 657,026.00 | 2.1 | 4,256.80 | 0.6 |
| Energy Integrated | | | | | | | | |
| 2,025 | CHEVRON CORP NEW COM | 80.86 | 163,751.18 | 130.55 | 264,363.75 | 0.8 | 5,832.00 | 2.2 |
| 1,150 | CONOCOPHILLIPS COM | 57.21 | 65,794.95 | 85.73 | 98,589.50 | 0.3 | 2,530.00 | 2.5 |

## Chicago Equity Partners
## PORTFOLIO APPRAISAL
## NEW ORLEANS SEWERAGE AND WATER BOARD
## ACCOUNT NUMBER: 902001114
## June 30, 2014

| Quantity | Security | Unit Cost | Total Cost | Price | Market Value | Pct. Assets | Annual Income | Yield |
|---|---|---|---|---|---|---|---|---|
| 7,150 | EXXON MOBIL CORP COM | 68.27 | 488,152.63 | 100.68 | 719,862.00 | 2.3 | 12,584.00 | 1.7 |
| 1,090 | OCCIDENTAL PETE CP DEL COM | 96.88 | 105,608.51 | 102.63 | 111,866.70 | 0.3 | 1,656.80 | 1.4 |
| 3,600 | PHILLIPS 66 COM | 52.40 | 188,654.93 | 80.43 | 289,548.00 | 0.9 | 0.00 | 0.0 |
| | | | 1,011,962.22 | | 1,484,229.95 | 4.7 | 22,602.80 | 1.5 |
| | | | 2,080,837.28 | | 2,867,619.95 | 9.2 | 30,739.60 | 1.0 |
| TELECOMMUNICATIONS | | | | | | | | |
| Telecommunication - Wireless | | | | | | | | |
| 3,765 | T-MOBILE US INC COM | 31.53 | 118,719.69 | 33.62 | 126,579.30 | 0.4 | 0.00 | 0.0 |
| Telecommunications | | | | | | | | |
| 5,875 | AT&T INC COM | 33.60 | 197,427.92 | 35.36 | 207,740.00 | 0.6 | 9,870.00 | 4.7 |
| 2,860 | LEVEL 3 COMMUNICTIONS COM | 43.79 | 125,244.73 | 43.91 | 125,582.60 | 0.4 | 0.00 | 0.0 |
| 4,325 | VERIZON COMMUNICATIONS COM | 38.90 | 168,274.26 | 48.93 | 211,622.25 | 0.6 | 8,433.75 | 3.9 |
| | | | 490,946.92 | | 544,944.85 | 1.7 | 18,303.75 | 3.3 |
| | | | 609,666.61 | | 671,524.15 | 2.1 | 18,303.75 | 2.7 |
| MATERIALS | | | | | | | | |
| Chemicals | | | | | | | | |
| 1,375 | DOW CHEM CO COM | 52.77 | 72,570.43 | 51.46 | 70,757.50 | 0.2 | 825.00 | 1.1 |
| 2,700 | DU PONT E I DE NEMOURS CO COM | 60.16 | 162,439.56 | 65.44 | 176,688.00 | 0.5 | 4,428.00 | 2.5 |
| 3,400 | LYONDELLBASELL INDUSTR SHS - A - | 54.03 | 183,705.90 | 97.65 | 332,010.00 | 1.0 | 1,020.00 | 0.3 |

## Chicago Equity Partners
## PORTFOLIO APPRAISAL
### NEW ORLEANS SEWERAGE AND WATER BOARD
### ACCOUNT NUMBER: 902001114
### June 30, 2014

| Quantity | Security | Unit Cost | Total Cost | Price | Market Value | Pct. Assets | Annual Income | Yield |
|---|---|---|---|---|---|---|---|---|
| 1,400 | P P G INDS INC COM | 134.49 | 188,286.73 | 210.15 | 294,210.00 | 0.9 | 3,080.00 | 1.0 |
| | | | 607,002.63 | | 873,665.50 | 2.8 | 9,353.00 | 1.0 |
| Materials | | | | | | | | |
| 7,495 | ALCOA INC COM | 13.49 | 101,174.65 | 14.89 | 111,600.55 | 0.3 | 899.40 | 0.8 |
| 5,800 | UNITED STATES STL CORP COM | 26.10 | 151,436.29 | 26.04 | 151,032.00 | 0.4 | 1,160.00 | 0.7 |
| | | | 252,610.94 | | 262,632.55 | 0.8 | 2,059.40 | 0.7 |
| | | | 859,613.57 | | 1,136,298.05 | 3.6 | 11,412.40 | 1.0 |
| Not Classified | | | | | | | | |
| General Classification | | | | | | | | |
| 1,325 | LIBERTY INTERACTIVE LBT VENT COM A | 69.50 | 92,092.93 | 73.80 | 97,785.00 | 0.3 | 0.00 | 0.0 |
| | | | 92,092.93 | | 97,785.00 | 0.3 | 0.00 | 0.0 |
| | | | 24,376,442.19 | | 30,763,681.69 | 99.3 | 369,163.03 | 1.1 |
| **CASH AND EQUIVALENTS** | | | | | | | | |
| General Classification | | | | | | | | |
| Cash And Equivalents | | | | | | | | |
| | MONEY MARKET FUND | | 171,777.33 | | 171,777.33 | 0.5 | 34.35 | 0.0 |
| General Classification | | | | | | | | |
| | DIVIDEND ACCRUAL ACCT | | 24,487.52 | | 24,487.52 | 0.0 | 0.00 | 0.0 |
| | | | 196,264.85 | | 196,264.85 | 0.6 | 34.35 | 0.0 |
| | | | 196,264.85 | | 196,264.85 | 0.6 | 34.35 | 0.0 |

**Chicago Equity Partners**

PORTFOLIO APPRAISAL

**NEW ORLEANS SEWERAGE AND WATER BOARD**

**ACCOUNT NUMBER: 902001114**

**June 30, 2014**

| Quantity | Security | Unit Cost | Total Cost | Price | Market Value | Pct. Assets | Annual Income | Yield |
|---|---|---|---|---|---|---|---|---|
| **TOTAL PORTFOLIO** | | | **24,572,707.04** | | **30,959,946.54** | **100.0** | **369,197.38** | **1.1** |

**Account Name: NEW ORLEANS SEWERAGE AND WATER BOARD**
**Account Number: 902001114**
**For the Month Ending: June 30, 2014**

| | Custodian | CEP | Difference |
|---|---|---|---|
| Beginning Market Value | 30,236,206.67 | 30,304,432.36 | (68,225.69) |
| Securities Market Value | 30,763,681.69 | 30,763,681.69 | 0.00 |
| Short Term Cash | 171,777.33 | 171,777.33 | 0.00 |
| Accrued Income | | 24,487.52 | |
| Closing Market Value | 30,935,459.02 | 30,959,946.54 | (24,487.52) |
| IRR | | 2.16 | |

Investment Income

| | Custodian | CEP | Difference |
|---|---|---|---|
| Interest for Cash | | 0.00 | |
| Interest for Fixed Income | | 0.00 | |
| Dividends | | 24,487.52 | |

Outstanding Trades

| | Custodian | CEP | Difference |
|---|---|---|---|
| Purchases | | 0.00 | |
| Sales | | 0.00 | |

Comments:
1 Difference Details

| *Description* | *Custodian* | *CEP* | *Difference* |
|---|---|---|---|
| **See Hld Tab for Details** | 0.00 | 0.00 | 0.00 |
| | | | 0.00 |
| | | | 0.00 |
| | | | 0.00 |

Prepared by: Jill Novak

Date:

**Chicago Equity Partners**
**RECONCILIATION OF TRADE DATE VS. SETTLE DATE CASH**
**Account Name: NEW ORLEANS SEWERAGE AND WATER BOARD**
**June 30, 2014**

| | | |
|---|---|---|
| Trade Date Cash | $171,777.33 | |
| Purchases | 0.00 | **1** |
| Sales | 0.00 | **2** |
| Weekend Div & Interest | 0.00 | **3** |
| Other | 0.00 | |
| Settle Date Cash | $171,777.33 | |
| | **0.00** | |

**1** Custodian's pending settlement of buy trades.

**2** Custodian's pending settlement of sale trades.

0.00

# Chicago Equity Partners
# INCOME AND EXPENSES
# NEW ORLEANS SEWERAGE AND WATER BOARD
# ACCOUNT NUMBER: 902001114
**From 06-01-14 Through 06-30-14**

| Ex-Date | Pay-Date | Security | Amount |
|---|---|---|---|
| **COMMON STOCK** | | | |
| 06-02-2014 | 06-17-2014 | GAMESTOP CORP CL A | 726.00 |
| 06-02-2014 | 06-25-2014 | SOUTHWEST AIRLS CO COM | 203.70 |
| 06-02-2014 | 06-25-2014 | QUALCOMM INC COM | 798.00 |
| 06-02-2014 | 06-18-2014 | EVEREST RE GROUP LTD COM | 1,500.00 |
| 06-02-2014 | 07-11-2014 | SCHLUMBERGER LTD COM | 440.00 |
| 06-03-2014 | 06-19-2014 | HOME DEPOT INC COM | 2,068.00 |
| 06-04-2014 | 07-02-2014 | KIMBERLY CLARK CORP COM | 1,386.00 |
| 06-04-2014 | 06-25-2014 | LEAR CORPORATION | 284.00 |
| 06-04-2014 | 06-30-2014 | PUBLIC SVC ENTERPRISE COM | 2,146.00 |
| 06-04-2014 | 06-30-2014 | PEPSICO INC COM | 589.50 |
| 06-05-2014 | 07-01-2014 | MCKESSON CORP COM | 408.00 |
| 06-06-2014 | 07-01-2014 | CBS CORP NEW CL B | 204.00 |
| 06-06-2014 | 07-15-2014 | OCCIDENTAL PETE CP DEL COM | 1,072.80 |
| 06-06-2014 | 06-30-2014 | TRAVELERS COMPANIES COM | 2,458.50 |
| 06-06-2014 | 06-25-2014 | WELLPOINT INC COM | 728.43 |
| 06-09-2014 | 06-30-2014 | AMEREN CORP COM | 1,040.00 |
| 06-09-2014 | 07-02-2014 | HEWLETT PACKARD CO COM | 2,556.80 |
| 06-10-2014 | 07-03-2014 | BEST BUY INC COM | 1,266.50 |
| 06-10-2014 | 07-09-2014 | COMPUTER SCIENCES CORP COM | 1,334.00 |
| 06-10-2014 | 06-26-2014 | PATTERSON UTI ENERGY COM | 650.00 |
| 06-11-2014 | 07-01-2014 | MACYS INC COM | 1,093.75 |
| 06-11-2014 | 06-30-2014 | PUBLIC STORAGE INC COM | 2,485.00 |
| 06-12-2014 | 07-03-2014 | DR PEPPER SNAPPLE GRP COM | 1,558.00 |
| 06-12-2014 | 07-01-2014 | COCA COLA CO COM | 713.70 |
| 06-12-2014 | 07-10-2014 | ALTRIA GROUP INC COM | 528.00 |
| 06-12-2014 | 07-01-2014 | UNION PAC CORP COM | 1,274.00 |
| 06-16-2014 | 07-02-2014 | ADVANCED AUTO PARTS COM | 30.00 |
| 06-16-2014 | 07-07-2014 | TUPPERWARE BRANDS CORP COM | 357.00 |
| 06-18-2014 | 06-30-2014 | LAS VEGAS SANDS CORP COM | 1,002.50 |
| 06-19-2014 | 07-25-2014 | GENERAL ELEC CO COM | 3,740.00 |
| 06-24-2014 | 07-11-2014 | PHILIP MORRIS INTL INC COM | 648.60 |
| 06-26-2014 | 07-30-2014 | DOW CHEM CO COM | 508.75 |
| 06-26-2014 | 07-15-2014 | LENNOX INTL INC COM | 180.00 |

**Chicago Equity Partners**
**INCOME AND EXPENSES**
**NEW ORLEANS SEWERAGE AND WATER BOARD**
**ACCOUNT NUMBER: 902001114**
**From 06-01-14 Through 06-30-14**

| Ex-Date | Pay-Date | Security | Amount |
|---|---|---|---|
| 06-26-2014 | 07-15-2014 | NATIONAL FUEL GAS N J COM | 770.00 |
| 06-27-2014 | 07-15-2014 | CARDINAL HEALTH INC COM | 599.37 |
| 06-27-2014 | 07-31-2014 | ANNALY CAP MGMT INC COM | 2,628.00 |
| 06-30-2014 | 07-23-2014 | COMCAST CORP NEW CL A | 477.00 |
| 06-30-2014 | 07-15-2014 | CORRECTIONS CP AM NEW COM | 714.00 |
| | | | 41,167.90 |
| **CASH AND EQUIVALENTS** | | | |
| 06-02-2014 | 06-02-2014 | MONEY MARKET FUND | 1.56 |
| 06-25-2014 | 06-25-2014 | MONEY MARKET FUND | 3,858.93 |
| | | | 3,860.49 |
| **NET INCOME** | | | **45,028.39** |

## Chicago Equity Partners
## PURCHASE AND SALE
## NEW ORLEANS SEWERAGE AND WATER BOARD
## ACCOUNT NUMBER: 902001114
**From 06-01-14 To 06-30-14**

| Trade Date | Settle Date | Quantity | Security | Unit Price | Amount |
|---|---|---|---|---|---|
| **PURCHASES** | | | | | |
| 06-12-14 | 06-17-14 | 200 | ACTAVIS PLC SHS | 210.42 | 42,085.62 |
| 06-12-14 | 06-17-14 | 300 | BIG LOTS INC COM | 44.25 | 13,275.90 |
| 06-13-14 | 06-18-14 | 100 | BIG LOTS INC COM | 44.68 | 4,468.18 |
| 06-16-14 | 06-19-14 | 400 | BIG LOTS INC COM | 44.18 | 17,674.36 |
| 06-16-14 | 06-19-14 | 700 | BIG LOTS INC COM | 44.36 | 31,052.00 |
| 06-12-14 | 06-17-14 | 550 | CARDINAL HEALTH INC COM | 68.71 | 37,792.59 |
| 06-12-14 | 06-17-14 | 1,375 | DOW CHEM CO COM | 52.77 | 72,570.43 |
| 06-12-14 | 06-17-14 | 100 | DUN & BRADSTREET NEW COM | 103.12 | 10,312.84 |
| 06-13-14 | 06-18-14 | 500 | DUN & BRADSTREET NEW COM | 103.58 | 51,790.55 |
| 06-23-14 | 06-26-14 | 400 | ENTERGY CORP NEW COM | 80.28 | 32,114.40 |
| 06-12-14 | 06-17-14 | 450 | EQT CORP COM | 104.46 | 47,007.27 |
| 06-12-14 | 06-17-14 | 200 | EXPRESS SCRIPTS HOLDING CO | 71.30 | 14,261.00 |
| 06-12-14 | 06-17-14 | 400 | EXPRESS SCRIPTS HOLDING CO | 71.56 | 28,624.28 |
| 06-03-14 | 06-06-14 | 100 | FACEBOOK INC CL A | 63.24 | 6,324.32 |
| 06-03-14 | 06-06-14 | 1,240 | FACEBOOK INC CL A | 62.92 | 78,030.34 |
| 06-12-14 | 06-17-14 | 500 | FACEBOOK INC CL A | 65.61 | 32,808.55 |
| 06-13-14 | 06-18-14 | 100 | GARMIN LTD ORD | 59.16 | 5,916.96 |
| 06-16-14 | 06-19-14 | 100 | GARMIN LTD ORD | 59.80 | 5,980.84 |
| 06-16-14 | 06-19-14 | 100 | GARMIN LTD ORD | 59.83 | 5,983.00 |
| 06-17-14 | 06-20-14 | 100 | GARMIN LTD ORD | 60.51 | 6,051.28 |
| 06-18-14 | 06-23-14 | 100 | GARMIN LTD ORD | 60.99 | 6,099.26 |
| 06-19-14 | 06-24-14 | 400 | GARMIN LTD ORD | 60.54 | 24,218.24 |
| 06-20-14 | 06-25-14 | 250 | GARMIN LTD ORD | 60.21 | 15,054.72 |
| 06-12-14 | 06-17-14 | 300 | HARMAN INTL INDS INC COM | 105.78 | 31,734.00 |
| 06-12-14 | 06-17-14 | 600 | ITT CORP NEW COM NEW | 45.35 | 27,214.38 |
| 06-13-14 | 06-18-14 | 500 | ITT CORP NEW COM NEW | 45.66 | 22,834.90 |
| 06-16-14 | 06-19-14 | 700 | ITT CORP NEW COM NEW | 45.95 | 32,168.43 |
| 06-17-14 | 06-20-14 | 200 | ITT CORP NEW COM NEW | 46.56 | 9,312.70 |
| 06-18-14 | 06-23-14 | 600 | ITT CORP NEW COM NEW | 46.71 | 28,028.82 |
| 06-19-14 | 06-24-14 | 525 | ITT CORP NEW COM NEW | 46.72 | 24,529.42 |
| 06-12-14 | 06-17-14 | 275 | KIMBERLY CLARK CORP COM | 110.10 | 30,278.79 |

# Chicago Equity Partners
## PURCHASE AND SALE
## NEW ORLEANS SEWERAGE AND WATER BOARD
## ACCOUNT NUMBER: 902001114
**From 06-01-14 To 06-30-14**

| Trade Date | Settle Date | Quantity | Security | Unit Price | Amount |
|---|---|---|---|---|---|
| 06-13-14 | 06-18-14 | 600 | LIBERTY INTERACTIVE LBT VENT COM A | 68.97 | 41,382.72 |
| 06-13-14 | 06-18-14 | 200 | LIBERTY INTERACTIVE LBT VENT COM A | 68.74 | 13,748.62 |
| 06-17-14 | 06-20-14 | 200 | LIBERTY INTERACTIVE LBT VENT COM A | 70.32 | 14,065.34 |
| 06-18-14 | 06-23-14 | 325 | LIBERTY INTERACTIVE LBT VENT COM A | 70.45 | 22,896.25 |
| 06-12-14 | 06-17-14 | 1,225 | LINCOLN NATL CORP IND COM | 50.13 | 61,409.37 |
| 06-12-14 | 06-17-14 | 1,200 | LORILLARD INC COM | 60.38 | 72,456.24 |
| 06-13-14 | 06-18-14 | 125 | LORILLARD INC COM | 60.75 | 7,593.91 |
| 06-12-14 | 06-17-14 | 4,400 | NRG ENERGY INC COM | 36.11 | 158,926.24 |
| 06-13-14 | 06-18-14 | 1,500 | NRG ENERGY INC COM | 36.70 | 55,050.90 |
| 06-16-14 | 06-19-14 | 775 | NRG ENERGY INC COM | 36.79 | 28,515.89 |
| 06-12-14 | 06-17-14 | 500 | QUALCOMM INC COM | 79.33 | 39,666.20 |
| 06-13-14 | 06-18-14 | 625 | QUALCOMM INC COM | 79.21 | 49,507.06 |
| 06-12-14 | 06-17-14 | 200 | TIME WARNER INC COM | 68.62 | 13,725.70 |
| 06-12-14 | 06-17-14 | 2,200 | TIME WARNER INC COM | 68.40 | 150,493.86 |
| 06-12-14 | 06-17-14 | 100 | TRINITY INDS INC COM | 81.48 | 8,148.23 |
| 06-13-14 | 06-18-14 | 200 | TRINITY INDS INC COM | 81.02 | 16,204.30 |
| 06-13-14 | 06-18-14 | 100 | TRINITY INDS INC COM | 81.04 | 8,104.18 |
| 06-16-14 | 06-19-14 | 200 | TRINITY INDS INC COM | 83.30 | 16,661.64 |
| 06-16-14 | 06-19-14 | 200 | TRINITY INDS INC COM | 83.76 | 16,752.92 |
| 06-17-14 | 06-20-14 | 400 | TRINITY INDS INC COM | 83.94 | 33,578.80 |
| 06-17-14 | 06-20-14 | 200 | TRINITY INDS INC COM | 83.99 | 16,799.02 |
| 06-18-14 | 06-23-14 | 300 | TRINITY INDS INC COM | 84.50 | 25,352.70 |
| 06-19-14 | 06-24-14 | 1,100 | TRINITY INDS INC COM | 84.31 | 92,743.31 |
| 06-12-14 | 06-17-14 | 525 | TUPPERWARE BRANDS CORP COM | 82.78 | 43,461.49 |
| 06-24-14 | 06-27-14 | 350 | TUPPERWARE BRANDS CORP COM | 84.29 | 29,504.89 |
| | | | | | 1,832,348.15 |

# Chicago Equity Partners
## PURCHASE AND SALE
## NEW ORLEANS SEWERAGE AND WATER BOARD
## ACCOUNT NUMBER: 902001114
From 06-01-14 To 06-30-14

| Trade Date | Settle Date | Quantity | Security | Unit Price | Amount |
|---|---|---|---|---|---|
| **SALES** | | | | | |
| 06-12-14 | 06-17-14 | 500 | ACTIVISION BLIZZARD IN COM | 21.29 | 10,647.26 |
| 06-12-14 | 06-17-14 | 1,100 | ACTIVISION BLIZZARD IN COM | 21.27 | 23,407.37 |
| 06-13-14 | 06-18-14 | 1,050 | ACTIVISION BLIZZARD IN COM | 21.35 | 22,425.40 |
| 06-12-14 | 06-17-14 | 800 | AGCO CORP COM | 54.71 | 43,771.51 |
| 06-13-14 | 06-18-14 | 200 | AGCO CORP COM | 54.61 | 10,923.76 |
| 06-13-14 | 06-18-14 | 380 | AGCO CORP COM | 54.69 | 20,783.14 |
| 06-12-14 | 06-17-14 | 2,000 | AMERICAN WTR WKS INC COM | 47.78 | 95,579.29 |
| 06-13-14 | 06-18-14 | 800 | AMERICAN WTR WKS INC COM | 47.93 | 38,344.03 |
| 06-16-14 | 06-19-14 | 400 | AMERICAN WTR WKS INC COM | 48.22 | 19,291.85 |
| 06-12-14 | 06-17-14 | 5,850 | ANNALY CAP MGMT INC COM | 11.49 | 67,252.45 |
| 06-12-14 | 06-17-14 | 925 | AT&T INC COM | 34.75 | 32,148.95 |
| 06-12-14 | 06-17-14 | 400 | CBS CORP NEW CL B | 61.37 | 24,550.06 |
| 06-12-14 | 06-17-14 | 1,300 | CBS CORP NEW CL B | 61.14 | 79,488.69 |
| 06-12-14 | 06-17-14 | 300 | CHEVRON CORP NEW COM | 125.65 | 37,696.69 |
| 06-12-14 | 06-17-14 | 500 | COMPUTER SCIENCES CORP COM | 62.76 | 31,381.76 |
| 06-12-14 | 06-17-14 | 200 | DELTA AIR LINES INC COM | 38.41 | 7,683.83 |
| 06-13-14 | 06-18-14 | 475 | DELTA AIR LINES INC COM | 39.16 | 18,604.05 |
| 06-12-14 | 06-17-14 | 300 | DIRECTV GROUP INC COM | 82.78 | 24,835.19 |
| 06-12-14 | 06-17-14 | 500 | DIRECTV GROUP INC COM | 82.82 | 41,414.98 |
| 06-12-14 | 06-17-14 | 1,100 | EDISON INTL COM | 54.39 | 59,831.53 |
| 06-12-14 | 06-17-14 | 315 | EDISON INTL COM | 54.75 | 17,249.29 |
| 06-13-14 | 06-18-14 | 500 | FIRST SOLAR INC COM | 64.20 | 32,100.69 |
| 06-16-14 | 06-19-14 | 100 | FIRST SOLAR INC COM | 66.80 | 6,680.12 |
| 06-17-14 | 06-20-14 | 100 | FIRST SOLAR INC COM | 68.71 | 6,871.52 |
| 06-17-14 | 06-20-14 | 200 | FIRST SOLAR INC COM | 68.68 | 13,737.22 |
| 06-18-14 | 06-23-14 | 100 | FIRST SOLAR INC COM | 69.03 | 6,903.39 |
| 06-19-14 | 06-24-14 | 400 | FIRST SOLAR INC COM | 68.34 | 27,338.20 |
| 06-20-14 | 06-25-14 | 300 | FIRST SOLAR INC COM | 68.87 | 20,662.70 |
| 06-12-14 | 06-17-14 | 950 | HEWLETT PACKARD CO COM | 33.71 | 32,033.00 |
| 06-13-14 | 06-18-14 | 725 | HONEYWELL INTL INC COM | 93.96 | 68,124.34 |
| 06-12-14 | 06-17-14 | 400 | KROGER CO COM | 47.19 | 18,877.46 |

**Chicago Equity Partners**
**PURCHASE AND SALE**
**NEW ORLEANS SEWERAGE AND WATER BOARD**
**ACCOUNT NUMBER: 902001114**
**From 06-01-14 To 06-30-14**

| Trade Date | Settle Date | Quantity | Security | Unit Price | Amount |
|---|---|---|---|---|---|
| 06-13-14 | 06-18-14 | 175 | KROGER CO COM | 47.20 | 8,261.57 |
| 06-12-14 | 06-17-14 | 500 | MANITOWOC INC COM | 27.86 | 13,932.84 |
| 06-13-14 | 06-18-14 | 200 | MANITOWOC INC COM | 27.49 | 5,498.20 |
| 06-16-14 | 06-19-14 | 200 | MANITOWOC INC COM | 27.70 | 5,540.88 |
| 06-16-14 | 06-19-14 | 200 | MANITOWOC INC COM | 28.03 | 5,607.98 |
| 06-17-14 | 06-20-14 | 400 | MANITOWOC INC COM | 28.29 | 11,316.27 |
| 06-18-14 | 06-23-14 | 200 | MANITOWOC INC COM | 28.31 | 5,663.87 |
| 06-18-14 | 06-23-14 | 500 | MANITOWOC INC COM | 28.49 | 14,248.23 |
| 06-18-14 | 06-23-14 | 600 | MANITOWOC INC COM | 28.64 | 17,185.36 |
| 06-19-14 | 06-24-14 | 300 | MANITOWOC INC COM | 28.95 | 8,687.51 |
| 06-19-14 | 06-24-14 | 800 | MANITOWOC INC COM | 28.96 | 23,174.61 |
| 06-20-14 | 06-25-14 | 400 | MANITOWOC INC COM | 29.18 | 11,673.74 |
| 06-12-14 | 06-17-14 | 200 | MCGRAW HILL FINL INC COM | 83.73 | 16,746.05 |
| 06-13-14 | 06-18-14 | 475 | MCGRAW HILL FINL INC COM | 83.12 | 39,482.26 |
| 06-12-14 | 06-17-14 | 400 | MCKESSON CORP COM | 184.14 | 73,657.05 |
| 06-03-14 | 06-06-14 | 400 | MICRON TECHNOLOGY INC COM | 28.65 | 11,462.35 |
| 06-03-14 | 06-06-14 | 2,560 | MICRON TECHNOLOGY INC COM | 28.67 | 73,398.95 |
| 06-04-14 | 06-09-14 | 10 | MICRON TECHNOLOGY INC COM | 28.91 | 289.14 |
| 06-12-14 | 06-17-14 | 500 | NORTHROP GRUMMAN CORP COM | 119.34 | 59,672.73 |
| 06-12-14 | 06-17-14 | 400 | OCCIDENTAL PETE CP DEL COM | 101.29 | 40,516.94 |
| 06-12-14 | 06-17-14 | 975 | PROCTER & GAMBLE CO COM | 79.80 | 77,814.20 |
| 06-13-14 | 06-18-14 | 300 | SKYWORKS SOLUTIONS INC COM | 47.14 | 14,142.29 |
| 06-16-14 | 06-19-14 | 200 | SKYWORKS SOLUTIONS INC COM | 47.35 | 9,470.97 |
| 06-17-14 | 06-20-14 | 100 | SKYWORKS SOLUTIONS INC COM | 47.72 | 4,772.89 |
| 06-19-14 | 06-24-14 | 100 | SKYWORKS SOLUTIONS INC COM | 47.20 | 4,720.60 |
| 06-19-14 | 06-24-14 | 300 | SKYWORKS SOLUTIONS INC COM | 47.47 | 14,242.13 |
| 06-20-14 | 06-25-14 | 100 | SKYWORKS SOLUTIONS INC COM | 47.97 | 4,797.39 |
| 06-20-14 | 06-25-14 | 100 | SKYWORKS SOLUTIONS INC COM | 48.16 | 4,816.37 |
| 06-20-14 | 06-25-14 | 100 | SKYWORKS SOLUTIONS INC COM | 48.29 | 4,829.40 |
| 06-23-14 | 06-26-14 | 225 | SKYWORKS SOLUTIONS INC COM | 47.84 | 10,765.19 |
| 06-12-14 | 06-17-14 | 600 | TJX COS INC NEW COM | 54.66 | 32,801.69 |

## Chicago Equity Partners
## PURCHASE AND SALE
## NEW ORLEANS SEWERAGE AND WATER BOARD
## ACCOUNT NUMBER: 902001114
**From 06-01-14 To 06-30-14**

| Trade Date | Settle Date | Quantity | Security | Unit Price | Amount |
|---|---|---|---|---|---|
| 06-13-14 | 06-18-14 | 900 | TJX COS INC NEW COM | 54.73 | 49,260.05 |
| 06-16-14 | 06-19-14 | 500 | TJX COS INC NEW COM | 54.68 | 27,342.30 |
| 06-12-14 | 06-17-14 | 700 | VCA INC | 35.44 | 24,808.92 |
| 06-16-14 | 06-19-14 | 300 | VCA INC | 34.81 | 10,443.73 |
| 06-17-14 | 06-20-14 | 300 | VCA INC | 35.51 | 10,653.63 |
| 06-12-14 | 06-17-14 | 1,000 | XILINX INC COM | 46.07 | 46,078.98 |
| | | | | | 1,758,416.98 |

**Chicago Equity Partners**
**BROKER COMMISSIONS**
**From 05-31-14 to 06-30-14**

| Portfolio | Implied | Explicit | Total |
|---|---|---|---|
| AQUA TRADING #7310 | | | |
| AQUA TRADING #7310 | | | |
| NEW ORLEANS SEWERAGE AND WATER BOARD | 0.00 | 80.00 | 80.00 |
| SUBTOTAL | 0.00 | 80.00 | 80.00 |
| TOTAL | 0.00 | 80.00 | 80.00 |
| BNY ESI INSTITUTIONAL SECURITIES #0100 | | | |
| BNY ESI INSTITUTIONAL SECURITIES #0100 | | | |
| NEW ORLEANS SEWERAGE AND WATER BOARD | 0.00 | 201.00 | 201.00 |
| SUBTOTAL | 0.00 | 201.00 | 201.00 |
| TOTAL | 0.00 | 201.00 | 201.00 |
| BARCLAY'S LEHMAN #229 | | | |
| BARCLAY'S LEHMAN #229 | | | |
| NEW ORLEANS SEWERAGE AND WATER BOARD | 0.00 | 46.00 | 46.00 |
| SUBTOTAL | 0.00 | 46.00 | 46.00 |
| TOTAL | 0.00 | 46.00 | 46.00 |

## Chicago Equity Partners
## BROKER COMMISSIONS
**From 05-31-14 to 06-30-14**

| Portfolio | Implied | Explicit | Total |
|---|---|---|---|
| BNY ALGORITHM #100 | | | |
| BNY ALGORITHM #100 | | | |
| NEW ORLEANS SEWERAGE AND WATER BOARD | 0.00 | 288.00 | 288.00 |
| SUBTOTAL | 0.00 | 288.00 | 288.00 |
| TOTAL | 0.00 | 288.00 | 288.00 |
| B-TRADE SERVICE #7001 | | | |
| B-TRADE SERVICE #7001 | | | |
| NEW ORLEANS SEWERAGE AND WATER BOARD | 0.00 | 21.38 | 21.38 |
| SUBTOTAL | 0.00 | 21.38 | 21.38 |
| TOTAL | 0.00 | 21.38 | 21.38 |
| ITG #0099 | | | |
| ITG #0099 | | | |
| NEW ORLEANS SEWERAGE AND WATER BOARD | 0.00 | 453.11 | 453.11 |
| SUBTOTAL | 0.00 | 453.11 | 453.11 |
| TOTAL | 0.00 | 453.11 | 453.11 |

## Chicago Equity Partners
## BROKER COMMISSIONS
**From 05-31-14 to 06-30-14**

| Portfolio | Implied | Explicit | Total |
|---|---|---|---|
| LIQUIDNET #0352 | | | |
| LIQUIDNET #0352 | | | |
| NEW ORLEANS SEWERAGE AND WATER BOARD | 0.00 | 108.00 | 108.00 |
| SUBTOTAL | 0.00 | 108.00 | 108.00 |
| TOTAL | 0.00 | 108.00 | 108.00 |
| MERRILL LYNCH #0161 | | | |
| MERRILL LYNCH #0161 | | | |
| NEW ORLEANS SEWERAGE AND WATER BOARD | 0.00 | 71.00 | 71.00 |
| SUBTOTAL | 0.00 | 71.00 | 71.00 |
| TOTAL | 0.00 | 71.00 | 71.00 |
| MORGAN STANLEY #0050 | | | |
| MORGAN STANLEY #0050 | | | |
| NEW ORLEANS SEWERAGE AND WATER BOARD | 0.00 | 14.70 | 14.70 |
| SUBTOTAL | 0.00 | 14.70 | 14.70 |
| TOTAL | 0.00 | 14.70 | 14.70 |

## Chicago Equity Partners
## BROKER COMMISSIONS
**From 05-31-14 to 06-30-14**

| Portfolio | Implied | Explicit | Total |
|---|---|---|---|
| KNIGHT ALGORITHMS DTC #295 | | | |
| KNIGHT ALGORITHMS DTC #295 NEW ORLEANS SEWERAGE AND WATER BOARD | 0.00 | 15.00 | 15.00 |
| SUBTOTAL | 0.00 | 15.00 | 15.00 |
| TOTAL | 0.00 | 15.00 | 15.00 |
| SANFORD BERNSTEIN ALGO #13 | | | |
| SANFORD BERNSTEIN ALGO #13 NEW ORLEANS SEWERAGE AND WATER BOARD | 0.00 | 110.70 | 110.70 |
| SUBTOTAL | 0.00 | 110.70 | 110.70 |
| TOTAL | 0.00 | 110.70 | 110.70 |
| SALOMON SMITH BARNEY #0418 | | | |
| SALOMON SMITH BARNEY #0418 NEW ORLEANS SEWERAGE AND WATER BOARD | 0.00 | 55.00 | 55.00 |
| SUBTOTAL | 0.00 | 55.00 | 55.00 |
| TOTAL | 0.00 | 55.00 | 55.00 |
| **GRAND TOTAL** | **0.00** | **1,463.89** | **1,463.89** |

RECONCILIATION CERTIFICATION

Chicago Equity Partners

We have reconciled the monthly custodial reports from New Orleans Sewerage and Water Board Custodian Bank for month end June 2014.

Jill A. Novak
Chicago Equity Partners, LLC

6/30/14
Date

# SEWERAGE AND WATER BOARD OF NEW ORLEANS

August 6, 2014

Pension Committee
Sewerage and Water Board of New Orleans
New Orleans, Louisiana

Dear Directors:

Subject: Status Update on Recommended Selection of Pension Investment Consultant

Sewerage and Water Board has received seven proposals from firms responding to the request for proposals for pension investment consultant services; listed below in alphabetical order:

- Buck Consultants
- Bogdahn Group
- Dahab Associates
- FFC Capital Management
- Meketa Investment Group
- Morgan Stanley
- Watershed Investment Consultants

The proposals are being reviewed based upon these criteria:

1. Commitment to the Client Relationship relative to the experience as reflected with their proposed team, understanding of fiduciary responsibility and ethical standards.

2. Understanding the importance of risk-return needs of a public pension fund and the underlying performance and quantitative benchmark metrics employed by the Board of Trustees' through its adopted Investment Policy Statement.

3. Portfolio philosophy, strategy and council relative to portfolio construction, performance drivers of asset allocations and sector allocation, performance drivers related to money manager's issue selection, duration cycles and the proposer's contribution to value added Return on Investment on their contract.

4. The organization's history, structure, assets under management, revenue analysis and commitment to changing technology

5. Firm's written compliance with RFP instruction to organize their answers, provide positive affirmations of bid requirements, rules of contact, pricing affirmations and general ability to follow written instructions.

Staff anticipates that the recommendation will be ready at the September 2014 meeting of the Pension Committee.

Robert K. Miller
Deputy Director

# SEWERAGE AND WATER BOARD OF NEW ORLEANS

August 6, 2014

Pension Committee
Sewerage and Water Board of New Orleans
New Orleans, Louisiana

Dear Directors:

Subject: Recommended Changes to Pension Plan Rules

**Introduction**

During the May 2014 Pension Committee meeting, the results of the recent pension actuarial study were reviewed which showed that the health of the pension plan has decreased while the cost of the plan has increased. In this memo, management has identified two recommended changes to the rules that are intended to improve the health of the pension plan:

- Increase employee contribution rate effective January 1, 2015 from 5% to 6% for all employees.
- Change computation of average compensation to highest consecutive 48-month period effective January 1, 2017 and to highest consecutive 60-month period effective January 1, 2018 for all employees who are not retirement-eligible as of December 31, 2014.

Management has also identified a recommended change to the rules that is intended to improve the ability to retain existing employees:

- Allow employees to be rehired on a part-time basis after ending their DROP but while still collecting their pension, effective January 1, 2015.

These changes are recommended for consideration at the August 6, 2014 meeting and for possible adoption at the September 3, 2014 meeting.

Accompanying this memo is a related report from the Bureau of Governmental Research on local pension issues, *Understanding Pensions: A Primer on Public Employee Pension Plans*.

**Pension Costs**

Pension contributions have been less than annual pension costs each year since 2003. Pension contributions over the past ten years have increased from $3.1 million to $6.0 while pension costs have increased from $3.7 million to $10.3 million.

| Year | Annual Pension Costs | Contributions Made |
|---|---|---|
| 2003 | $3,721,963 | $3,141,857 |
| 2004 | $4,837,807 | $3,386,729 |
| 2005 | $5,216,428 | $4,255,496 |

| | | |
|---|---|---|
| 2006 | $4,326,480 | $4,057,774 |
| 2007 | $4,833,202 | $4,169,892 |
| 2008 | $7,336,034 | $5,104,788 |
| 2009 | $7,629,267 | $5,188,175 |
| 2010 | $8,230,508 | $5,140,097 |
| 2011 | $9,477,215 | $5,564,936 |
| 2012 | $8,523,216 | $6,287,658 |
| 2013 | $10,330,077 | $6,023,631 |

Meanwhile, over the same years since 2003, the funded ratio has decreased from 96.8% to 79.5%.

| Year | Funded Ratio |
|---|---|
| 2003 | 96.2% |
| 2004 | 96.6% |
| 2005 | 100.1% |
| 2006 | 99.2% |
| 2007 | 97.3% |
| 2008 | 96.8% |
| 2009 | 89.2% |
| 2010 | 88.2% |
| 2011 | 87.9% |
| 2012 | 82.6% |
| 2013 | 81.9% |
| 2014 | 79.5% |

While this current funded ratio of 79.5% compares favorably with other local public pension plans, it remains significantly below a fully funded level.

**Employer and Employee Contribution Rates**

The employer amortization rate has increased from 11.046% to 34.988% since 2003 and the employer minimum contribution rate has increased from 9.089 to 22.411%, while the employee contribution rate has increased only once, from 4% to 5% in 2013. During the years prior to 2013, the entire increase in the cost of pension contributions was borne by the employer and, ultimately, by the ratepayers and taxpayers.

| Year | Employer Amortization Rate | Employer Minimum Rate | Employee Rate |
|---|---|---|---|
| 2003 | 11.046% | 9.089% | 4.000% |
| 2004 | 11.227% | 9.100% | 4.000% |
| 2005 | 15.648% | 10.471% | 4.000% |
| 2006 | 13.842% | 9.482% | 4.000% |
| 2007 | 15.709% | 11.461% | 4.000% |
| 2008 | 17.324% | 12.446% | 4.000% |

| | | | |
|---|---|---|---|
| 2009 | 24.253% | 16.526% | 4.000% |
| 2010 | 25.349% | 17.248% | 4.000% |
| 2011 | 28.172% | 18.690% | 4.000% |
| 2012 | 32.966% | 21.626% | 4.000% |
| 2013 | 31.394% | 20.277% | 5.000% |
| 2014 | 34.988% | 22.411% | 5.000% |

**Unfunded Pension Liability**

The Unfunded Actuarial Accrued Liability has been reported on the Statement of Net Assets, commonly referred to as the Balance Sheet, since 2008. Over the five years since 2008, the unfunded pension liability has increased at a compound rate of 10.4%, from $38.0 million to $62.4 million.

| Year | Unfunded Actuarial Accrued Liability |
|---|---|
| 2008 | $38,018,182 |
| 2009 | $40,506,368 |
| 2010 | $46,974,734 |
| 2011 | $56,371,618 |
| 2012 | $53,965,718 |
| 2013 | $62,379,320 |

**Recommended Changes and Analysis of Impact**

- **Increase employee contribution rate effective January 1, 2015 from 5% to 6% for all employees.**

  This mirrors a change by the City of New Orleans adopted in 2011. Management recommends this change to improve the funded ratio and to bring more balance to the cost of the pension plan between employer and employee. Assuming no offsetting reduction in the employer or employee contribution rate, the funded ratio is expected to increase by 0.1% per year for each of the next ten years.

- **Change computation of average compensation to highest consecutive 48-month period effective January 1, 2017 and to highest consecutive 60-month period effective January 1, 2018 for all employees who are not retirement-eligible as of December 31, 2014.**

  This also mirrors a change by the City of New Orleans adopted in 2011. Management recommends this change to improve the funded ratio. Assuming no offsetting reduction in the employer or employee contribution rate, the funded ratio is expected to increase by 0.55 and 0.62, respectively.

- **Allow employees to be rehired on a part-time basis after ending their DROP but while still collecting their pension, effective January 1, 2015.**

  Management recommends this change to improve the ability to retain existing employees. Approximately forty percent of all employees are retirement eligible or are participating in the Deferred Retirement Option Program. Under current pension rules, employees may be hired back after completing their DROP period but are not able to receive their pension payments during the time while they have returned to work. Management believes that the current rule precludes employees from returning on a part-time basis when this would be beneficial to both the organization and the employee. This change is expected to have no impact on the cost of the plan or the funded ratio.

**Employee Feedback**

The employee members of the Pension Committee conducted meetings with employees at major locations around the system to obtain feedback about potential changes to the pension rules. The feedback was uniformly negative, with the primary concern about changes that would adversely impact their pension benefits when there had not been any across-the-board changes to the pay scale in more than seven years. A secondary concern expressed was about the possibility of impairing the financial health of the Sewerage and Water Board pension plan by following the practices of the City of New Orleans pension plan. The relatively limited scope of the recommended changes was in careful consideration of the feedback received from employees.

**Conclusion**

Management recommends these changes for consideration at the August 6, 2014 meeting and for possible adoption at the September 3, 2014 meeting.

Robert K. Miller
Deputy Director

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A Report from the Bureau
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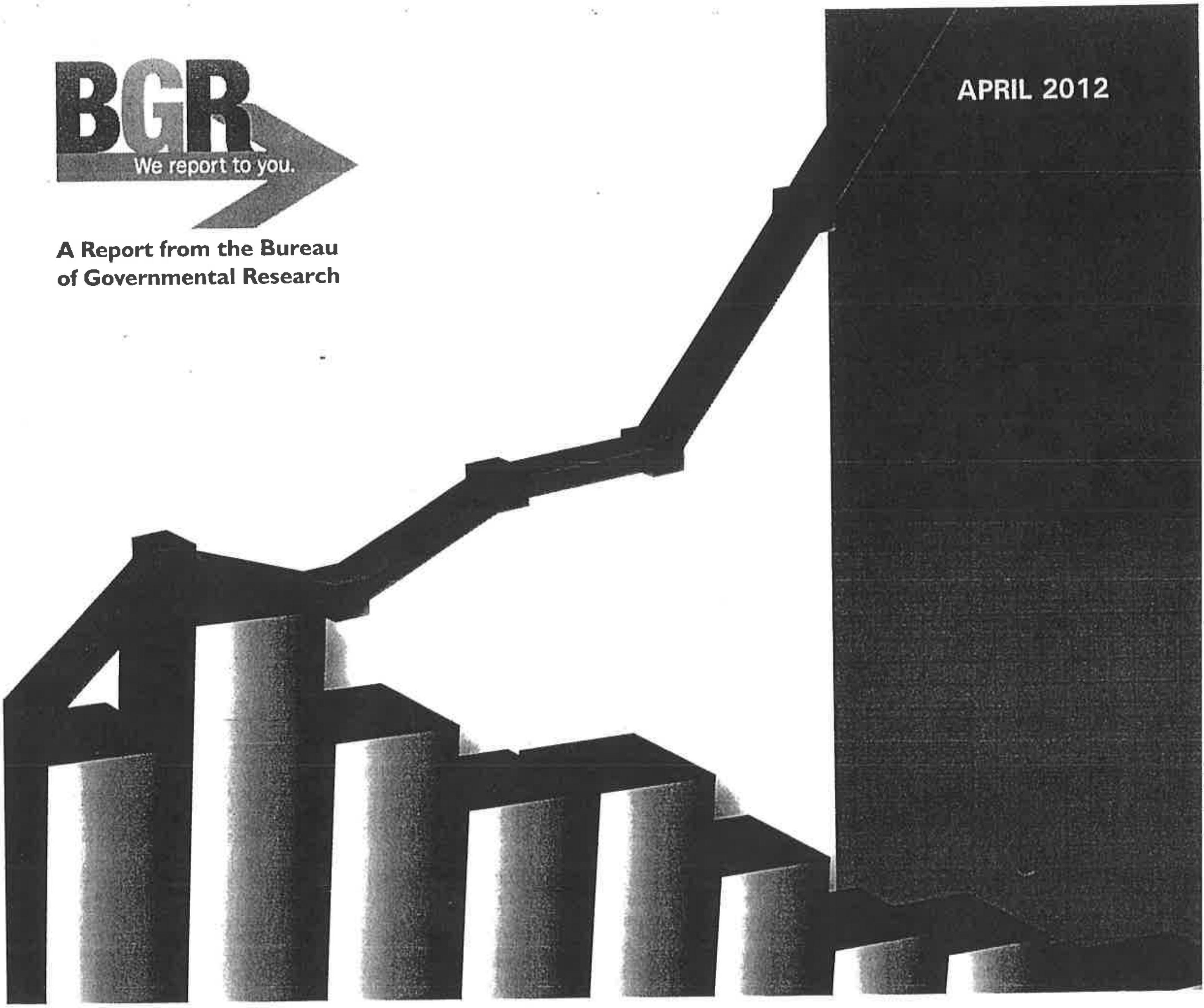
APRIL 2012



# Understanding Pensions

## A Primer on Public Employee Pension Plans

BGR PENSION SERIES ■ PART I

## BGR Review Committee



## BGR Project Staff


Janet R. Howard, *President & CEO*
Peter Reichard, *Projects Manager*
Ryan Galvin, *Research Analyst*
Kevin Murphy, *Research Analyst*
Stephen Stuart, *Research Analyst*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**BUREAU OF GOVERNMENTAL RESEARCH**
938 Lafayette St., Suite 200
New Orleans, LA 70113
Phone 504-525-4152
Fax 504-525-4153
www.bgr.org


## BGR Board of Directors



*Publication Design: Peter Reichard*

# INTRODUCTION

When it rains, it pours. During the past decade, retirement funds for state and local government workers have experienced a severe reversal of fortune. Having fallen from the heights of booming stock market investment earnings, many of these funds have suffered significant losses and seen their unfunded liabilities skyrocket. The losses have struck at a time when governments are struggling with other recession-related fiscal challenges. As a result, many state and local governments must dedicate increasing portions of their already-strapped budgets to pay for benefits promised long ago. In some cases, public services are being cut in order to fulfill those promises.[1]

Now many state and local governments, and the taxpayers who support them, are questioning the affordability of their retirement plans for public employees. Since 2009P, 43 states, including Louisiana, have enacted revisions to retirement plans.[2] While many reforms tinker at the margins of existing plans, a few state and local governments have implemented more drastic measures that revamp retirement benefits for public employees.

Louisiana has taken a number of steps over the last 25 years to address the fiscal condition of pension systems in the state. This year alone, the Louisiana Legislature has before it nearly 30 bills that attempt to rein in costs. Some would change the fundamental nature of public sector retirement plans, replacing guaranteed lifetime benefits with more limited obligations. Others would reel in benefits by adjusting the multiple factors that affect the levels of employee benefits. Still others would increase the amounts that employees are required to contribute to their retirement plans.

The implications of the proposed changes are difficult to assess without an understanding of how pension systems work. In this report, BGR provides a primer on the subject.

This report is the first of a series on public pension plans in which local governments in Jefferson, Orleans and St. Tammany parishes participate. In upcoming reports, BGR will review the health, benefits and associated costs of those plans and compare them against national norms. BGR will also explore public pension reform options.

# BACKGROUND

## The Role of Public Pension Plans

Clearly, the main purpose of a pension plan is to provide employees with a regular source of income and financial security in retirement. There are, however, a number of other reasons that governments provide their employees with pensions. Among other things, they help governments attract and retain employees.

A related and commonly cited reason for public pensions is that they make government competitive with the private sector by offsetting a salary differential between the two. The extent of that differential, and whether a guaranteed retirement benefit is the way to offset it, is the subject of debate. This report does not attempt to resolve the issue.

## Types of Retirement Plans

There are two major types of retirement plans: defined benefit plans and defined contribution plans.

A *defined benefit plan* provides workers with a guaranteed benefit throughout retirement. Benefits are generally based on years of service and a percentage of pay. In the public sector, plans are funded through employer contributions, investment earnings and, usually, employee contributions. In Louisiana, some plans receive revenue from dedicated taxes and other public sources. If the amounts contributed to the plan over the length of an employee's employment, combined with the plan's investment earnings, are insufficient to pay for the promised benefit, the employer is obligated to pay the difference.

A *defined contribution plan* provides retirement benefits through an individual retirement savings account funded by the employer, the employee or both. The funds in the account are invested, typically at the direction of the worker, based on options established by the employer.

The extent of the employer's commitment varies. Some employers commit to contribute a percentage of an employee's salary or to match a portion of an employee's contributions. Others tie their contributions to profits or make them on a discretionary basis.[3]

With a defined contribution plan, the employee is not guaranteed a specific benefit throughout retirement. He receives only the value of his account – contributions made over the course of his participation plus or mi-

## DEFINED BENEFIT VS. DEFINED CONTRIBUTION PLANS

There are several noteworthy differences between defined benefit and defined contribution plans.

**Investment Risk.** With defined benefit plans, employees know they will receive a fixed amount of income based on a pre-determined formula for the length of their retirement. The amount they receive does not change based on a plan's investment gains or losses. The employer is responsible for covering any shortfalls between the cost of promised benefits and available funding. With defined contribution plans, employees receive whatever amount of money is in their account when they retire. The amount in the account varies based on the gains and losses that result from the investment of the funds in it.

**Longevity Risk.** Longevity risk is the risk that employees will live longer than expected. In a defined benefit plan, this risk falls on the employer. In a defined contribution plan, an employee bears the longevity risk.

**Predictability of Costs for the Employer.** With defined benefit plans, an employer's annual contribution typically varies based on a number of factors, including investment returns and estimates of future liabilities. Annual contributions to defined contribution plans, on the other hand, are limited to specified percentages of employee salaries or employee contributions, making them more predictable.

**Decision-Making Power.** When it comes to defined contribution plans, employees must make a number of choices that are unnecessary in the case of defined benefit plans. These relate to participation and the investment of their assets.

Employee participation in defined benefit plans is typically mandatory. In contrast, participation in defined contribution plans is often optional. As a result, some employees pass up the opportunity to participate in the only retirement plan available to them.

Investment decisions for defined benefit plans are made by fiduciaries for the plans, rather than plan participants. Employees participating in defined contribution plans have some discretion as to how their accounts are invested. The investment discretion can create problems, since many employees lack the time, skills and expertise needed to assess their investment options.

**Portability.** Retirement benefits provided through defined contribution plans are more portable than those provided through defined benefit plans. In the case of a defined benefit plan, a departing employee who has not yet vested receives only his contributions and, in some cases, interest on them. He forfeits the contributions made by the employer on his behalf and any claim to future benefits. In the case of a defined contribution plan, an employee moving to a new employer can take along his contributions, employer contributions (subject in some cases to a short vesting period) and any earnings or gains.

nus investment gains or losses. The employer's obligation is limited to the amount it committed to contribute. Examples of defined contribution plans are 401(k) and 403(b) plans.

A small number of public employers offer hybrid plans that combine elements of defined benefit and defined contribution plans. Most hybrid plans in the public sector combine a reduced defined benefit plan with an individual defined contribution retirement savings account. BGR found a couple of examples of cash balance plans offered by the public sector.[4] In a cash balance plan, an employer commits to contribute a certain amount to a common fund and to pay interest at a rate determined by formula. The employer guarantees a minimum return.

Defined benefit plans were the norm in both the public and private sectors well into the 1980s. In the mid-1980s, 93% of full-time state and local government workers and 76% of private industry workers participated in defined benefit plans.[5] Over the next 25 years, the availability of defined benefit plans declined drastically in the private sector, but only modestly in the public sector. By 2011, 84% of state and local government workers had access to a defined benefit plan, whereas only 20% of private sector employees did. In contrast, approximately 30% of government workers and 58% of private sector workers had access to a defined contribution plan.[6] Some workers had access to both types of plans.[7]

Multiple factors contributed to the shift in the private sector. They include the growth of the service industry, and the accompanying changes in the composition of the work force and in employment relationships. Laws enacted in the 1970s and the 1980s also played a role. The Employee Retirement Income Security Act (ERISA) made it more complex and costly for the private sector to offer defined benefit plans. Tax code revisions allowing employees to contribute to defined contribution plans on a pre-tax basis increased the attractiveness of such plans.[8] The then-booming stock market also helped make defined contribution plans attractive to potential employees.

## DEFINED BENEFIT PLANS IN LOUISIANA

As is the case nationwide, the vast majority of state and local government employees in Louisiana participate in defined benefit plans. The plans are offered by retirement systems established by the State Legislature or local governments.

In Louisiana, there are three basic groups of retirement systems: "state" systems, "statewide" systems and local systems.[9] All of the 13 state and statewide systems offer defined benefit plans; one of them also offers a defined contribution option for a subset of participants, university employees. The local systems include both defined benefit and defined contribution plans.

The four state systems are the State Police Pension and Retirement System, the Louisiana State Employees' Retirement System, the Teachers' Retirement System of Louisiana, and the Louisiana School Employees' Retirement System. As their names imply, these systems cover the state police, other employees and officials of the State and its agencies, teachers, and other employees of the public educational system. The first two systems are single-employer systems, and the other two are multi-employer ones.

The nine statewide systems cover assessors, clerks of court, district attorneys, firefighters, municipal employees, municipal police employees, parish employees, registrars of voters and sheriffs.[10]

Examples of local systems include the Employees' Retirement System of the Sewerage & Water Board, the Firefighters' Pension & Relief Fund of the City of New Orleans, and the City of New Orleans Employees' Retirement System.

The state guarantees benefits payable by the four state retirement systems.[11] It does not guarantee the benefits payable by statewide or local plans.

## CALCULATING BENEFITS

Under a defined benefit plan, an employee becomes entitled to a benefit in the form of an annuity. A number of factors enter into the calculation of the benefit payable under a defined benefit plan. They include: the final average salary, the benefit multiplier, and the number of years of credited service. Basically, to determine the retirement benefit, the final average salary is multiplied by the applicable multiplier and the years of service:

Benefit = Final Average Salary
x Multiplier x Years of Service.

Take for instance, an employee whose salary averaged \$50,000 during the last three years of service, after a 30-year career. At a 2% multiplier, that employee's annual compensation in retirement would total \$30,000, or 60% of the average final compensation.

Other factors discussed below, such as cost-of-living allowances and replacement caps, can result in adjustments to the amount of the benefit.

### Final Average Salary

Most public defined benefit plans calculate benefits based on an employee's average earnings over some specified period of time. The calculation uses the years in which an employee's salary was highest. The length of the period, which is known as the final average compensation period, differs among retirement systems.

Nationwide, 56% of state and local government workers participating in defined benefit plans have a three-year final average compensation period; 22% have a five-year period and six percent have a one-year period.[12] Shorter compensation periods generally translate into higher retirement benefits than longer ones, because longer periods pick up a wider range of an employee's earnings.

### Benefit Multiplier

The benefit multiplier is another factor affecting the size of employees' retirement benefits. The higher the multiplier, the greater the amount of the retirement benefit that accrues in a year.

A small increase in the multiplier can result in a significant increase in the retirement benefit. For example, raising a multiplier from 1.5% to 1.65% produces a 10% increase in retirement benefits.[13]

Most defined benefit plans for public employees apply a single benefit multiplier to all of an employee's years of service. In some plans, however, the multiplier varies based on years of service or earnings. Higher multipliers for later years of service can be an incentive for employees to work longer.

There are wide variations in the size of multipliers and a number of factors that account for some, but not all, differences. Plans for public safety employees tend to have a higher multiplier. That's because the work life of those employees is considered shorter than usual, due to the hazards and physical demands of their employment.[14]

All things being equal, a plan for public employees not covered by Social Security should have a higher multiplier than a plan for covered employees.[15] That's because neither the employer nor its employees is contributing to an employee's retirement through Social Security taxes, and employees will not be receiving Social Security payments in retirement. Nationwide, the median benefit multiplier for public employees not covered by Social Security is 2.2%. The median benefit multiplier for employees covered by Social Security is 1.85%.[16] In Louisiana, almost all state and local government employees are outside the Social Security system.[17]

### Years of Service

Calculating the years of service for which an employee receives credit is a fairly simple concept. However, there are a couple of variations among plans. First, some plans allow an employee to receive credit for unused vacation and sick pay or to purchase years of service based on prior employment with the plan sponsor or another government entity. Second, in some cases work for another government employer can be credited.

The basic formula for calculating benefits is subject to adjustment. In some cases, the retirement benefit is limited by caps. In others, it is adjusted upward in response to inflationary pressures.

### Caps

Some defined benefit plans cap replacement rates or benefit amounts for employees. For example, the highest retirement benefit that an employee can earn annually may be capped at 80% of his final average compensation. Alternatively, the annual maximum may be a dollar value, such as $100,000. The lower the maximum replacement rate or benefit amount, the lower the public cost of benefits.

A plan's benefit multiplier affects when an employee is able to reach the maximum replacement rate. The higher the multiplier, the sooner the employee reaches the maximum. For example, if the multiplier is 3.5%, an employee reaches a 100% replacement rate after 28.6 years of service. With a 2% multiplier, an employee will reach a 100% replacement rate after 50 years.

### Cost-of-Living Adjustments

Cost-of-living adjustments (COLAs) are annual additions to an employee's retirement benefit to offset inflation. COLAs may be awarded automatically each year based on a set amount or by an amount pegged to some measure of inflation. Alternatively, COLAs may be awarded only in certain circumstances, such as when investment earnings exceed expectations by a certain percentage.

How a public defined benefit plan awards and accounts for COLAs for retirees affects the ultimate level of benefits it provides and the cost of the plan. If COLAs have not previously been taken into account in calculations of future liabilities, they increase the future cost of the plan.

## ASSESSING THE ADEQUACY OF BENEFITS

In an ideal world, retirees would have adequate income to maintain a quality of life similar to what they enjoyed while working. Due to lower expenses in retirement, the amount of income required to achieve that goal is usually lower than an employee's pre-retirement income. Estimates range widely, from 70% to 94% of pre-retirement income, and vary according to income level.[18]

Generally, employees have three possible sources of income to meet post-retirement expenses: Social Security, personal savings and pension benefits. There are, however, significant differences as to the availability of the sources for private and public sector employees.

Most private sector employees do not have guaranteed pension benefits, while most public sector employees do. The situation is reversed when it comes to Social Security benefits. All private sector employees are required to participate in that program. In the public sector, however, participation is at the option of the state and local government. Nearly 25% of government employees in the U.S., including almost all public sector employees in Louisiana, are not covered.[19] The non-covered employees are more heavily dependent than others on their pension plans and personal savings, and those sources have to cover a larger portion of their retirement income.

The adequacy of pension benefits is often measured by the plan's replacement rate. The replacement rate is the percentage of an employee's salary that a plan will provide upon normal retirement. It should correlate in some rational way with the percentage of pre-retirement salary needed to maintain an employee's quality of life.

In states where public sector employees participate in Social Security, government pension plans replaced on average 58% of the pre-retirement salary of a 30-year employee retiring in 2006. The average replacement rate for a similar public sector employee in states that do not participate in Social Security was 73%.[20]

## ELIGIBILITY REQUIREMENTS

There are a couple of important milestones on the road to a pension. The first is the date on which an employee participating in a plan becomes entitled to future benefits. The second is the date on which an employee becomes eligible to start collecting retirement benefits.

### Minimum Service

To be eligible to receive retirement benefits from a defined benefit plan in the future, an employee must have worked for a specific period of time. A recent study of public retirement systems found that time periods typically range from three to 10 years. The median period is five years of service.[21] An employee who leaves before meeting the minimum service requirement is not eligible to receive benefits that were accruing prior to his departure. He receives only the amount that he contributed to the plan, plus interest in some cases.

### Retirement Eligibility

To begin collecting benefits, an employee must meet stipulated eligibility requirements based on length of service or a combination of age and length of service. An example of a requirement based on length of service is 30 years of service, regardless of age. An example of an eligibility requirement that combines years of service and age is 12 years of service at age 55. Another is 10 years of service at age 60.

Most plans offer a number of options for reaching eligibility. By way of example, a plan might allow retirement at 25 years service at any age, 20 years of service at age 50, or 12 years of service at age 55.[22] Typically, the older an employee is, the fewer the years he needs to have worked to be eligible to retire. This can act as an incentive for older, more experienced workers to join the public sector, even if only for a few years. On the flip side, it can result in a long-term public cost in return for relatively little service.

Nationwide, 56% of state and local workers participating in a defined benefit plan face a fixed age threshold in all of their eligibility options. Another 25% of these workers can retire based on years of service alone. The remainder use any combination of age and years that total a certain number, such as 80.[23] The age thresholds are typically lower than the threshold for Social Security and the normal retirement age for private sector employees.

Public sector employees can generally retire and receive benefits at an earlier age than private sector employees. A 2010 study of state employee and teacher retirement plans nationwide found that 83 of 87 plans allowed employees who met specified service requirements to retire with full benefits on or before age 62.[24] The age for receiving full Social Security benefits is 66 for employees born after 1943. It rises to 67 for employees born after 1959.

A higher retirement age can promote the fiscal health of a pension system in two ways: Employees generally contribute to the fund for a longer period of time, and they receive retirement funds for a shorter period of time.

### DROP

Some public sector pension plans offer a deferred retirement option plan, known as DROP, for employees who have met a plan's retirement eligibility requirements. An employee participating in DROP continues to work for an employer and collect his salary. The pension payments that he would have received had he retired are credited to an account during his continued employment, and paid to him upon retirement. Depending on the plan, the employee may be entitled to interest on funds in the DROP account. In essence, the employee is receiving two work-related payments from his employer: a direct one in the form of salary and a delayed one from the employer's pension system.

The amount of the DROP participant's retirement benefit is set as of the date that he enters DROP. Generally, he does not make additional contributions to the pension system or accrue additional benefits during the DROP period.[25]

DROP offsets the incentive to early retirement created by many pension plans. It was conceived as a way to encourage productive and knowledgeable employees who would otherwise retire to continue working. It is not restricted, however, to such employees. Any employee who meets the eligibility requirements for retirement can take advantage of DROP.

## FUNDING PENSION PLANS

Pension plans can be funded on a pay-as-you-go or a prefunded basis. Almost all pension plans, including those in Louisiana, are prefunded. This means that obligations to make payments in the future are supposed to be recognized as they are incurred, and assets set aside to meet them. However, few are fully funded. See the discussion on page 7.

Public defined benefit plans are typically funded through three sources: investment income, employee contributions and employer contributions. In some cases, plans may receive additional contributions in the form of dedicated taxes or other public revenue.

### Investment Income

Before the 1980s, many states restricted the portion of assets that public retirement plans could invest in various securities.[26] A common restriction limited the percentage of assets held in common stock to 35% or less. In the 1980s, state legislatures allowed many public plans to use the "prudent person" rule to govern investments. This rule generally allows plan fiduciaries to invest with the judgment and care that a prudent, intelligent investor would exercise in his own affairs to achieve a reasonable return while preserving capital.[27] In effect, the rule permitted public retirement plans to invest a larger percentage of assets in equities. Equity holdings have since risen to more than 50% in many plans, and investment income is by far the primary source of plan funding today.[28]

Investing significant portions of assets in equities can reduce the public cost of providing retirement benefits when investment earnings meet or exceed expectations. But it also increases a plan's exposure to risk and the potential for volatility in an employer's annual required contribution rate.

### Employee Contributions

In the public sector, most employees (77%) are required to contribute to defined benefit plans.[29] Employee contribution rates, usually set at a fixed percentage of salary by law or plan rule, remain fairly constant over time.[30] The more employees contribute to the cost of their retirement benefits, the lower the cost to employers and the public.

Nationwide, the average contribution rate was 6.3% of earnings in 2008.[31] However, the rate varies significantly depending on whether the employees also participate in Social Security. If employees do not participate (as is the case for almost all state and local government employees in Louisiana), the rate averages approximately 9%. It is approximately 5% for employees who do participate in Social Security.[32]

### Contributions of Taxes and Other Revenue

In a handful of states, some public pension plans receive contributions of dedicated taxes or other public revenues.[33] This practice is fairly common in Louisiana.

### Employer Contributions

Employers are required to provide the balance of the funding for a plan. This is because the employers have the ultimate responsibility to fund the payment of the plan's defined benefits.

An actuary determines the employers' annual required contribution, usually expressed as a percentage of projected payroll, through a complex process known as an actuarial valuation. It requires two important calculations: the present value of future pension benefits and the actuarial value of assets available to pay future benefits.[34]

Using a set of demographic and economic assumptions, the actuary determines the present value of future benefits for current and former employees, retirees and their beneficiaries. The demographic assumptions are used to project the extent to which the plan's members will draw benefits. The actuary projects, among other factors, the rates of mortality, disability and employee turnover, as well as the probability of retirement at various ages. On the economic side, the actuary's projections include the rates of investment return, inflation and employee salary increases.[35]

The rate of investment return, which reflects anticipated long-term investment gains, is an especially important assumption. It is used as the discount rate to arrive at the present value of future benefits. Many public pension plans assume a rate of return in the range of 7.25 to 8.5%.[36] The higher the assumed rate of return, the lower the present value of future benefits and, in turn, the required employer contribution.[37]

Having calculated future benefit liability, the actuary subtracts the actuarial value of plan assets and future employee contributions. To calculate the actuarial value of plan assets, the actuary adjusts the market value of the assets at the valuation date to "smooth" the effect of recent gains or losses relative to the assumed rate of return. The typical smoothing period is three to five years.[38] The smoothing process reduces the volatility of employers' required contributions.

The employer is responsible for the balance that remains after subtracting the actuarial value of assets and future employee contributions from the present value of future benefits. The actuary determines how much of that liability must be paid in the upcoming year to meet pension costs accruing in that year and to cover a portion of any unfunded accrued liabilities. Dedicated taxes and other revenues for the upcoming year are applied to reduce the employer's required contribution.

If the employers contribute the required amount and plan assumptions, such as the rate of investment return, hold true, then the plan is able to keep up with its accruing obligations and cover a portion of any unfunded accrued liabilities. If contributions fall short or the assumptions are overly optimistic, the funding burden increases in future years.

## GAUGING THE HEALTH OF A PLAN

When plans are funded at healthy levels, they are more likely to be sustainable in the long term. When plans are struggling financially, participating employers and lawmakers may need to rethink the level and type of benefits.

Perhaps the best way to assess a retirement plan's financial health is by the ratio of the actuarial value of its assets to its actuarial accrued liabilities. This is known as the funding ratio. The actuarial accrued liability is the future benefits attributable to past service by current and former employees and retirees.

When a plan has enough assets to cover all of its accrued liabilities, it is considered 100% funded. This does not mean that further contributions are no longer required, but rather that the plan is funded at the appropriate level on the date of valuation. The U.S. Government Accountability Office considers a funding ratio of 80% or above to be sound for state and local public pension plans.[39]

In the 1980s, lawmakers raised concerns that state and local pension plans had not accumulated sufficient assets to meet their liabilities. Some states, including Louisiana, undertook significant reforms to improve the funding of their systems. Pension plans then entered a period of robust stock market performance in the 1990s and substantially improved their funding ratios, reaching 100% on average by 2000. Some plans, overfunded by significant margins, offered more generous pension benefits and reduced contribution rates.[40]

The good times, however, did not last long. Stock market declines in the early 2000s and again in the past few years have weakened the financial position of many plans.[41] The average funding ratio for large state retirement systems, for example, dropped from 100% in 2001 to 86% in 2005 and again to 77% in 2010.[42] A similar decline occurred in locally administered pension plans.[43]

The erosion of plan funding ratios has caused some alarm and prompted calls for re-examining how public pension benefits are provided and funded.

## LOOKING AHEAD

In its next report on government pensions, BGR will examine the benefits, funding and public costs of state and statewide plans in which governments in Jefferson, Orleans and St. Tammany parishes participate. Among other things, the report will include an analysis of the factors that affect the generosity and cost of benefits, and benchmark them against national averages.

## END NOTES

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2 National Conference of State Legislatures, *State Pension Reform, 2009-2011,* March 2012, p. 1.

3 This report does not consider plans to which the employer makes no contributions.

4 The State of Nebraska offers cash balance plans to participants in its state employees' and county employees' retirement systems. The California State Teachers' Retirement System offers a cash balance plan to part-time K-12 teachers.

5 Wiatrowski, William J., *The Structure of State and Local Retirement Benefits, 2008*, U.S. Department of Labor, Bureau of Labor Statistics, February 25, 2009.

6 U.S. Department of Labor, Bureau of Labor Statistics, *National Compensation Survey,* March 2011, Table 2.

7 Access rates are distinct from participation rates. 85% of state and local government workers and 50% of private industry workers took advantage of their employer-provided retirement benefit. U.S. Department of Labor, Bureau of Labor Statistics, *Employee Benefits in the United States – March 2010*, July 27, 2010, p. 5.

8 Lowenstein, Roger, *While America Aged: How Pension Debts Ruined General Motors, Stopped the NYC Subways, Bankrupted San Diego, and Loom as the Next Financial Crisis* (New York: Penguin Press, 2008), pp. 54-55.

9 La. R.S. 11:4.

10 These are: the Louisiana Assessors' Retirement Fund, the Louisiana Clerks' of Court Retirement Fund, the District Attorneys' Retirement System, the Firefighters' Retirement System of Louisiana, the Municipal Employees' Retirement System of Louisiana, the Municipal Police Employees' Retirement System of Louisiana, the Parochial Employees' Retirement System, the Registrars of Voters Employees' Retirement System, and the Sheriffs' Pension and Relief Fund.

11 La. Const. Art. X, Sec. 29.

12 U.S. Department of Labor, Bureau of Labor Statistics, *National Compensation Survey: Retirement Benefits in State and Local Governments in the United States*, 2007, p.18. A study conducted by the Wisconsin Legislative Council arrived at similar findings: 55% of its surveyed plans use a 3-year period, while 25% use a 5-year period. See Wisconsin Legislative Council, *2010 Comparative Study of Major Public Employee Retirement Systems*, December 2011, p. 25.

13 Peng, Jun, *State and Local Pension Fund Management* (Boca Raton, Fla.: Taylor & Francis Group, LLC, 2009), p. 30.

14 Ibid.

15 Ibid., pp. 30-31.

16 Clark, Robert L., Lee A. Craig and Neveen Ahmed, "The Evolution of Public Sector Pension Plans," in Mitchell, Olivia S. and Gary Anderson, eds., *The Future of Public Employee Retirement Systems* (Oxford: Oxford University Press, 2009), p. 246.

17 In a review of 16 public retirement systems, BGR found that in 2010 97% of state and local government workers in Louisiana did not participate in Social Security. The plans under review covered the overwhelming majority – 94% – of all state and local government workers participating in a public pension plan in the state.

18 For estimates and commentary on replacement rates, see: Aon Consulting, *Replacement Ratio Study: A Measurement Tool for Retirement Planning*, 2008, p. 4; Anderson, Gary W., and Keith Brainard, *Profitable Prudence: The Case for Public Employer Defined Benefit Plans,* prepared for presentation at the 2004 Pension Research Council Symposium, April 2004, p. 13; and Peng, p. 53.

19 Peng, p. 55.

20 Clark, et al., pp. 246-247.

21 BGR analysis of data in Wisconsin Legislative Council, *2010 Comparative Study of Major Public Employee Retirement Systems*, pp. 21-22.

22 These are the retirement eligibility options for the

Municipal Police Employees' Retirement System. La. R.S. 11:2220.

23 U.S. Department of Labor, Bureau of Labor Statistics, *National Compensation Survey: Retirement Benefits in State and Local Governments in the United States*, 2007, p. 1.

24 Wisconsin Legislative Council, *2010 Comparative Study of Major Public Employee Retirement Systems,* p. 11.

25 In some cases, DROP participants make small payments to cover administrative costs associated with the DROP plan.

26 National Conference on Public Employee Retirement Systems, *The Evolution of Public Pension Plans: Past, Present and Future,* March 2008, p. 4.

27 Miller, Girard, with M. Corinne Larson and W. Paul Zorn, *Investing Public Funds*, 2nd ed. (Chicago: Government Finance Officers Association, 1998), pp. 44-47.

28 Peng, pp. 19-21. BGR found a median equity allocation in fiscal year 2009 of approximately 52% for 120 state and local pension plans for which data was compiled in the Public Plans Database 2001-2009, published by the Center for Retirement Research at Boston College.

29 Wiatrowski.

30 Peng, pp. 19-21.

31 Wiatrowski.

32 The percentages are based on BGR's analysis of employee contribution rates compiled for 110 state and local pension plans in the Public Plans Database 2001-2009, published by the Center for Retirement Research at Boston College, and 87 systems in Wisconsin's biennial study of major retirement systems. Wisconsin Legislative Council, *2010 Comparative Study of Major Public Employee Retirement Systems*, pp. 21-22.

33 According to BGR's analysis, contributions other than employer and employee contributions were received in fiscal year 2009 by approximately 29% of the 124 state and local pension plans for which data was included in the Public Plans Database 2001-2009, published by the Center for Retirement Research at Boston College. Another study found that a quarter of the states and cities sampled had dedicated taxes to pay plan contributions. Yang, Tongxuan (Stella), and Olivia S. Mitchell, "Public Sector Pension Governance, Funding and Performance: A Longitudinal Appraisal," in Evans, John, et al., eds., *Pension Fund Governance: A Global Perspective on Financial Regulation* (Cheltenham, Great Britain: Edward Elgar Publishing, Ltd., 2008), p. 189.

34 Peng, p. 57.

35 Ibid., pp. 58-59.

36 The Pew Center on the States, *The Trillion Dollar Gap,* February 2010, p. 35.

37 Maryland Department of Legislative Services, Office of Policy Analysis, *Actuarial Terms and Methodologies: A Guide in Plain English*, prepared for the Joint Committee on Pensions, June 2010, p. 6.

38 Peng, p. 74.

39 U.S. Government Accountability Office, *State and Local Government Retiree Benefits: Current Funded Status of Pension and Health Benefits*, GAO-08-223, January 2008, p. 3

40 Peng, p. 22.

41 Ibid.

42 Wilshire Consulting, *2011 Wilshire Report on State Retirement Systems: Funding Levels and Asset Allocation*, February 28, 2011, p. 3.

43 Munnell, Alicia H., et al., *The Funding of State and Local Pensions: 2009-2013,* prepared for the Center for Retirement Research at Boston College, p. 4; Munnell, Alicia H., et al., *An Update on Locally-Administered Pension Plans,* prepared for the Center for Retirement Research at Boston College, July 2011, p. 3.

BGR
We report to you.

**BUREAU OF GOVERNMENTAL RESEARCH**
938 Lafayette St., Suite 200
New Orleans, LA 70113

BMO Global Asset Management

# BMO Securities Lending

## June 2014 Executive Summary Reports for

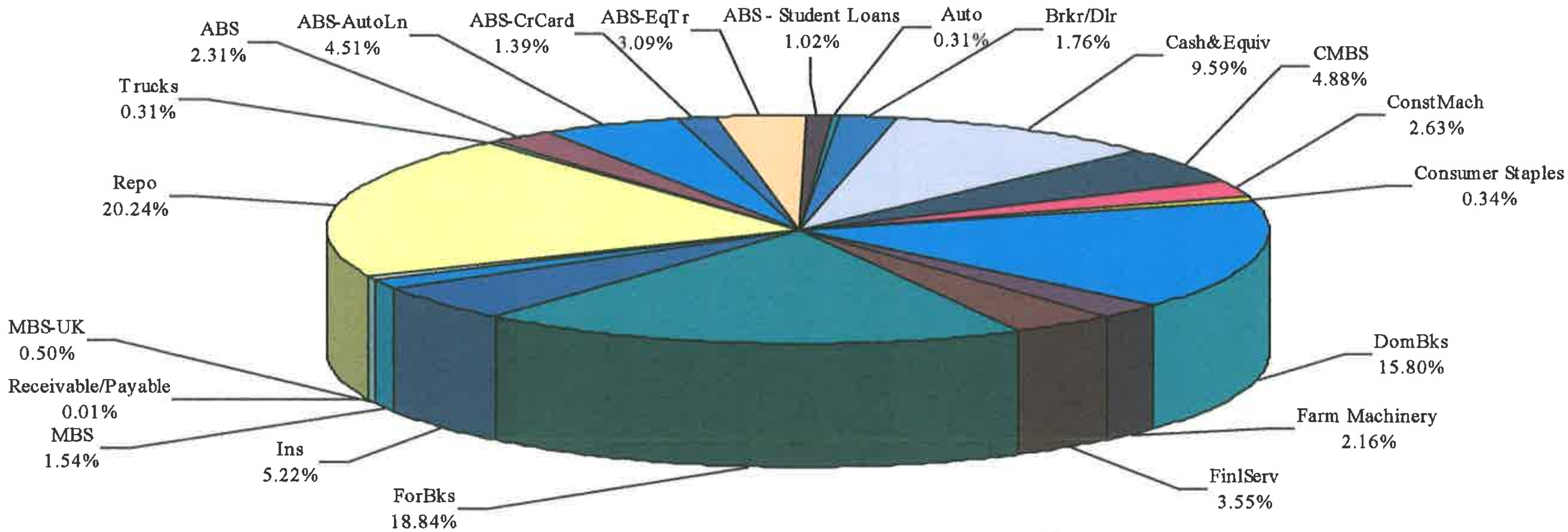
# SEWERAGE & WATER BOARD OF NEW ORLEANS PENSION FUND

# BMO Securities Lending Executive Summary

## SEWERAGE & WATER BOARD OF NEW ORLEANS PENSION FUND

### BMO Securities Lending Fund, LLC

### June 2014




| | |
|---|---|
| **Principal Value at Market** | **1.00071975** |
| **Credit Quality** (% of holdings rated A or better) | **100.00%** |
| **Pool Amortized Cost** | **$3,236,940,296.56** |
| **Loan Balances** | **$61,066,090.25** |
| **% Ownership** | **1.89%** |

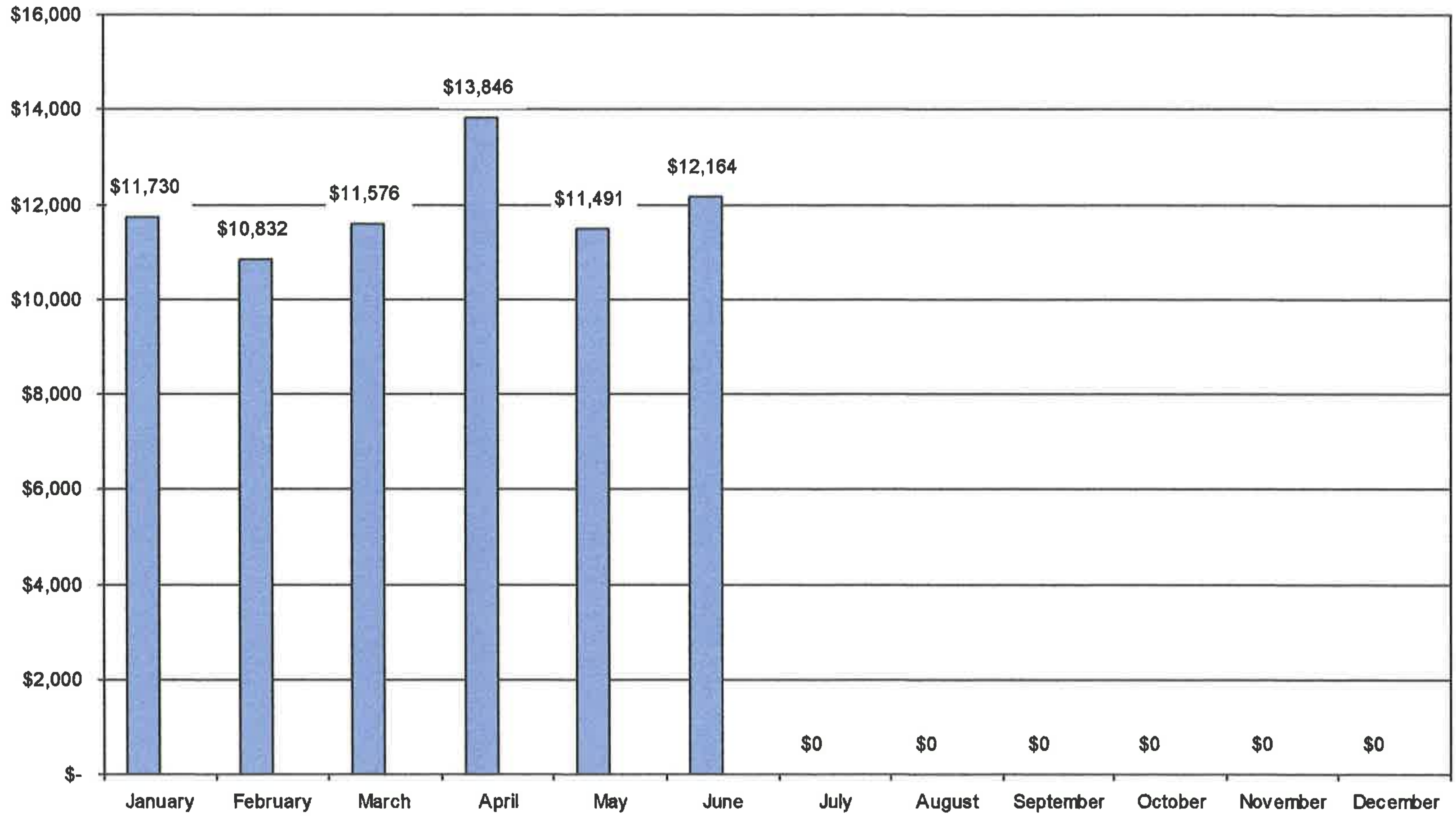


*When the Principal Value at Market is less than $1.00, clients exiting the pool, either partially or entirely, are required to make the LLC whole for any deficiency in cash collateral. The deficiency will be calculated based on the client's average daily loan balance during the period in which the PVAM is below $1.00. Please call your BMO representative for a complete description of the calculation methodology.*

# BMO Securities Lending Executive Summary

## SEWERAGE & WATER BOARD OF NEW ORLEANS PENSION FUND

### June 2014 Client Earnings

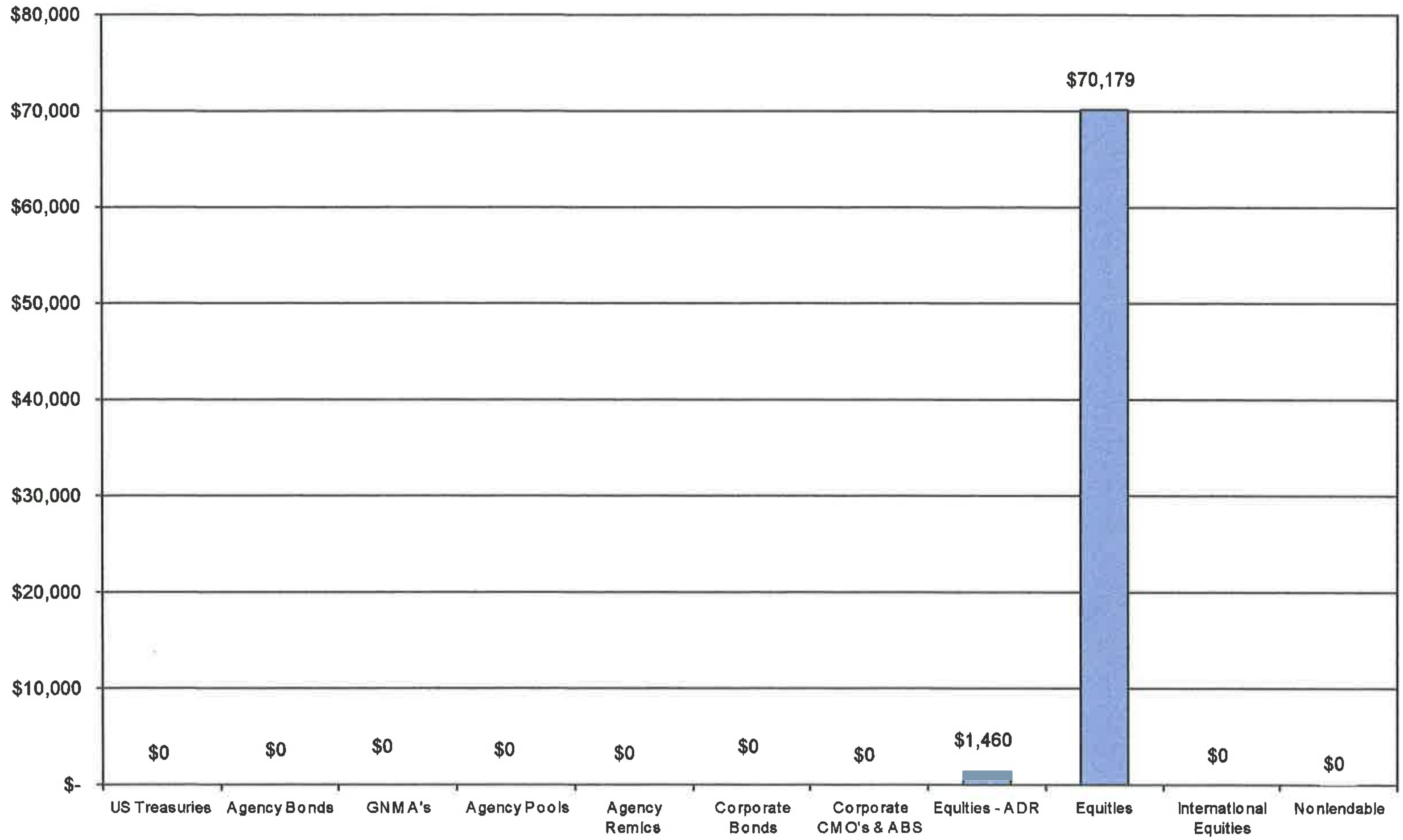



**Year to Date Monthly Average Earnings = $11,940**

**Year to Date Earnings = $71,639**

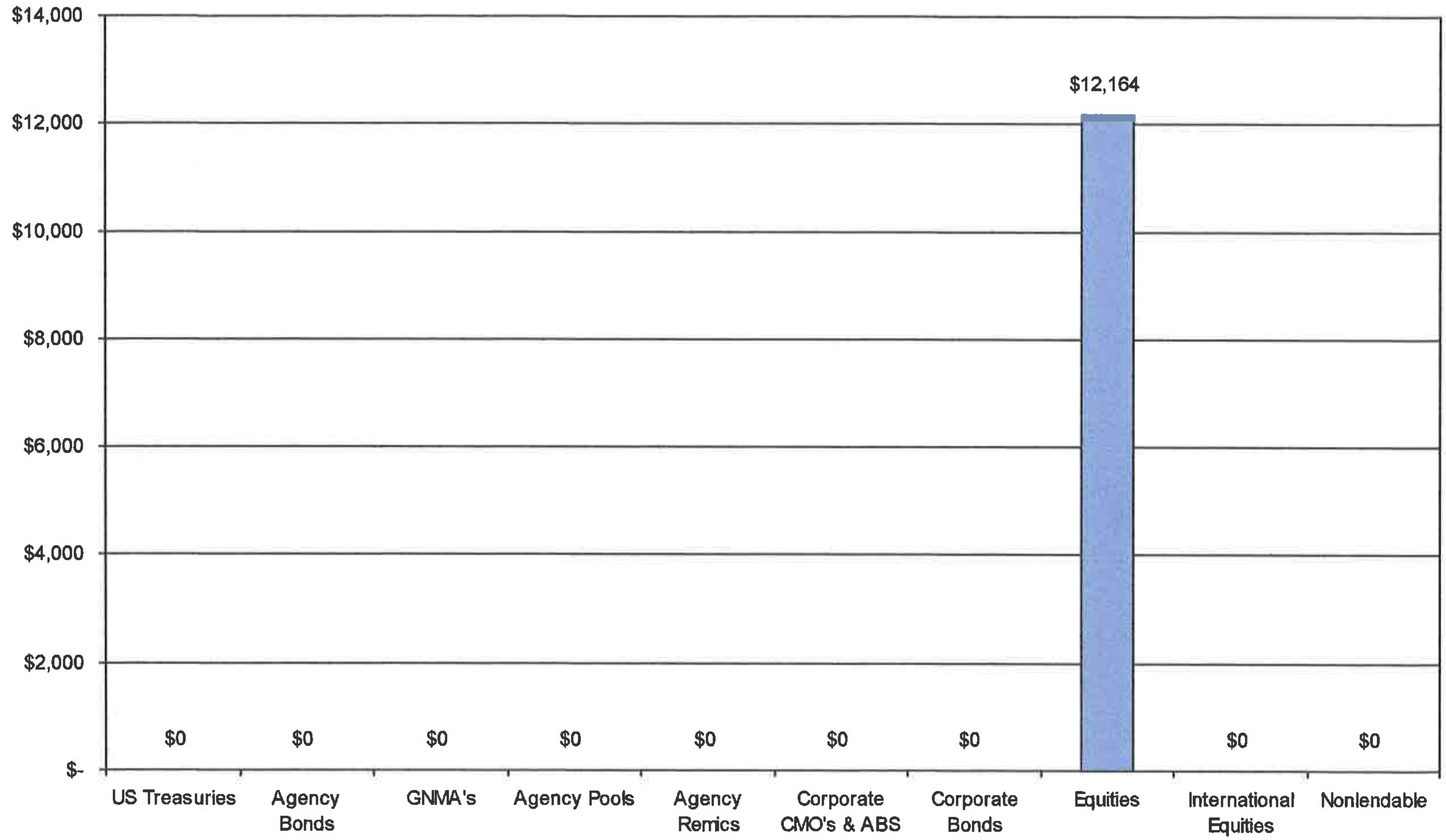
Earnings may include revenue received from sponsors of mutual funds held in the collateral portfolio account(s).

# BMO Securities Lending Executive Summary
## SEWERAGE & WATER BOARD OF NEW ORLEANS PENSION FUND
### June 2014 Year to Date Earnings - Asset Class Breakdown



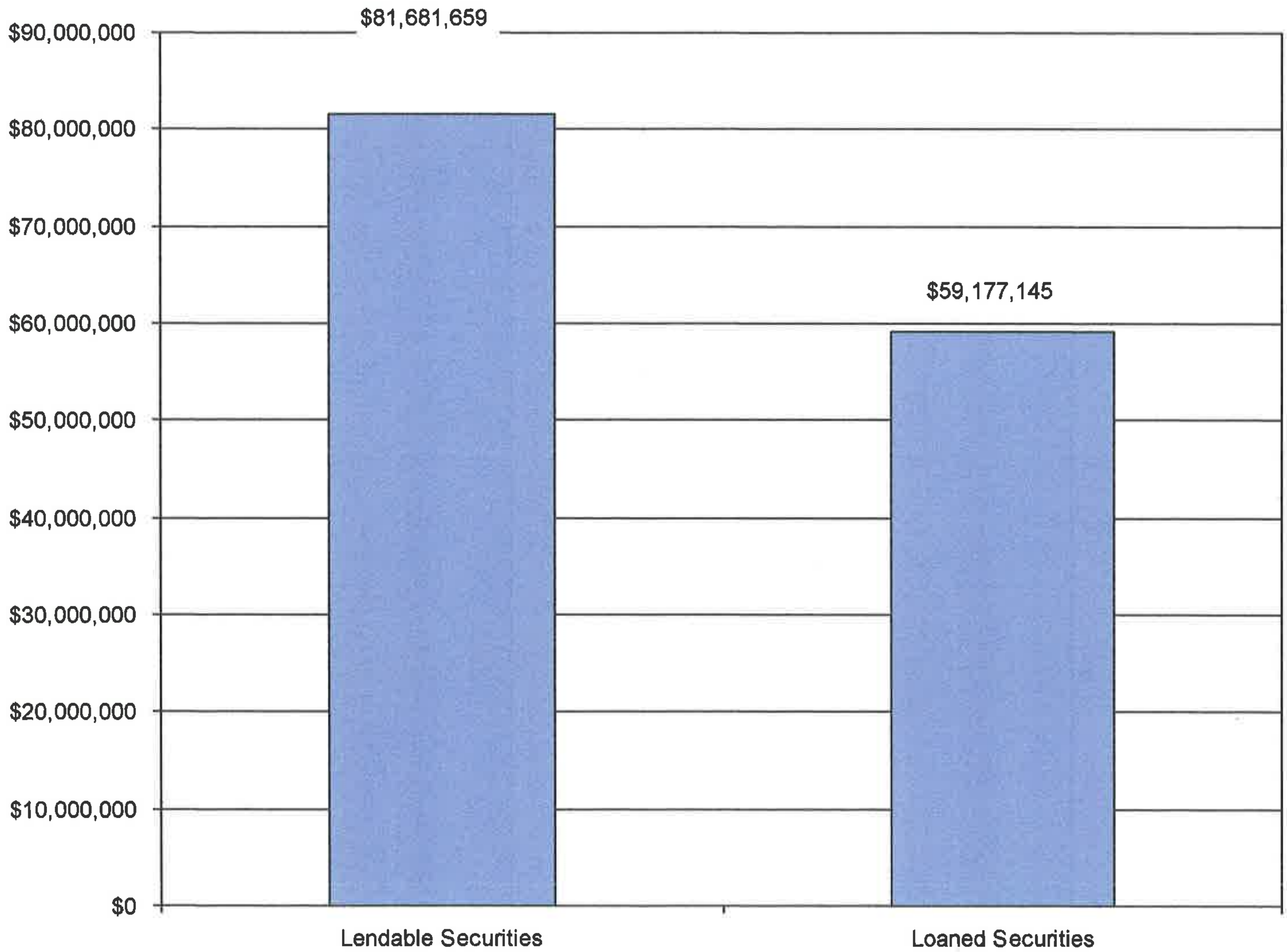

**June 2014 Earnings = $71,639**

# BMO Securities Lending Executive Summary
## SEWERAGE & WATER BOARD OF NEW ORLEANS PENSION FUND
### June 2014 Earnings - Asset Class Breakdown




**Total June 2014 Earnings = $12,164**

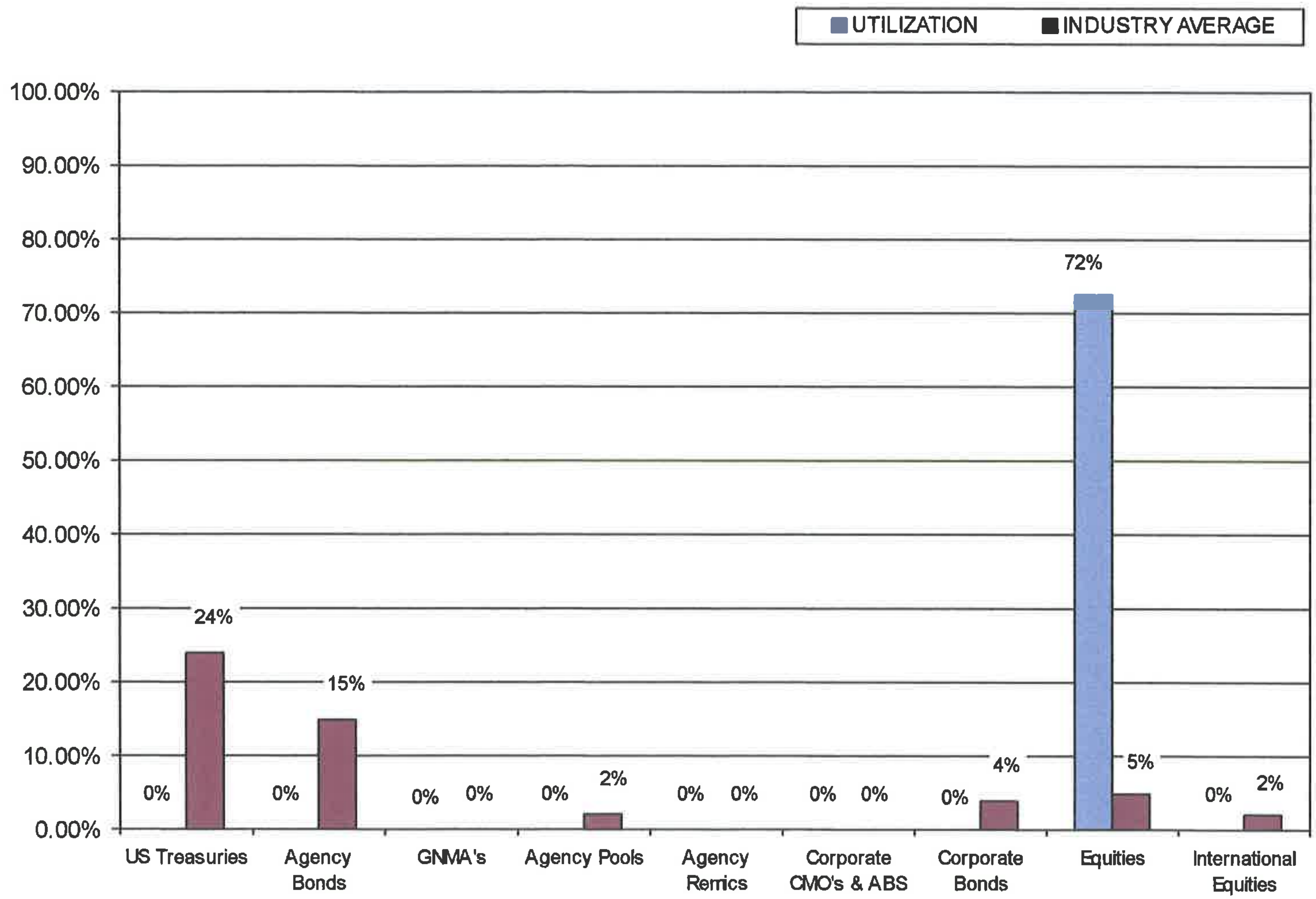
## BMO Securities Lending Executive Summary
### SEWERAGE & WATER BOARD OF NEW ORLEANS PENSION FUND
**June 2014 Average Utilization**



# BMO Securities Lending Executive Summary

## SEWERAGE & WATER BOARD OF NEW ORLEANS PENSION FUND

### June 2014 Average Utilization - Asset Class Breakdown




*Source: The Risk Management Association as of 1st Quarter 2014

# BMO Securities Lending

## Approved Borrower Relationships – June 30, 2014

- Albert Fried & Company, LLC
- Barclays Capital Inc.
- BNP Paribas Prime Brokerage, Inc.
- BNP Paribas Securities Corp.
- Cantor Fitzgerald & Co.
- Citadel Securities LLC
- Citigroup Global Markets Inc.
- Cowen Equity Finance LP
- Credit Suisse Securities USA
- Deutsche Bank / Deutsche Bank Securities Inc.
- Goldman Sachs & Co.
- HSBC Securities (USA)
- J.P. Morgan Securities Corp. / JP Morgan Clearing Corp.
- Jefferies LLC
- Knight Execution & Clearing Services LLC
- Merrill Lynch, Pierce, Fenner & Smith Inc.
- Morgan Stanley & Co. LLC
- National Financial Services LLC
- Newedge Group
- Nomura Securities International, Inc.
- Pershing LLC
- Raymond James & Associates Inc.
- Bank of Nova Scotia / Scotia Capital (USA) Inc.
- SG Americas Securities LLC
- Societe Generale New York Branch
- TD Ameritrade Clearing
- TD Securities (USA) LLC
- Timber Hill LLC
- UBS Securities LLC
- Wells Fargo Advisors, LLC / First Clearing
- Wells Fargo Securities LLC

**Special Note to ERISA Clients: Please review the above list of Approved Borrowers carefully. As noted in Section 12 of your Securities Lending Agency Agreement, you must notify BMO (the Lending Agent) immediately if any of these listed Borrowers (or their affiliates) exercise investment discretion or render investment advice with respect to securities of the Plan that are available to be lent under the Agreement.**

BMO Global Asset Management

## SECURITIES LENDING PORTFOLIO

## BMO SECURITIES LENDING FUND, LLC

**Valuation Date: 07/03/2014**

| Security ID | Par Value | Description | Sector Code | Ratings | Maturity Date | Reset | Terms | Wtd Ave Maturity | Yield | % of Total | Market Price | Market Value | Amortized Cost | Change |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 00182EAU3 | 100,000,000.00 | ANZ NEW ZEALAND INTL LTD | 11 | Aa3/AA- | 06/16/2016 | 09/16/2014 | 3 MONTH LIBOR + 24 | 2.36 | 0.471 | 3.15% | 100.0000 | 100,000,000.00 | 100,000,000.00 | 0.00 |
| 06417HDE3 | 30,000,000.00 | BANK NOVA SCOTIA HOUSTO | 13 | Aa2/A+ | 01/08/2016 | 07/10/2014 | 3 MONTH LIBOR + 23 | 0.07 | 0.457 | 0.94% | 100.0075 | 30,002,250.00 | 29,991,959.44 | 10,290.56 |
| 06417HES1 | 75,000,000.00 | BANK NOVA SCOTIA HOUSTO | 13 | Aa2/A+ | 02/05/2016 | 07/07/2014 | FED FUNDS EFF PREV + | 0.09 | 0.520 | 2.36% | 99.9863 | 74,989,725.00 | 75,000,000.00 | -10,275.00 |
| 09248U619 | 10,571,372.39 | BLACKROCK TEMP FUND #24 | 2 | / | 07/07/2014 | 07/07/2014 | MMKT | 0.01 | 0.030 | 0.33% | 100.0000 | 10,571,372.39 | 10,571,372.39 | 0.00 |
| 09248U643 | 6,623,027.04 | BLACKROCK TEMP CASH #21 | 2 | / | 07/07/2014 | 07/07/2014 | MMKT | 0.01 | 0.066 | 0.21% | 100.0000 | 6,623,027.04 | 6,623,027.04 | 0.00 |
| 126802CU9 | 20,000,000.00 | CABELAS CR CARD MASTER | 19 | /AAA | 03/16/2020 | 07/15/2014 | 1 MONTH LIBOR + 35 | 0.08 | 0.502 | 0.63% | 100.1190 | 20,023,800.00 | 20,000,000.00 | 23,800.00 |
| 13606YME3 | 50,000,000.00 | CANADIAN IMPERIAL BK COM | 13 | Aa3/A+ | 07/31/2014 | 07/31/2014 | 3 MONTH LIBOR + 36 | 0.44 | 0.585 | 1.57% | 100.0392 | 50,019,600.00 | 49,999,639.10 | 19,960.90 |
| 14912L5G2 | 35,000,000.00 | CATERPILLAR FINL SVCS MTN | 29 | A2/A | 08/27/2014 | 08/27/2014 | 3 MONTH LIBOR + 10 | 0.61 | 0.377 | 1.10% | 100.0546 | 35,019,110.00 | 35,003,082.17 | 16,027.83 |
| 14912L5U1 | 50,000,000.00 | CATERPILLAR FINL SVCS MTN | 29 | A2/A | 08/28/2015 | 08/28/2014 | 3 MONTH LIBOR + 15 | 0.88 | 0.383 | 1.57% | 100.1688 | 50,084,400.00 | 50,000,000.00 | 84,400.00 |
| 15963ULS3 | 25,000,000.00 | CHARIOT FDG LLC DISC COML | 15 | P-1/A-1 | 11/26/2014 | 11/26/2014 | DISC COMM PAPER | 1.15 | 0.280 | 0.79% | 99.7916 | 24,947,888.89 | 24,947,888.89 | 0.00 |
| 19624MAA5 | 50,000,000.00 | COLONY AMERN HOMES 2014- | 20 | Aaa/ | 07/17/2031 | 07/17/2014 | 1 MONTH LIBOR + 95 | 0.22 | 1.100 | 1.57% | 100.0000 | 50,000,000.00 | 50,000,000.00 | 0.00 |
| 2027A0GY9 | 50,000,000.00 | COMMONWEALTH BK AUSTRA | 11 | Aa2/AA- | 12/04/2015 | 09/04/2014 | 3 MONTH LIBOR + 21 | 0.99 | 0.437 | 1.57% | 100.0798 | 50,039,900.00 | 49,958,626.88 | 81,273.12 |
| 2027A0HE2 | 30,000,000.00 | COMMONWEALTH BK AUSTRA | 11 | Aa2/AA- | 06/03/2016 | 09/03/2014 | 3 MONTH LIBOR + 20 | 0.59 | 0.427 | 0.94% | 100.0095 | 30,002,850.00 | 30,000,000.00 | 2,850.00 |
| 22549TDK1 | 32,000,000.00 | CREDIT SUISSE GROUP AG N | 13 | A1/A | 01/15/2015 | 07/15/2014 | YANKEE CD | 0.12 | 0.644 | 1.01% | 100.1172 | 32,037,504.00 | 32,000,000.00 | 37,504.00 |
| 24422ERX9 | 15,000,000.00 | DEERE JOHN CAP CORP MEDI | 35 | A2/A | 10/08/2014 | 07/08/2014 | 3 MONTH LIBOR + 10 | 0.02 | 0.329 | 0.47% | 100.0299 | 15,004,485.00 | 15,000,000.00 | 4,485.00 |
| 24422ESJ9 | 55,000,000.00 | DEERE JOHN CAP CORP MTN | 35 | A2/A | 02/25/2016 | 08/26/2014 | 3 MONTH LIBOR + 10 | 0.93 | 0.328 | 1.73% | 100.0075 | 55,004,125.00 | 55,000,000.00 | 4,125.00 |
| 254683BH7 | 25,000,000.00 | DISCOVER CARD EXE TR SER | 19 | Aaa/AAA | 08/15/2019 | 08/15/2014 | 3 MONTH LIBOR + 20 | 0.34 | 0.424 | 0.79% | 99.9912 | 24,997,787.50 | 25,000,000.00 | -2,212.50 |
| 26200V104 | 330,821.59 | DREYFUS INST CASH ADVANT | 2 | / | 07/07/2014 | 07/07/2014 | MMKT | 0.00 | 0.060 | 0.01% | 100.0000 | 330,821.59 | 330,821.59 | 0.00 |
| 316175207 | 183,016,365.42 | FIDELITY INST MMF CLI #59 | 2 | / | 07/07/2014 | 07/07/2014 | MMKT | 0.23 | 0.042 | 5.76% | 100.0000 | 183,016,365.42 | 183,016,365.42 | 0.00 |
| 34528QCE2 | 33,000,000.00 | FORD CR FLOORPLAN MASTE | 17 | Aaa/AAA | 01/15/2018 | 07/15/2014 | 1 MONTH LIBOR + 38 | 0.12 | 0.532 | 1.04% | 100.2268 | 33,074,827.50 | 33,000,000.00 | 74,827.50 |
| 34528QDF8 | 33,000,000.00 | FORD CREDIT FLRPLN TR A S | 17 | Aaa/AAA | 02/15/2019 | 07/15/2014 | 1 MONTH LIBOR + 40 | 0.12 | 0.552 | 1.04% | 100.1012 | 33,033,396.00 | 33,000,000.00 | 33,396.00 |
| 36159LBS4 | 85,000,000.00 | GE DEALER FLOORPLAN MAS | 16 | Aaa/ | 02/20/2017 | 07/21/2014 | 1 MONTH LIBOR + 57 | 0.48 | 0.723 | 2.67% | 100.0787 | 85,066,895.00 | 85,000,000.00 | 66,895.00 |
| 36159LBZ8 | 15,000,000.00 | GE DEALER FLOORPLAN MAS | 16 | Aaa/ | 06/20/2017 | 07/21/2014 | 1 MONTH LIBOR + 49 | 0.08 | 0.643 | 0.47% | 100.2646 | 15,039,682.50 | 15,000,000.00 | 39,682.50 |
| 36190SAA0 | 78,000,000.00 | GP PORTFOLIO TR 2014-GPP | 21 | /AAA | 02/15/2027 | 07/15/2014 | 1 MONTH LIBOR + 95 | 0.29 | 1.102 | 2.45% | 100.1638 | 78,127,725.00 | 78,000,000.00 | 127,725.00 |
| 36962G6V1 | 60,000,000.00 | GENERAL ELEC CAP CORP M | 12 | A1/AA+ | 03/19/2015 | 07/07/2014 | FED FUNDS EFF + 52 | 0.08 | 0.620 | 1.89% | 100.2770 | 60,166,200.00 | 60,000,000.00 | 166,200.00 |
| 36962G6Y5 | 55,000,000.00 | GENERAL ELEC CAP CORP M | 12 | A1/AA+ | 07/10/2015 | 07/10/2014 | 3 MONTH LIBOR + 38 | 0.12 | 0.607 | 1.73% | 100.3568 | 55,196,240.00 | 55,000,000.00 | 196,240.00 |
| 38741YDR7 | 16,320,952.25 | GRANITE MASTER ISSUER PL | 22 | Aaa/A | 12/17/2054 | 07/17/2014 | 1 MONTH LIBOR + 4 | 0.07 | 0.234 | 0.51% | 99.1200 | 16,177,327.87 | 16,320,952.25 | -143,624.38 |
| 46641PAA0 | 80,000,000.00 | JPMCC 2014-FL4 A | 21 | Aaa/AAA | 12/15/2030 | 07/15/2014 | 1 MONTH LIBOR + 95 | 0.30 | 1.102 | 2.52% | 100.1486 | 80,118,880.00 | 80,000,000.00 | 118,880.00 |
| 46849LSF9 | 30,000,000.00 | JACKSON NATL LIFE GLOBAL | 8 | A1/AA | 09/30/2015 | 09/30/2014 | 3 MONTH LIBOR + 35 | 0.84 | 0.584 | 0.94% | 100.3628 | 30,108,840.00 | 30,000,000.00 | 108,840.00 |
| 4812C0316 | 138,840.92 | JP MORGAN LIQ ASSET FD # 3 | 2 | / | 07/07/2014 | 07/07/2014 | MMKT | 0.00 | 0.060 | 0.00% | 100.0000 | 138,840.92 | 138,840.92 | 0.00 |
| 4820P3LQ4 | 25,000,000.00 | JUPITER SECURITIZATION CO | 15 | P-1/A-1 | 11/24/2014 | 11/24/2014 | DISC COMM PAPER | 1.13 | 0.280 | 0.79% | 99.7900 | 24,947,500.00 | 24,947,500.00 | 0.00 |
| 52470G304 | 1,728,047.73 | WESTERN ASSET INST CASH | 2 | / | 07/07/2014 | 07/07/2014 | MMKT | 0.00 | 0.066 | 0.05% | 100.0000 | 1,728,047.73 | 1,728,047.73 | 0.00 |
| 55607LLR3 | 30,000,000.00 | MACQUARIE BK LTD DISC CO | 11 | P-1/A-1 | 11/25/2014 | 11/25/2014 | DISC COMM PAPER | 1.37 | 0.305 | 0.94% | 99.8475 | 29,954,250.00 | 29,954,250.00 | 0.00 |
| 55608PAJ3 | 50,000,000.00 | MACQUARIE BANK LTD FRNS | 11 | A2/A | 06/15/2016 | 09/15/2014 | 3 MONTH LIBOR + 45 | 1.16 | 0.670 | 1.57% | 100.0282 | 50,014,100.00 | 50,000,000.00 | 14,100.00 |
| 58768UAB9 | 30,000,000.00 | MERCEDES BENZ MASTER O | 17 | Aaa/ | 11/15/2016 | 07/15/2014 | 1 MONTH LIBOR + 27 | 0.11 | 0.422 | 0.94% | 100.0267 | 30,007,995.00 | 30,000,000.00 | 7,995.00 |
| 59157BAM4 | 24,000,000.00 | METLIFE INSTL FDG II GLOBAL | 8 | Aa3/AA- | 01/06/2015 | 07/07/2014 | 3 MONTH LIBOR + 37 | 0.03 | 0.600 | 0.75% | 100.1956 | 24,046,944.00 | 24,000,000.00 | 46,944.00 |
| 59217GBK4 | 50,000,000.00 | METROPOLITAN LIFE GLOBAL | 8 | Aa3/AA- | 06/23/2016 | 09/23/2014 | 3 MONTH LIBOR + 13 | 1.29 | 0.365 | 1.57% | 100.0088 | 50,004,400.00 | 50,000,000.00 | 4,400.00 |
| 63253WAC5 | 25,000,000.00 | NATIONAL AUSTRALIA BK ME | 11 | Aa2/AA- | 01/22/2015 | 07/22/2014 | 3 MONTH LIBOR + 30 | 0.15 | 0.528 | 0.79% | 100.1776 | 25,044,400.00 | 25,000,000.00 | 44,400.00 |
| 6325C0CM1 | 50,000,000.00 | NATIONAL AUSTRALIA BK LTD | 11 | Aa2/AA- | 10/02/2014 | 10/02/2014 | 3 MONTH LIBOR + 20 | 1.43 | 0.431 | 1.57% | 100.0585 | 50,029,250.00 | 50,000,000.00 | 29,250.00 |
| 64952WBP7 | 30,000,000.00 | NEW YORK LIFE GLOBAL FDG | 8 | Aaa/AA+ | 05/23/2016 | 07/23/2014 | 3 MONTH LIBOR + 35 | 0.19 | 0.576 | 0.94% | 100.5525 | 30,165,750.00 | 30,000,000.00 | 165,750.00 |
| 65474VAG6 | 50,000,000.00 | NISSAN MASTER OWNER TR | 17 | Aaa/ | 02/15/2018 | 07/15/2014 | 1 MONTH LIBOR + 30 | 0.19 | 0.452 | 1.57% | 100.0857 | 50,042,825.00 | 50,000,000.00 | 42,825.00 |
| 65558ET57 | 50,000,000.00 | NORDEA BK FINLAND PLC N Y | 11 | Aa3/AA- | 06/13/2016 | 09/15/2014 | YANKEE CD | 1.16 | 0.179 | 1.57% | 100.0089 | 50,004,450.00 | 50,000,000.00 | 4,450.00 |
| 65558GKP7 | 50,000,000.00 | NORDEA BK AB PUBL DISC CO | 11 | P-1/A-1+ | 10/23/2014 | 10/23/2014 | DISC COMM PAPER | 1.76 | 0.225 | 1.57% | 99.8856 | 49,942,812.50 | 49,942,812.50 | 0.00 |
| 67983UJ95 | 25,000,000.00 | OLD LINE FDG CORP DISC CO | 15 | P-1/A-1+ | 09/09/2014 | 09/09/2014 | DISC COMM PAPER | 0.53 | 0.230 | 0.79% | 99.8844 | 24,971,090.28 | 24,971,090.28 | 0.00 |
| 69371RL53 | 10,000,000.00 | PACCAR FINL CORP MEDIUM | 37 | A1/A+ | 05/05/2015 | 07/07/2014 | 1 MONTH LIBOR + 21 | 0.01 | 0.361 | 0.31% | 100.1277 | 10,012,770.00 | 10,000,000.00 | 12,770.00 |
| 74153WCA5 | 30,000,000.00 | PRICOA GLOBAL FDG I MEDIU | 8 | A1/AA- | 08/19/2015 | 08/19/2014 | 3 MONTH LIBOR + 27 | 0.44 | 0.496 | 0.94% | 100.2534 | 30,076,020.00 | 30,000,000.00 | 76,020.00 |
| 74256LAA7 | 30,000,000.00 | PRINCIPAL LIFE GLOBAL FDG I | 8 | A1/A+ | 07/09/2014 | 07/09/2014 | 3 MONTH LIBOR + 62.5 | 0.06 | 0.854 | 0.94% | 100.0019 | 30,000,570.00 | 30,000,000.00 | 570.00 |
| 74256LAE9 | 25,000,000.00 | PRINCIPAL LIFE GLOBAL FDG I | 8 | A1/A+ | 09/19/2014 | 09/19/2014 | 3 MONTH LIBOR + 16 | 0.61 | 0.391 | 0.79% | 100.0357 | 25,008,925.00 | 25,000,000.00 | 8,925.00 |
| 7562E1LQ5 | 11,000,000.00 | RECKITT BENCKISER TREAS | 27 | P-1/A-1 | 11/24/2014 | 11/24/2014 | DISC COMM PAPER | 0.50 | 0.300 | 0.35% | 99.8267 | 10,980,933.26 | 10,980,933.26 | 0.00 |
| 78010ULG0 | 50,000,000.00 | ROYAL BK OF CDA BD CDS | 11 | Aa3/AA- | 12/16/2015 | 09/16/2014 | 3 MONTH LIBOR + 22 | 1.18 | 0.451 | 1.57% | 100.1805 | 50,090,250.00 | 50,000,000.00 | 90,250.00 |
| 78447EAA4 | 5,723,207.33 | SLM STUDENT LN TR 2012-5 S | 36 | Aaa/ | 11/25/2016 | 07/25/2014 | 1 MONTH LIBOR + 20 | 0.04 | 0.352 | 0.18% | 99.9930 | 5,722,806.71 | 5,723,207.33 | -400.62 |
| 78447MAA6 | 7,921,944.43 | SLM STUDENT LN TR 2013-1 S | 36 | Aaa/ | 02/27/2017 | 07/25/2014 | 1 MONTH LIBOR + 15 | 0.05 | 0.302 | 0.25% | 99.9706 | 7,919,611.42 | 7,918,645.35 | 966.07 |

| | | | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 78447YAA0 | 19,270,108.39 | SLM STUDENT LN TR SER 201 | 36 | Aaa/ | 11/27/2017 | 07/25/2014 | 1 MONTH LIBOR + 26 | 0.13 | 0.352 | 0.61% | 99.9829 | 19,266,813.20 | 19,253,536.54 | 13,276.66 |
| 83051HJH0 | 46,350,000.00 | SKANDINAVISKA ENSKILDA B | 13 | A1/A+ | 04/16/2015 | 07/16/2014 | 3 MONTH LIBOR + 37.5 | 0.19 | 0.604 | 1.46% | 100.2315 | 46,457,300.25 | 46,350,000.00 | 107,300.25 |
| 83051HWQ5 | 40,000,000.00 | SKANDINAVISKA ENSKILDA B | 13 | P-1/A-1 | 11/21/2014 | 11/21/2014 | YANKEE CD | 1.77 | 0.300 | 1.26% | 100.0430 | 40,017,188.00 | 40,000,000.00 | 17,188.00 |
| 86562CBA9 | 35,000,000.00 | SUMITOMO MITSUI BKG CORP | 13 | Aa3/A+ | 03/13/2015 | 09/15/2014 | 3 MONTH LIBOR + 40 | 0.81 | 0.630 | 1.10% | 100.1611 | 35,056,385.00 | 35,000,000.00 | 56,385.00 |
| 86562CT69 | 40,000,000.00 | SUMITOMO MITSUI BKG CORP | 13 | Aa3/A+ | 04/01/2015 | 10/01/2014 | 3 MONTH LIBOR + 40 | 1.13 | 0.635 | 1.26% | 100.2259 | 40,090,360.00 | 39,994,171.57 | 96,188.43 |
| 86958CRC0 | 50,000,000.00 | SVENSKA HANDELSBANKEN | 13 | Aa3/AA- | 01/16/2015 | 07/16/2014 | 3 MONTH LIBOR + 29 | 0.20 | 0.519 | 1.57% | 100.1671 | 50,083,550.00 | 50,000,000.00 | 83,550.00 |
| 87019SLM4 | 50,000,000.00 | SWEDBANK FORENINGSSPAR | 11 | P-1/A-1 | 11/21/2014 | 11/21/2014 | DISC COMM PAPER | 2.22 | 0.285 | 1.57% | 99.7870 | 49,893,520.83 | 49,893,520.83 | 0.00 |
| 89114QAJ7 | 75,000,000.00 | TORONTO DOMINION BK SR M | 11 | Aa1/AA- | 05/01/2015 | 08/07/2014 | 3 MONTH LIBOR + 18 | 0.83 | 0.403 | 2.36% | 100.1541 | 75,115,575.00 | 75,000,000.00 | 115,575.00 |
| 89236TAD7 | 10,000,000.00 | TOYOTA MTR CR CORP MEDI | 14 | Aa3/AA- | 03/10/2015 | 09/10/2014 | 3 MONTH LIBOR + 15 | 0.22 | 0.380 | 0.31% | 100.1258 | 10,012,580.00 | 10,000,000.00 | 12,580.00 |
| 94985H5G5 | 39,000,000.00 | WELLS FARGO BANK N A SR F | 13 | Aa3/AA- | 07/20/2015 | 07/21/2014 | 3 MONTH LIBOR + 28 | 0.22 | 0.508 | 1.23% | 100.2734 | 39,106,626.00 | 39,000,000.00 | 106,626.00 |
| 94988J2K2 | 74,000,000.00 | WELLS FARGO BANK NATL AS | 13 | Aa3/AA- | 06/02/2016 | 09/02/2014 | 3 MONTH LIBOR + 15 | 1.42 | 0.380 | 2.33% | 100.0466 | 74,034,484.00 | 74,000,000.00 | 34,484.00 |
| 991900101 | 124,954.98 | DREYFUS CASH MGT INST SH | 2 | / | 07/07/2014 | 07/07/2014 | MMKT | 0.00 | 0.030 | 0.00% | 100.0000 | 124,954.98 | 124,954.98 | 0.00 |
| 999991888 | 68,680.45 | GOLDMAN SACHS FINANCIAL | 2 | / | 07/07/2014 | 07/07/2014 | MMKT | 0.00 | 0.070 | 0.00% | 100.0000 | 68,680.45 | 68,680.45 | 0.00 |
| 999998214 | 57,000,000.00 | J P MORGAN SEC INC | 5 | P-1/A-1 | 07/10/2014 | 07/07/2014 | FED FUNDS OPEN + 15 | 0.07 | 0.240 | 1.79% | 100.0000 | 57,000,000.00 | 57,000,000.00 | 0.00 |
| MA0000000 | -88,155.10 | INCOME PAYABLE/RECEIVABL | 0 | / | | | | | 0.000 | 0.00% | 0.0000 | -88,155.10 | -88,155.10 | 0.00 |
| RZ1595150 | 100,000,000.00 | CITIGROUP TERM REPO .48% | 1 | /A-1 | 10/06/2014 | 07/07/2014 | TERM REPO | 0.13 | 0.480 | 3.15% | 100.0000 | 100,000,000.00 | 100,000,000.00 | 0.00 |
| RZ1595168 | 100,000,000.00 | MORGAN TERM REPO .68% D | 1 | /A-1 | 10/02/2014 | 07/07/2014 | TERM REPO | 0.13 | 0.680 | 3.15% | 100.0000 | 100,000,000.00 | 100,000,000.00 | 0.00 |
| RZ1595176 | 100,000,000.00 | MORGAN TERM REPO .68% D | 1 | /A-1 | 10/02/2014 | 07/07/2014 | TERM REPO | 0.13 | 0.680 | 3.15% | 100.0000 | 100,000,000.00 | 100,000,000.00 | 0.00 |
| RZ1605116 | 100,000,000.00 | GOLDMAN TERM REPO | 1 | /A-1 | 10/06/2014 | 07/07/2014 | TERM REPO | 0.13 | 0.560 | 3.15% | 100.0000 | 100,000,000.00 | 100,000,000.00 | 0.00 |
| RZ1605421 | 100,000,000.00 | GOLDMAN TERM REPO | 1 | /A-1 | 10/06/2014 | 07/07/2014 | TERM REPO | 0.13 | 0.540 | 3.15% | 100.0000 | 100,000,000.00 | 100,000,000.00 | 0.00 |
| RZ1605835 | 5,000,000.00 | BARCLAYS TRI-PARTY REPO . | 1 | /A-1 | 07/07/2014 | 07/07/2014 | DAILY REPO | 0.01 | 0.190 | 0.16% | 100.0000 | 5,000,000.00 | 5,000,000.00 | 0.00 |
| RZ1605850 | 150,000,000.00 | BARCLAYS TERM REPO .48% | 1 | /A-1 | 08/18/2014 | 07/07/2014 | TERM REPO | 0.19 | 0.480 | 4.72% | 100.0000 | 150,000,000.00 | 150,000,000.00 | 0.00 |
| | 3,179,100,167.82 | | | | | | | 35.12 | 0.497 | 100.00% | | 3,180,919,430.13 | 3,178,665,771.81 | 2,253,658.32 |

5% Position = 158,955,008.39

Port. Avg Days to Mat.= 35
Liability Days to Mat.= 1
Difference= 34
**Cannot Exceed 59 Days**

**Principal Value at Market =** 1.00070900
(Market Value / Units Outstanding)

**Credit Quality**

% of holdings rated A or better plus cash equivalents (money market and repo) = 100.00%

Note: Average Maturity is defined by the Reset Date of the Note. Money Market Funds are exempt from Industry and Issuer concentration limits.

| Sector Breakdown | $ Amount | % of Investments |
|---|---|---|
| Receivable/Payable-0 | -88,155.10 | 0.00% |
| Repo-1 | 655,000,000.00 | 20.61% |
| Money Market Funds-2 | 202,602,110.52 | 6.37% |
| Broker/Dealer-5 | 57,000,000.00 | 1.79% |
| Insurance-8 | 219,000,000.00 | 6.89% |
| Foreign Banks-11 | 609,749,210.21 | 19.18% |
| Financial Services-12 | 115,000,000.00 | 3.62% |
| Domestic Banks-13 | 511,335,770.11 | 16.09% |
| Automobile-14 | 10,000,000.00 | 0.31% |
| ABS-15 | 74,866,479.17 | 2.36% |
| ABS - Equip. Trust-16 | 100,000,000.00 | 3.15% |
| ABS - Auto Loan-17 | 146,000,000.00 | 4.59% |
| ABS - Credit Card-19 | 45,000,000.00 | 1.42% |
| MBS-20 | 50,000,000.00 | 1.57% |
| CMBS-21 | 158,000,000.00 | 4.97% |
| MBS - UK-22 | 16,320,952.25 | 0.51% |
| Consumer Staples-27 | 10,980,933.26 | 0.35% |

| | | |
|---|---|---|
| Construction Machinery-29 | 85,003,082.17 | 2.67% |
| Farm Machinery-35 | 70,000,000.00 | 2.20% |
| ABS - Student Loans-36 | 32,895,389.22 | 1.03% |
| Trucks-37 | 10,000,000.00 | 0.31% |
| | 3,178,665,771.81 | 100.00% |

BMO Global Asset Management

## BMO Securities Lending

### June 2014 Year to Date EARNINGS SUMMARY REPORT

### SEWERAGE & WATER BOARD OF NEW ORLEANS PENSION FUND

| ACCOUNT | TYPE | EARNINGS | REBATES | BMO REVENUE | NET EARNINGS |
|---|---|---|---|---|---|
| 902001114 S&WB NO - CHICAGO | Stocks | $42,480.38 | $7,504.86 | $13,975.09 | $21,000.43 |
| 902001221 S&WB NO - VANGUARD REIT | Stocks | $8,962.32 | $1,287.18 | $3,069.82 | $4,605.32 |
| 902001239 S&WB NO - EPRA/NAREIT | Stocks | $8,441.41 | ($3,128.87) | $4,627.60 | $6,942.68 |
| 902001254 S&WB NO - ELEMENTS ROGERS | Stocks | $10,236.50 | $350.75 | $3,953.64 | $5,932.11 |
| 902001262 S&WB NO - POWERSHARES DB COMMODITY | Stocks | $7,816.25 | ($59.10) | $3,149.87 | $4,725.48 |
| 902001288 S&WB NO - NEWSOUTH CAPITAL | Stocks | $51,940.78 | $4,563.42 | $18,944.55 | $28,432.81 |
| **TOTAL Equity** | | **$129,877.64** | **$10,518.24** | **$47,720.57** | **$71,638.83** |
| **TOTAL SEWERAGE & WATER BOARD OF NEW ORLEANS PENSION FU** | | **$129,877.64** | **$10,518.24** | **$47,720.57** | **$71,638.83** |

# BMO Securities Lending

## June 2014 EARNINGS SUMMARY REPORT

### SEWERAGE & WATER BOARD OF NEW ORLEANS PENSION FUND

| ACCOUNT | | TYPE | EARNINGS | REBATES | BMO REVENUE | NET EARNINGS |
|---|---|---|---|---|---|---|
| 902001114 | S&WB NO - CHICAGO | Stocks | $8,523.51 | $1,911.96 | $2,642.05 | $3,969.50 |
| 902001221 | S&WB NO - VANGUARD REIT | Stocks | $1,399.65 | $283.49 | $446.39 | $669.77 |
| 902001239 | S&WB NO - EPRA/NAREIT | Stocks | $1,454.03 | ($736.68) | $876.19 | $1,314.52 |
| 902001254 | S&WB NO - ELEMENTS ROGERS | Stocks | $1,868.68 | $96.15 | $708.82 | $1,063.71 |
| 902001262 | S&WB NO - POWERSHARES DB COMMODITY | Stocks | $1,602.63 | $3.02 | $639.82 | $959.79 |
| 902001288 | S&WB NO - NEWSOUTH CAPITAL | Stocks | $7,965.06 | $989.39 | $2,789.09 | $4,186.58 |
| | **TOTAL Equity** | | **$22,813.56** | **$2,547.33** | **$8,102.36** | **$12,163.87** |
| | **TOTAL SEWERAGE & WATER BOARD OF NEW ORLEANS PENSION FU** | | **$22,813.56** | **$2,547.33** | **$8,102.36** | **$12,163.87** |

## BMO Securities Lending

## May 2014 EARNINGS SUMMARY REPORT

### SEWERAGE & WATER BOARD OF NEW ORLEANS PENSION FUND

| ACCOUNT | | TYPE | EARNINGS | REBATES | BMO REVENUE | NET EARNINGS |
|---|---|---|---|---|---|---|
| 902001114 | S&WB NO - CHICAGO | Stocks | $7,807.49 | $1,380.34 | $2,568.22 | $3,858.93 |
| 902001221 | S&WB NO - VANGUARD REIT | Stocks | $1,597.51 | $201.07 | $558.54 | $837.90 |
| 902001239 | S&WB NO - EPRA/NAREIT | Stocks | $1,417.38 | ($301.15) | $687.34 | $1,031.19 |
| 902001254 | S&WB NO - ELEMENTS ROGERS | Stocks | $1,581.87 | $181.72 | $559.93 | $840.22 |
| 902001262 | S&WB NO - POWERSHARES DB COMMODITY | Stocks | $867.39 | $3.29 | $345.62 | $518.48 |
| 902001288 | S&WB NO - NEWSOUTH CAPITAL | Stocks | $8,087.80 | $748.92 | $2,934.58 | $4,404.30 |
| | **TOTAL Equity** | | **$21,359.44** | **$2,214.19** | **$7,654.23** | **$11,491.02** |
| | **TOTAL SEWERAGE & WATER BOARD OF NEW ORLEANS PENSION FU** | | **$21,359.44** | **$2,214.19** | **$7,654.23** | **$11,491.02** |

## BMO Securities Lending

## April 2014 EARNINGS SUMMARY REPORT

### SEWERAGE & WATER BOARD OF NEW ORLEANS PENSION FUND

| ACCOUNT | TYPE | EARNINGS | REBATES | BMO REVENUE | NET EARNINGS |
|---|---|---|---|---|---|
| 902001114 S&WB NO - CHICAGO | Stocks | $7,393.10 | $1,056.23 | $2,532.35 | $3,804.52 |
| 902001221 S&WB NO - VANGUARD REIT | Stocks | $1,586.38 | $205.19 | $552.44 | $828.75 |
| 902001239 S&WB NO - EPRA/NAREIT | Stocks | $2,192.39 | ($1,096.39) | $1,315.45 | $1,973.33 |
| 902001254 S&WB NO - ELEMENTS ROGERS | Stocks | $2,017.28 | ($17.20) | $813.71 | $1,220.77 |
| 902001262 S&WB NO - POWERSHARES DB COMMODITY | Stocks | $1,277.40 | ($19.64) | $518.75 | $778.29 |
| 902001288 S&WB NO - NEWSOUTH CAPITAL | Stocks | $9,373.53 | $641.54 | $3,491.92 | $5,240.07 |
| **TOTAL Equity** | | **$23,840.08** | **$769.73** | **$9,224.62** | **$13,845.73** |
| **TOTAL SEWERAGE & WATER BOARD OF NEW ORLEANS PENSION FU** | | **$23,840.08** | **$769.73** | **$9,224.62** | **$13,845.73** |

## BMO Securities Lending

### March 2014 EARNINGS SUMMARY REPORT

### SEWERAGE & WATER BOARD OF NEW ORLEANS PENSION FUND

| ACCOUNT | | TYPE | EARNINGS | REBATES | BMO REVENUE | NET EARNINGS |
|---|---|---|---|---|---|---|
| 902001114 | S&WB NO - CHICAGO | Stocks | $6,547.33 | $958.66 | $2,232.80 | $3,355.87 |
| 902001221 | S&WB NO - VANGUARD REIT | Stocks | $1,172.01 | $157.83 | $405.65 | $608.53 |
| 902001239 | S&WB NO - EPRA/NAREIT | Stocks | $1,461.46 | ($1,084.92) | $1,018.49 | $1,527.89 |
| 902001254 | S&WB NO - ELEMENTS ROGERS | Stocks | $2,276.36 | $464.69 | $724.59 | $1,087.08 |
| 902001262 | S&WB NO - POWERSHARES DB COMMODITY | Stocks | $1,103.70 | ($27.49) | $452.42 | $678.77 |
| 902001288 | S&WB NO - NEWSOUTH CAPITAL | Stocks | $7,879.83 | $685.26 | $2,876.69 | $4,317.88 |
| | **TOTAL Equity** | | **$20,440.69** | **$1,154.03** | **$7,710.64** | **$11,576.02** |
| | **TOTAL SEWERAGE & WATER BOARD OF NEW ORLEANS PENSION FU** | | **$20,440.69** | **$1,154.03** | **$7,710.64** | **$11,576.02** |

# BMO Securities Lending

## February 2014 EARNINGS SUMMARY REPORT

### SEWERAGE & WATER BOARD OF NEW ORLEANS PENSION FUND

| ACCOUNT | | TYPE | EARNINGS | REBATES | BMO REVENUE | NET EARNINGS |
|---|---|---|---|---|---|---|
| 902001114 | S&WB NO - CHICAGO | Stocks | $6,224.27 | $933.35 | $2,114.18 | $3,176.74 |
| 902001221 | S&WB NO - VANGUARD REIT | Stocks | $1,552.85 | $184.50 | $547.30 | $821.05 |
| 902001239 | S&WB NO - EPRA/NAREIT | Stocks | $1,078.53 | $128.02 | $380.09 | $570.42 |
| 902001254 | S&WB NO - ELEMENTS ROGERS | Stocks | $899.26 | ($15.97) | $366.00 | $549.23 |
| 902001262 | S&WB NO - POWERSHARES DB COMMODITY | Stocks | $1,646.89 | ($0.16) | $658.77 | $988.28 |
| 902001288 | S&WB NO - NEWSOUTH CAPITAL | Stocks | $8,795.77 | $920.48 | $3,148.91 | $4,726.38 |
| | **TOTAL Equity** | | **$20,197.57** | **$2,150.22** | **$7,215.25** | **$10,832.10** |
| | **TOTAL SEWERAGE & WATER BOARD OF NEW ORLEANS PENSION FU** | | **$20,197.57** | **$2,150.22** | **$7,215.25** | **$10,832.10** |

## BMO Securities Lending

## January 2014 EARNINGS SUMMARY REPORT

### SEWERAGE & WATER BOARD OF NEW ORLEANS PENSION FUND

| ACCOUNT | TYPE | EARNINGS | REBATES | BMO REVENUE | NET EARNINGS |
|---|---|---|---|---|---|
| 902001114 S&WB NO - CHICAGO | Stocks | $5,984.68 | $1,264.32 | $1,885.49 | $2,834.87 |
| 902001221 S&WB NO - VANGUARD REIT | Stocks | $1,653.92 | $255.10 | $559.50 | $839.32 |
| 902001239 S&WB NO - EPRA/NAREIT | Stocks | $837.62 | ($37.75) | $350.04 | $525.33 |
| 902001254 S&WB NO - ELEMENTS ROGERS | Stocks | $1,593.05 | ($358.64) | $780.59 | $1,171.10 |
| 902001262 S&WB NO - POWERSHARES DB COMMODITY | Stocks | $1,318.24 | ($18.12) | $534.49 | $801.87 |
| 902001288 S&WB NO - NEWSOUTH CAPITAL | Stocks | $9,838.79 | $577.83 | $3,703.36 | $5,557.60 |
| **TOTAL Equity** | | **$21,226.30** | **$1,682.74** | **$7,813.47** | **$11,730.09** |
| **TOTAL SEWERAGE & WATER BOARD OF NEW ORLEANS PENSION FU** | | **$21,226.30** | **$1,682.74** | **$7,813.47** | **$11,730.09** |

BMO Global Asset Management

**BMO Securities Lending**
111 East Kilbourn Avenue
Milwaukee, WI 53202
414-287-7070 Phone

# BMO Securities Lending Fund, LLC

## Portfolio Statistics and Commentary
## June 30, 2014

| | |
|---|---|
| **Total Assets:** | $3,236,940,297 |
| **PVAM:** | 1.00071975 |
| **Average Quality:** | AA2 |
| **Average Maturity (to reset):** | 32 Days |
| **Weighted Average Life:** | 0.85 Years |

## Portfolio Discussion

During June, the PVAM of the BMO Securities Lending Fund, LLC fell slightly once again, with the Fund's unrealized gain declining from $2.4 million to $2.3 million. Similar to May's pricing changes, the declines during June largely reflect corporate securities currently priced above par approaching their maturity dates.

The Fund made several purchases during June of insurance, domestic bank, Australian bank, and Scandinavian bank holdings, each of which has a two year maturity. The Fund also added an asset-backed security with an average life of two years. We will continue to seek attractive purchase opportunities, while managing the liquidity of the Fund.

## Loan/Funding Commentary

Average loan balances increased nearly $220 million in June due to higher utilization rates of domestic equities. Utilization of corporate bonds and government securities declined slightly. One month LIBOR and three month LIBOR both rose approximately one half basis point. Opening Fed Funds ticked up to 9 basis points halfway through the month, but ended lower at month-end.

Louisiana Asset Management Pool, Inc.

# *Summary Statement*
# *June 2014*

For more information, call LAMP at (800)272-8162
Fax: (800)604-6988

S&W Bd of NO Empl. Retirement - Drop

Account Number: LA-01-0776-0001

Account Name: S&W BD OF NO EMPL RE

## Total of all accounts

| | Beginning Balance | Purchases | Redemptions | Income Distributed | Average Daily Balance | Month End Balance |
|---|---|---|---|---|---|---|
| This Month | $12,964,596.56 | $720,466.86 | $439,348.96 | $319.65 | $13,133,591.04 | $13,246,034.11 |
| Fiscal YTD Ending 12/31/14 | $13,327,264.90 | $5,014,551.73 | $5,096,927.78 | $1,145.26 | $12,805,335.09 | $13,246,034.11 |

# SEWERAGE AND WATER BOARD
## Inter-Office Memorandum

**Date:** July 24, 2014

**From:** Rosita P. Thomas, Interim Finance Administrator *rpt.*

**To:** Robert Miller, Interim Executive Director

**Re:** Quarterly Pension Financial Activities
Period ending June 30, 2014

**ATTN:** Anita Simmons

Attached is the Quarterly Pension Financial Activities statement for the period ending June 30, 2014. Would you place this item on the August 2014 Pension agenda as an informational item.

If you have any questions, please contact Steve Woolridge at (504) 585-2320 or contact Rosita P. Thomas at (504) 585-2360.

Prepared by: Finance
June 30, 2014

| | APRIL 2014 | MAY 2014 | JUNE 2014 | CUMULATIVE TOTAL |
|---|---|---|---|---|
| Beginning Cash | 1,058,595.86 | 776,812.36 | 2,747,677.21 | |
| CONTRIBUTIONS | | | | |
| Employee Contributions Deduct | 113,081.34 | 125,120.89 | 114,306.35 | 352,508.58 |
| Employer Contributions Deduct | 457,738.29 | 505,694.27 | 462,065.55 | 1,425,498.11 |
| Employee Transfer from city | 0.00 | 108,095.68 | 0.00 | 108,095.68 |
| Employer Transfer from city | 0.00 | 792,623.44 | 0.00 | 792,623.44 |
| Employer Transfer from city-Interest Only | 0.00 | 0.00 | 0.00 | 0.00 |
| Trust To Statement | 950,000.00 | 1,900,000.00 | 0.00 | 2,850,000.00 |
| Temporary Loan from Sewerage System Fund | 0.00 | 0.00 | 0.00 | 0.00 |
| Temporary Loan from Water System Fund | 0.00 | 0.00 | 0.00 | 0.00 |
| Temporary Loan from Drainage Operating Maintenance Fund | 0.00 | 0.00 | 0.00 | 0.00 |
| Transfer Annual/sick Leave | 0.00 | 0.00 | 0.00 | 0.00 |
| Military Time | 0.00 | 0.00 | 0.00 | 0.00 |
| Prior Service (Buy Back) | 0.00 | 4,757.29 | 0.00 | 4,757.29 |
| LAMP Transfers Received to Cover DROP Retirees | 0.00 | 202,524.33 | 79,115.53 | 281,639.86 |
| Adjustments from Previous Month | 0.00 | 0.00 | 0.00 | 0.00 |
| Equity Sales | 1,880,303.54 | 4,183,100.01 | 1,749,530.37 | 7,812,933.92 |
| Equity Sales Gain or Loss | (123,948.49) | 937,378.91 | 1,035,868.90 | 1,849,299.32 |
| Cash Equivalent Sales | 1,346,300.46 | 1,661,214.77 | 478,629.70 | 3,486,144.93 |
| Cash Equivalent Sales Gain or Loss | 0.00 | 0.00 | 0.00 | 0.00 |
| Fixed Income Sales | 0.00 | 0.00 | 0.00 | 0.00 |
| Fixed Income Sales Gain or Loss | 0.00 | 0.00 | 0.00 | 0.00 |
| Pension Trust Interest | 0.00 | 0.00 | 0.00 | 0.00 |
| Pension Trust Dividends | 136,851.71 | 37,015.93 | 160,472.75 | 334,340.39 |
| Pension Trust Settlement Miscellaneous | 0.00 | 0.00 | 0.00 | 0.00 |
| Pension Trust Pending Trade | 363,196.53 | 386,661.95 | 449,769.07 | 1,199,627.55 |
| Pension Securities Lending | 11,576.02 | 13,845.73 | 11,491.02 | 36,912.77 |
| Pension Trust Cash Balance Forward | 0.00 | 0.00 | 0.00 | 0.00 |
| | 0.00 | 0.00 | 0.00 | 0.00 |
| **Total Contributions** | **5,155,099.40** | **10,838,033.20** | **4,541,249.24** | **20,534,381.84** |
| - | | | | |
| DISTRIBUTIONS | APRIL 2014 | MAY 2014 | JUNE 2014 | |
| Pension Refund | 0.00 | 16,633.87 | 18,171.95 | 34,805.82 |
| Voluntary Retirement Benefits | 995,708.74 | 1,026,726.78 | 1,012,658.12 | 3,035,093.64 |
| Pension Contributions Transferred to City Employee Contributions | 0.00 | 0.00 | 0.00 | 0.00 |
| Pension Contributions Transferred to City Employer Contributions | 0.00 | 0.00 | 0.00 | 0.00 |
| Pension Contributions Transferred to Beneficiaries | 0.00 | 0.00 | 0.00 | 0.00 |
| Death Benefits Paid to Beneficiaries | 0.00 | 0.00 | 0.00 | 0.00 |
| Disability Allowance | 58,394.24 | 56,726.08 | 56,726.08 | 171,846.40 |
| Retiree DROP Accumulation Funds Due | 202,524.33 | 205,526.81 | 492,490.70 | 900,541.84 |
| DROP Liability Transferred to LAMP | 545,975.82 | 362,337.51 | 360,233.43 | 1,268,546.76 |
| Adjustments | 0.00 | 0.00 | 0.00 | 0.00 |
| Repaid Sewer System Fund Loan | 0.00 | 0.00 | 0.00 | 0.00 |
| Repaid Water System Fund Loan | 0.00 | 0.00 | 0.00 | 0.00 |
| Repaid Drainage Operating Maintenance Loan | 0.00 | 0.00 | 0.00 | 0.00 |
| Equity Purchase | 936,120.55 | 3,286,940.91 | 3,352,856.66 | 7,575,918.12 |
| Cash Equivalent Purchase | 1,365,568.78 | 1,419,794.75 | 506,686.91 | 3,292,050.44 |
| Fixed Income Purchase | 6,805.63 | 6,409.90 | 7,139.01 | 20,354.74 |
| Pending Trade Purchase | 366,661.95 | 383,196.53 | 0.00 | 749,858.48 |
| Pension Trust to Statement | 950,000.00 | 1,900,000.00 | 0.00 | 2,850,000.00 |
| Deposit Correction | 0.00 | 0.00 | 0.00 | 0.00 |
| Foreign Tax Withholding | 1,206.00 | 0.00 | 1,246.31 | 2,452.31 |
| Investment Expense-Actuary (Conefry & Company LLC) | 0.00 | 7,250.00 | 2,500.00 | 9,750.00 |
| Investment Expense-Pension Consultant (Francis Financial Group) | 7,916.66 | 7,916.66 | 7,916.66 | 23,749.98 |
| Investment Expense-(Western Asset) | 0.00 | 17,106.39 | 0.00 | 17,106.39 |
| Investment Expense-(Chicago Equity Partners) | 0.00 | 25,883.45 | 0.00 | 25,883.45 |
| Investment Expense-(Newsouth Capital Management, Inc.) | 0.00 | 68,114.00 | 0.00 | 68,114.00 |
| Investment Expense-(Pyramis Global) | 0.00 | 32,693.97 | 0.00 | 32,693.97 |
| Investment Expense-Barrow, Henley, Mewhinney & Strauss Inc. | 0.00 | 36,500.75 | 0.00 | 36,500.75 |
| Investment Expense-Custodian (Capital One) | 0.00 | 7,409.99 | 7,416.26 | 14,826.25 |
| **Total Disbursements** | **5,436,882.90** | **8,867,168.35** | **5,826,042.09** | **20,130,093.34** |
| **Net Monthly Activity** | **(281,783.50)** | **1,970,864.85** | **(1,284,792.85)** | **404,288.50** |
| **Ending Cash** | **776,812.36** | **2,747,677.21** | **1,462,884.36** | |

****Shaded area pertains to The Trust Statement.

**Pension (Employer/Employee Contribution Line Item Explanation)**
**Prepared By: Financial Accounting 6/30/2014**

Employee Contributions Deduct is the amount of pension withheld from each employee's payroll check that is not on DROP.
Employer Contributions Deduct is the amount of pension contributed by the S&WB for each employee that is not on DROP.
Employee Transfer from city is the pension contributions from employees as determined by the actuary.
Employer Transfer from city is the pension contributions from the City of New Orleans as determined by the actuary.
Employer Transfer from city-Interest Only is the amount the City of New Orleans has to add when the amount the actuary set by a given date is not given to the S&WB by that date.
Temporary Loan from Sewerage System Fund
Temporary Loan from Water System Fund
Temporary Loan from Drainage Operating Maintenance Fund
Trust To Statement is the amount of funds requested by the S&WB to cover a shortfall for pension payroll and DROP liability.
Transfer Annual/sick Leave is an employee's annual and sick leave paid and applied at a daily rate to the pension fund.
Military Time is incrementally purchased from 1 month to 4 years as set by the actuary.
Prior Service (Buy Back) is the employee buying back the employee portion only plus any accrued interest.
LAMP Transfers Received to Cover DROP Retirees is the funds used to pay the retirees coming off DROP.
Adjustments for previous months.
Equity Sales is the sale of stock.
Equity Sales Gain or Loss is gain or loss on the sale of stock
Cash Equivalent Sales is the sale of money markets
Cash Equivalent Sales Gain or Loss is a gain or loss on the sale of money markets.
Fixed Income Sales is the sale of bonds or bond funds.
Fixed Income Sales Gain or Loss is a gain or loss on the sale of bonds or bond funds.
Pension Trust Interest is interest on money markets or fixed income.
Pension Trust Dividends is dividends received on stocks or mutual funds.
Pension Trust Settlement Miscellaneous is a class action settlement that was initially deposited in the pension bank account.
Pension Trust Pending Trade is stock trade pending at the end of period.
Pension Securities Lending is securities lending income during the period.
Pension Trust Balance Forward is unused cash on hand at period's end or cash on hand at beginning of period.
Reimbursement to trust fund by money managers.
Deposit correction
Pension Refund is the amount of employee contributed pension given to an employee when he or she leaves the S&WB.
Voluntary Retirement is the retirees receiving bi-weekly pension checks.
Pension Contributions Transferred to City Employee Contributions is the employee portion of sent to the City of New Orleans.
Pension Contributions Transferred to City Employer Contributions is the S&WB portion sent to the City of New Orleans.
Pension Contributions Transferred to Beneficiaries
Death Benefits Paid to Beneficiaries
Disability Allowance is employees receiving bi-weekly disability payments that have a job related injury or a debilitating illness..
Retiree DROP Accumulation Funds Due is the amount of DROP Funds owed to an employee coming off DROP this period.
DROP Liability Transferred to LAMP is the amount of funds sent to LAMP to cover the current DROP Liability.
Sick and annual leave adjustments due to money inadvertantly being placed in the employee retirement account, that's is correclty being placed into the payroll account with this transaction.
Repaid Sewer System Fund Loan
Repaid Water System Fund Loan
Repaid Drainage Operating Maintenance Loan
Equity Purchase is the purchase of stock.
Cash Equivalent Purchase is the purchase of money markets.
Fixed Income Purchase is the purchase of bonds or bond funds.
Pending Trade Purchase is stock purchase pending at the end of period.
Pension Trust to Statement is the amount of funds obtained by the S&WB to cover pension payroll and DROP Liability.
Deposit correction
Foreign Tax Withholding is foreign equity portfolio tax withholding
Investment Expense-Actuary (Conefry & Company LLC) is a fee charged to The S&WB Pension Fund by the actuary for the fund.
Investment Expense-Pension Consultant (Francis Financial Group) is The S&WB Pension Consultant Fee.
Investment Expense-(Global Currents Investments) is a fee charged for managing a portion of the The S&WB Pension Fund by this money manager.
Investment Expense-(Western Asset) is a fee charged for managing a portion of The S&WB Pension Fund by this money manager.
Investment Expense-(Chicago Equity Partners) is a fee charged for managing a portion of The S&WB Pension Fund by this money manager.
Investment Expense-(Pyramis Global) is a fee charged for managing a portion of The S&WB Pension Fund by this money manager.
Investment Expense-Barrow, Hanley, Mewhinney & Strauss Inc. is a fee charged for managing a portion of The S&WB Pension Fund by this money manager.
Investment Expense-Custodian (Capital One) is a fee charged to The S&WB Pension Fund by our custodian of the fund.

****Shaded area pertains to The Trust Statement.

# Sewerage and Water Board of New Orleans
# Committee & Regular Board Meeting Schedule

## 2014 Calendar of Events

| | | | |
|---|---|---|---|
| Monday | August 4, 2014 | 9:00 AM | Operations Committee |
| Tuesday | August 5, 2014 | 8:00 AM | Finance Committee |
| Wednesday | August 6, 2014 | 9:00 AM | Committee on Infrastructure |
| Wednesday | August 6, 2014 | 10:30 AM | Pension Committee |
| Friday | August 8, 2014 | 9:00 AM | Executive Committee |
| Wednesday | August 20, 2014 | 9:00 AM | Regular Board |
| Wednesday | September 3, 2014 | 9:00 AM | Committee on Infrastructure |
| Wednesday | September 3, 2014 | 10:30 AM | Pension Committee |
| Monday | September 8, 2014 | 9:00 AM | Operations Committee |
| Tuesday | September 9, 2014 | 8:00 AM | Finance Committee |
| Friday | September 12, 2014 | 9:00 AM | Executive Committee |
| Wednesday | September 17, 2014 | 9:00 AM | Regular Board |
| Wednesday | October 1, 2014 | 9:00 AM | Committee on Infrastructure |
| Wednesday | October 1, 2014 | 10:30 AM | Pension Committee |
| Monday | October 6, 2014 | 9:00 AM | Operations Committee |
| Tuesday | October 7, 2014 | 8:00 AM | Finance Committee |
| Friday | October 10, 2014 | 9:00 AM | Executive Committee |
| Wednesday | October 15, 2014 | 9:00 AM | Regular Board |
| Wednesday | November 3, 2014 | 9:00 AM | Operations Committee |
| Tuesday | November 4, 2014 | 8:00 AM | Finance Committee |
| Wednesday | November 5, 2014 | 9:00 AM | Committee on Infrastructure |
| Wednesday | November 5, 2014 | 10:30 AM | Pension Committee |
| Friday | November 7, 2014 | 9:00 AM | Executive Committee |
| Wednesday | November 19, 2014 | 9:00 AM | Regular Board |
| Monday | December 1, 2014 | 9:00 AM | Operations Committee |
| Tuesday | December 2, 2014 | 8:00 AM | Finance Committee |
| Wednesday | December 3, 2014 | 9:00 AM | Committee on Infrastructure |
| Wednesday | December 3, 2014 | 10:30 AM | Pension Committee |
| Friday | December 5, 2014 | 9:00 AM | Executive Committee |
| Wednesday | December 17, 2014 | 9:00 AM | Regular Board |

**NOTE: RECOMMENDATIONS:**

**NOTE: TIME CHANGE OF THE FINANCE COMMITTEE HAS BEEN MOVED TO 8:00 AM, AS INDICATED ON THE CALENDAR**

September – Moved to Second week due to how the days fall during first week **(Labor Day 9/1/2014)**

October – Moved to Second week due to how the days fall during first week