

**City of New Orleans
Board of Trustees
Employees' Retirement System
Member Relations Committee Meeting
Chief Administrative Office
1300 Perdido Street, 9th Floor
Conference Room B
January 6, 2014
10:04 am**

Committee Members Present:

Ms. Courtney B. Bagneris, Chairperson
Mr. Robert P. Gebrian

Others Present:

Lisa M. Hudson, NOMERS Vice Chairperson
Jesse Evans, Jr., Director
Janet H. Easterling, Administrative Support Supervisor
Jane Armstrong, Phelps Dunbar
Michael Conefry, Conefry & Company

The chairperson called the meeting to order at 10:04 am.

OLD BUSINESS

Update on Website – Retiree Healthcare Ms. Bagneris requested that Mr. Evans add the Affordable Care Act to NOMERS website for retirees as it relates to healthcare. She will forward the information to Mr. Evans.

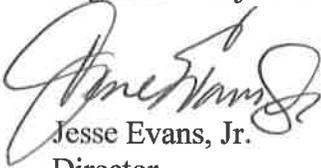
NEW BUSINESS

Funding Ratio Mr. Gebrian said that Dr. Chase requested that this Committee make recommendations to the Board regarding ways to increase the funding ratio of the plan. Mr. Evans said that the current funding ratio for the plan is 74.8%, and the national average is 80% per the GAO. Mr. Conefry provided background information on the change of interest return assumption and prior years funding ratio of the plan. He said that the current interest rate assumption for this plan is 7.50%. The Committee will review funding ratios for Louisiana retirement plans that have a funding ratio of 80% and rate of return of 8% versus the national average funding ratio.

Options for Possible Plan Changes The Committee discussed possible plan changes and requested that Mr. Conefry provide scenarios on possible changes as follows; vested at 10 years for any member with less than 5 years, 2½% for all creditable service years, what would the funding ratio be at a rate of return of 5%, 7% and 7.5%, remove retirement for age 65 with five year of creditable service, provide history on DROP and reduce retirement benefit based on social security income for new employees.

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There being no further business, a motion was made by Mr. Gebrian and seconded by Ms. Bagneris to adjourn. The motion passed.



Jesse Evans, Jr.

Director

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