

**Regular Meeting
Board of Trustees
Of the Employees' Retirement System
Of the City of New Orleans
Purchasing Conference Room
1300 Perdido Street, 4W05
December 21, 2016
9:30 a.m.**

Trustees Present:

Dr. Edgar L. Chase, III, Chairman
Ms. Lisa M. Hudson, Vice Chairperson
Mr. Norman S. Foster, Treasurer/CFO
Ms. Marina M. Kahn, Retiree Representative

Absent Trustee:

Ms. Courtney B. Bagneris, Active Representative

Others Present:

Jesse Evans, Jr., Director of Employees' Retirement System
Janet H. Easterling, Administrative Support Supervisor
Ian Jones, the Bogdahn Group
Kimberly K. Smith, City Attorney's Office
Jane Armstrong, Phelps Dunbar
Dorian Nunez
Ed Shanklin
Stephen Daste

The chairman called the meeting to order at 9:30 am.

OLD BUSINESS

Status of RFP for Investment Consultant pending review of the Selection Committee meeting.

Request for Actuarial Analysis Dr. Chase requested that the actuarial analysis dated December 14, 2016 be forwarded to the Member Relations Committee.

NEW BUSINESS

Date for next regular meeting The Board's next regular meeting is scheduled for January 25, 2017 at 9:30am with the location to be determined.

COMMITTEE REPORTS

Investment Committee – The Bogdahn Group

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2017 Estimate of Benefit Needs – Mr. Evans handed out and discussed the 2017 Estimated Cash Flow and Budget Analysis. He requested instructions from the Board as to where to withdraw funds for payrolls and capital calls for 2017. Mr. Evans said that current policy is to take funds from the index funds for benefit payments and fixed income for capital calls. A discussion followed. A motion was made by Mr. Foster and seconded by Ms. Kahn to take \$1.5 million from each of the real estate managers (Intercontinental and Principal) for April 1, 2017. The motion passed with four in favor (Mr. Foster, Ms. Kahn, Ms. Hudson and Dr. Chase).

Performance Report for October 31, 2016 – Mr. Jones made a presentation on the monthly flash report ending October 31, 2016 for the managers' performance. He said that the total value of the fund was approximately \$347,888,225 at the end of October 31, 2016. Mr. Jones said that the JPMorgan market values as of December 21, 2016 shows a total fund value of is \$355,113,603. He discussed the 2016 Market Environment index returns, as of December 16, 2016. Mr. Jones talked about the strategy and investment performance of Corbin and Delaware. He suggested that the Board invite both managers to the January meeting. The Board agreed to invite Corbin and Delaware to the next Board meeting.

Analysis of Millennium International and Ocean Partners – Mr. Jones discussed the analysis of Millennium and Ocean Partners as of September 30, 2016. He suggested that the Board take funds from Millennium and Ocean Partners for future benefit payments.

Liquidity status of remaining hedge fund all allocation – Mr. Jones summarized the liquidity of the remaining hedge fund managers in the portfolio.

Status of TCW Collective Investment Trust documents Mr. Evans informed the Board that the documents were received and should be completed by the next meeting.

Budget Committee - Trustees Conference Review & Approval Mr. Evans informed the Board that the LATEC conference is in February. A motion was made by Mr. Foster and seconded by Ms. Kahn to approve Ms. Hudson to attend the LATEC conference in February. The motion passed with three in favor (Mr. Foster, Ms. Kahn and Dr. Chase). A motion was made by Dr. Chase and seconded by Ms. Hudson to approve Ms. Kahn to attend the LATEC Conference in February. The motion passed with three in favor (Dr. Chase, Ms. Hudson and Mr. Foster).

Member Relations Committee nothing to report.

Contract Compliance Committee – Five Year Actuarial Study Mr. Evans informed the Board that a Waiver Request for DBE was submitted to Office of Supplier and Diversity related to Nyhart contract.

Headline Risk Committee – City Council Budget Committee – Information Request pending meeting with Council President Head and Ms. Bagnieris.

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Staffing Committee Mr. Evans informed the Board that the two temporary accountants no longer work in the Retirement Office. Mr. Price was hired by the State of Louisiana three weeks ago and Mr. Nguyen submitted a resignation letter. He was hired by the Airport.

Ms. Hudson stepped out.

MONTHLY REPORTS

Minutes of Regular Meeting for November 30, 2016 deferred.

Ms. Hudson returned to the meeting.

Retirements for the month of December 2016 were presented to the Board. A motion was made by Dr. Chase and seconded by Ms. Hudson to ratify the retirements for the month of December 2016. The motion passed with four in favor (Dr. Chase, Ms. Hudson, Mr. Foster and Ms. Kahn).

Report of deceased retirees for the month of December 2016 was presented to the Board. The Board received the report of deceased retirees for the month of December 2016.

Member Refunds Report for the month of November 2016 was presented to the Board. The Board received the member refunds report for the month of November 2016.

Status Report on Transfers for the month of November 2016 was presented to the Board. The Board received the status report on transfers for the month of November 2016.

Mr. Foster requested a copy of the actuary transfer calculation from Mr. Conefry.

Employer Contribution Reports for the month of October 2016 were presented to the Board. The Board received the Employer Contribution Reports for the month of October 2016.

EXECUTIVE SESSION

A motion was made by Mr. Foster and seconded by Ms. Hudson to go into executive session. The motion passed four in favor (Dr. Chase, Ms. Hudson, Mr. Foster and Ms. Kahn).

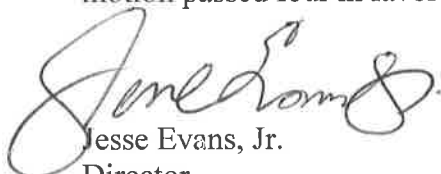
The meeting resumed.

Klausner, Kaufman, et al v. Dr. Edgar Chase, et al no action taken by the Board.

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Dr. Chase requested that the title of Chairman be placed on the next month agenda.

There being no further business, a motion was made by Ms. Hudson and seconded by Dr. Chase to adjourn. The motion passed four in favor (Dr. Chase, Ms. Hudson, Mr. Foster and Ms. Kahn).

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

Jesse Evans, Jr.

Director

JE/jhe

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