

**Regular Meeting
Board of Trustees
Of the Employees' Retirement System
Of the City of New Orleans
Purchasing Conference Room
1300 Perdido Street, Room 4W05
July 17, 2013
9:00 a.m.**

Trustees Present:

Dr. Edgar L. Chase, III, Chairman
Ms. Lisa M. Hudson, Vice Chairperson
Mr. Norman S. Foster, Treasurer/CFO
Mr. Robert Gebrian

Absent Trustee:

Ms. Courtney B. Bagneris

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
Brett Hazen, The Bogdahn Group
Mary Cunningham, City Council District C
Richard Turnley, Channing Capital Mgmt.
Greg Cassano, First Eagle Investment Management
A Corinne Clifton, Harris Associates, L.P.
Jeff Vilker, Harris Associates, L.P.
Frank Sposato, Lazard Asset Mgmt.
Michael Powers, Lazard Asset Mgmt.

The chairman called the meeting to order at 9:00 am.

OLD BUSINESS

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

City Council Motion to Employ Special Counsel no change.

NEW BUSINESS

2014 Contribution Rate Mr. Evans informed the Board that the 2014 recommended employer rate is 21.778% and the employee rate is 6.00% per the annual actuarial valuation. He discussed the draft letter regarding the 2014 contribution rates that must be presented to the City Council on or before September 1st. A motion was made by Ms. Hudson and seconded by Mr. Gebrian to forward the contribution rate letter to the City Council. The motion passed with four in favor. Mr. Foster requested that a copy of the letter be forwarded to the Chief Administrative Office.

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The Board tentatively schedule its next regular meeting for Monday, August 12th at 1:00 pm pending meeting place.

MONTHLY REPORTS

Minutes of Regular Meeting for June 19, 2013 were presented to the Board. A motion was made by Mr. Gebrian and seconded by Dr. Chase to approve the minutes for June 19, 2013. The motion passed with four in favor.

Retirements for the month of July 2013 were presented to the Board. A motion was made by Mr. Gebrian and seconded by Ms. Hudson to ratify the retirements for the month of July 2013. The motion passed with four in favor.

Report of deceased retirees for the month of July 2013 was presented to the Board. The Board received the report of deceased retirees for the month of July 2013.

Member Refund Report for the month of June 2013 nothing to report.

Status Report on Transfers for the month of June 2013 nothing to report.

Employer Contribution Report for the month of June 2013 was presented to the Board. The Board received the Employer Contribution Report for the month of June 2013.

COMMITTEE REPORTS

Investment Committee - The Bogdahn Group - Interviews for International Value Equity Manager

First Eagle Investment Management Mr. Cassano gave an overview of the firm and made a presentation on their international value equity strategy.

Harris Associates, LP Ms. Clifton gave and overview of the firm. Mr. Vilker made a presentation on their international value equity strategy.

Lazard Asset Management Mr. Sposato gave an overview of the firm. Mr. Powers made a presentation on their international value equity strategy.

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The Board discussed the international value equity presentations from First Eagle, Harris Associates and Lazard. Mr. Hazen handed out and discussed the international portfolio comparison related to international value equity. Mr. Hazen recommended First Eagle based on their capital preservation strategy, portfolio setup and performance over time. A motion was made by Mr. Gebrian and seconded by Ms. Hudson to hire First Eagle as an international value equity manager. The motion passed with four in favor.

Portfolio Review Mr. Hazen handed out the Monthly Flash Report as of May 31, 2013 for review. He discussed indexing parts of the portfolio. Mr. Foster requested that Mr. Hazen provide information on the pros and cons of indexing the portfolio.

The Board discussed the termination of Tradewinds due to the hiring of First Eagle. A motion was made by Dr. Chase and seconded by Mr. Gebrian to terminate. The motion passed with four in favor.

BUDGET COMMITTEE

Trustees Conference Review & Approval no review and approval for trustee's conferences.

Pension System nothing to report.

Contract Compliance Committee nothing to report.

Headline Risk Committee Ms. Hudson informed the Board that the committee is working on the security litigation policy.

Member Relations nothing to report.

Staffing Committee nothing to report.

EXECUTIVE SESSION

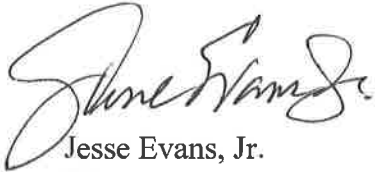
A motion was made by Ms. Hudson and seconded by Mr. Gebrian to go into executive session. The motion passed unanimously.

The meeting resumed.

No action taken on any items under executive session.

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There being no further business, a motion was made by Mr. Gebrian and seconded by Ms. Hudson to adjourn. The motion passed with four in favor.

A handwritten signature in black ink, appearing to read "Jesse Evans, Jr.", with a stylized, cursive script.

Jesse Evans, Jr.

Director

JE/jhe

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