

**Regular Meeting
Board of Trustees
of the Employees' Retirement System
of the City of New Orleans
Purchasing Conference Room
1300 Perdido Street, Room 4W05
October 17, 2012
9:02 a.m.**

Trustees Present:

Dr. Edgar L. Chase, III, Chairman
Mr. Norman S. Foster, Treasurer/CFO
Ms. Courtney B. Bagneris
Mr. Robert Gebrian

Absent Trustee:

Ms. Lisa M. Hudson, Vice Chairperson

Others Present:

Jesse Evans, Jr., Director of Employees' Retirement System
Janet H. Easterling, Adm. Support Supervisor, Employees' Retirement System
Kimberly Smith, City Attorney's Office
Jane Armstrong, Phelps Dunbar
Harby Kreeger, Morgan Stanley Smith Barney
Michael Kreeger, Morgan Stanley Smith Barney
Lyn Brant, Omni
Lynn Schackai
Theodore Sanders, LAMP
Toni Antrum, The Hackett Group

The chairman called the meeting to order at 9:02 am.

PRESENTATION

LAMP - Theodore Sanders Mr. Sanders handed out presentation material and gave an overview of LAMP. He made a presentation on the services provided by LAMP. No action was taken by the Board at this time. Additional information is needed from the Actuary.

OLD BUSINESS

Rewrites of Chapter 114 – Pending Meeting with Council Staff no change.

City Council Motion to Employ Special Counsel no change.

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RFP for Investment Consultant Mr. Evans said that the Selection Committee at its meeting on September 24th voted to enter into negotiations with The Bogdahn Group. A motion was made by Mr. Foster and seconded by Mr. Gebrian to authorized Mr. Evans, the City Attorney's Office and the Contract Compliance Committee to proceed with drafting a contract for Board consideration and to also look into questions or concerns regarding ethical issues with the Bogdahn Group. The motion passed with four in favor.

COLA Mr. Evans provided costs estimates on COLAs per requests from Dr. Chase and Ms. Hudson. A motion was made by Dr. Chase and seconded by Mr. Gebrian to approve COLAs in the amount of \$20 for first the ten years of retirement, \$25 for the next ten years and \$30 for twenty-one plus years, with a minimum of \$100. Dr. Chase withdrew the motion. The Board deferred until next meeting.

NEW BUSINESS

The Board agreed to schedule its next regular meeting for Monday, November 5th at 9:00 am pending meeting place.

MONTHLY REPORTS

Minutes of Meetings for August 15 & September 19th was presented to the Board. A motion was made by Mr. Gebrian and seconded by Ms. Bagneris to adopt the minutes for August 15 September 19th. The motion passed with four in favor (Mr. Gebrian, Ms. Bagneris, Dr. Chase and Mr. Foster).

Retirement for the month of October 2012 was presented to the Board. A motion was made by Dr. Chase and seconded by Mr. Gebrian to ratify the retirement for the month of October 2012. The motion passed unanimously.

Report of deceased retirees for the month of October 2012 was presented to the Board. The Board received the report of deceased retirees for the month of October 2012.

Status Report on Transfers as of September 2012 was presented to the Board. The Board received the Status Report on Transfers as of September 2012.

Employer Contribution Report for the month of September 2012 was presented to the Board. The Board received the Employer Contribution Report for the month of September 2012.

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COMMITTEE REPORT

Budget Committee nothing to report.

Trustees Conference Review & Approval Mr. Evans informed the Board about the upcoming LATEC Conference for February 6-8, 2013. A motion was made by Mr. Gebrian and seconded Dr. Chase to approve Ms. Bagneris, Mr. Gebrian and Ms. Hudson (if she can attend) to attend LATEC Conference for February 6-8, 2013. The motion passed with four in favor (Mr. Gebrian, Ms. Bagneris, Dr. Chase and Mr. Foster). Mr. Evans will provide a list of upcoming conferences for the year 2013.

INVESTMENT COMMITTEE

Morgan Stanley Smith Barney Mr. Kreeger discussed the market insights charts of the S&P 500 Index and returns by sector. Michael Kreeger discussed the NOMERS monthly meeting worksheet dated October 15, 2012 and made a presentation on the managers' performance.

Contract Compliance Committee The Board agreed that the Contract Compliance Committee should proceed with drafting a contract for Board consideration and also look into questions or concerns regarding ethical issues with the Bogdahn Group.

Dr. Chase suggested that the Board look into doing RFPs for Actuary and Tax Consultant, if it has not been done for more than five years. Mr. Evans said that he will look into the RFPs individually for the Actuary and Tax Consultant. Dr. Chase suggested that Mr. Evans work with Purchasing to do the RFPs.

Headline Risk Committee Mr. Evans will schedule a meeting for the Headline Risk Committee to draft a securities litigation policy for the Board's consideration and review the BGR report once it is available.

Public comment was made by Ms. Antrum regarding policies on securities litigation she received from other retirement plans. She will forward the information to Mr. Evans to use as a template or guide.

Member Relations Ms. Bagneris informed the Board of the two meetings held to discuss how to developed methods of communication with active and retired members by technology and newsletters.

Staffing Committee Dr. Chase inquired about whether an accountant has been hired for the Retirement Office. Mr. Evans said no and informed the Board that he interviewed three people but is exploring other options regarding staffing.

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EXECUTIVE SESSION

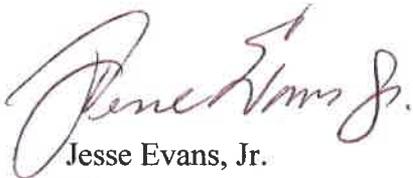
A motion was made by Dr. Chase and seconded by Mr. Gebrian to go into executive session. The motion passed unanimously.

The meeting resumed.

Ordinary Disability – Earl McCray A motion was made by Dr. Chase and seconded by Mr. Gebrian to approve the Ordinary Disability retirement for Earl McCray based on the Board's physician reports. The motion passed with four in favor (Mr. Gebrian, Ms. Bagneris, Mr. Foster and Dr. Chase).

Klausner, Kaufman, Jenson & Levinson v. Chase, Edgar Dr. et al A motion was made by Mr. Foster and seconded Ms. Bagneris to oppose the bill from Klausner, Kaufman, Jenson & Levinson on the grounds the Board never hired those attorneys, in addition to that the City Attorney would represent the Board in this particular case. The motion passed with four in favor (Mr. Foster, Ms. Bagneris, Mr. Gebrian and Dr. Chase) with one opposed (Ms. Hudson).

There being no further business, a motion was made by Dr. Chase and seconded by Ms. Hudson to adjourn. The motion passed.



Jesse Evans, Jr.
Director
JE/jhe