

**Regular Meeting  
Board of Trustees  
Of the Employees' Retirement System  
Of the City of New Orleans  
Purchasing Conference Room  
1300 Perdido Street, 4W05  
July 19, 2017  
9:30am**

**Trustees Present:**

Dr. Edgar L. Chase, III, Chairman  
Ms. Lisa M. Hudson, Vice Chairperson  
Ms. Beverly B. Gariepy, Treasurer/CFO  
Ms. Marina M. Kahn, Retiree Representative  
Ms. Courtney B. Bagneris, Active Representative

**Others Present:**

Jesse Evans, Jr., Director of Employees' Retirement System  
Janet H. Easterling, Administrative Support Supervisor  
Tony Kay, AndCo Consultant  
Jane Armstrong, Phelps Dunbar  
Kimberly Smith, City Attorney's Office  
Jason Burge, Fishman Haygood  
Kerry Murphy, Lasky Murphy, LLC  
Aziz Akhter, New Image

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

**NEW BUSINESS**

**Date for next regular meeting** The Board's next regular meeting is tentatively scheduled for August 16, 2017 at 9:30am with the location to be determined.

**COMMITTEE REPORTS**

**Investment Committee – AndCo Consultant**

Ms. Kahn arrived to the meeting.

**Performance Report for May 31, 2017** Mr. Kay handed out and discussed the 2017 market environment index returns, as of July 14, 2017.

Ms. Gariepy arrived to the meeting.

He made a presentation on the performance report ending May 31, 2017 for the managers. He said that the year-to-date beginning market value was approximately \$345 million, distributions in the amount of \$7.2 million, total gains of \$21.8 million and ending market value was approximately \$359. Mr. Kay said that as of Friday, July 14, 2017 the fund total market value was \$363 million.

**Regular Meeting**  
**Board of Trustees**  
**July 19, 2017**  
**Page 2**

**Budget Committee - Trustees Conference Review & Approval** Ms. Bagneris said that she will be attending NCPERS Public Pension Funding Forum held in San Francisco, California September 10-12, 2017. Mr. Evans said that Dr. Chase will also be attending NCPERS Public Pension Funding Forum held in San Francisco, California September 10-12, 2017. Ms. Kahn requested to attend the NCPERS Public Pension Funding Forum held in San Francisco, California September 10-12, 2017. A motion was made by Dr. Chase and seconded by Ms. Bagneris to approve Ms. Hudson to attend the 2017 LAPERS Seminar held at the New Orleans Sheraton Hotel, September 17-19, 2017. The motion passed with four in favor (Dr. Chase, Ms. Bagneris, Ms. Kahn & Ms. Gariepy). A motion was made by Dr. Chase and seconded by Ms. Bagneris to approve Ms. Gariepy to attend the LAPERS Seminar held at the New Orleans Sheraton Hotel, September 17-19, 2017. The motion passed with four in favor (Dr. Chase, Ms. Bagneris, Ms. Kahn & Ms. Hudson).

**Member Relations Committee** Ms. Bagneris informed the Board that no committee meeting has been scheduled to discuss Council president requests on the Board's 2015 recommendations of plan changes. Mr. Evans informed the Board that he has had a series of email conversations with Councilmember Head's chief of staff Jonathan Harris on ordinance calendar no. 31,383 which was on the City Council meeting agenda for this month. Ms. Bagneris said that ordinance calendar no. 31,383 will continue to be on the City Council meeting agenda until it is voted on or taken off or left on to die. Mr. Evans said that Councilmember Head's chief of staff said that she is open to the Board offering up amendments to her ordinance. He said that at the Member Relations Committee meeting in June the committee agreed to move forward with the Board's 2015 recommendations of plan changes. Mr. Evans suggested that he, Ms. Bagneris and Ms. Gariepy offer to meet with Councilmember Head. Ms. Hudson asked whether another Councilmember can present another ordinance of proposed plan changes. Ms. Bagneris said yes. Ms. Hudson asked whether the Board can get a Councilmember to sponsor the Board's 2015 recommended plan changes. Ms. Bagneris said that she had that same conversation with Councilmember Williams and he is interesting in sponsoring the Board's recommendation of plan changes. Ms. Hudson suggested offering the Board's recommendations of plan changes to the other Councilmembers.

Mr. Evans handed out and discussed the actuarial analysis dated June 26, 2017 from Mr. Conefry. He and Ms. Armstrong will draft an ordinance on the Board's plan changes.

**Member Account Interest Policy** Mr. Evans handed out two Member Account Interest Policies for Board review. A motion was made by Dr. Chase and seconded by Ms. Bagneris to approve the member interest account policy of 2%. The motion passed with four in favor (Dr. Chase, Ms. Bagneris, Ms. Hudson and Ms. Gariepy) and one opposed (Ms. Kahn). Mr. Evans requested that the Board approve an effective date for member interest account of 2%. A motion was made by Dr. Chase and seconded by Ms. Hudson that the member interest account policy of 2% be effective as of January 1, 2018. The motion passed with four in favor (Dr. Chase, Ms. Bagneris, Ms. Hudson and Ms. Gariepy) and one opposed (Ms. Kahn).

**Regular Meeting**  
**Board of Trustees**  
**July 19, 2017**  
**Page 3**

Mr. Evans said that he met with the new Chief Investment Officer for the Sewerage and Water Board. He informed the Board that the Sewerage and Water Board is getting ready to do an asset liability study of their retirement plan. If this Board is interested both retirement plans (S&WB and NOMERS) can possibly get a better price by doing a joint asset liability study. Ms. Hudson said that she is not sure what that will accomplish. Mr. Evans said that an asset liability study tells you what your current and future liabilities will look like. He said that from doing an asset liability study it helps in putting together the asset allocation study. Ms. Armstrong said that a lot of plans do asset liability studies, but this plan has an infinite life versus a corporate plan which has a finite period, so you try to match assets with liabilities. She said that it may be worth it to do an asset liability study, but the investment consultants are the experts. Ms. Gariepy suggested putting a budget together to do an asset liability study. Ms. Bagneris said that Mr. Evans suggested that NOMERS partner with Sewerage and Water Board on the asset liability study. Mr. Evans said that we can possibly get better pricing jointly. Ms. Hudson asked what it means to partner with Sewerage and Water Board. Ms. Gariepy said piggyback on their contract. Dr. Chase suggested the Board make a motion on the asset liability study. A motion was made by Ms. Hudson and seconded by Ms. Bagneris to enter into negotiations with Sewerage & Water Board regarding a joint asset liability study. The motion passed unanimously.

A motion was made by Dr. Chase and second by Ms. Bagneris to approve the plan changes from September 2015 to November 2015 from the Member Relations Committee meeting on June 26, 2017 actuarial analysis. The motion passed unanimously. A motion was made by Dr. Chase and seconded by Ms. Hudson to make the plan changes effective as of January 1, 2018. The motion passed unanimously.

**Member Transactions** Mr. Evans informed the Board that there have been a number of situations where a member initiates transactions that have not closed in a timely fashion. He said that a member submitted a disability retirement application almost a year ago. Mr. Evans said that he reached out to that member by register mail indicating that they if do not hear from them they by this Board meeting, the application would be considered void. Mr. Evans requested that the Board implement a time line of six months for member transactions with the retirement office. He also asked that the Board allow six months for member transaction for someone who submits a transaction requests on their last day of employment. Mr. Evans said that the language of six months can be included on forms. A motion was made by Ms. Hudson and seconded by Ms. Bagneris to adopt a policy that member transactions be allowed up to six months for a member to complete transactions and the policy is effective immediately. The motion passed unanimously.

**Contract Compliance Committee** nothing to report.

**Headline Risk Committee** nothing to report.

**Governance Committee** Ms. Gariepy informed the Board of the Governance Committee meeting on yesterday. She said that the committee discussed creating procedures for conducting meetings using information from the Civil Service procedures of conducting meetings. The Committee reviewed the 2009 Consent Judgement of the retirement system manager as to who does Mr. Evans report to and the California "Secure Choice"

**Staffing Committee** nothing to report.

**MONTHLY REPORTS**

Minutes of Regular Meeting for June 23, 2017 were presented to the Board. A motion was made by Dr. Chase and seconded by Ms. Bagneris to approve the minutes of the Regular Meeting for June 23, 2017. The motion passed unanimously.

Retirements for the month of July 2017 were presented to the Board. A motion was made by Ms. Hudson and seconded by Ms. Bagneris to ratify the retirements for the month of July 2017. The motion passed unanimously.

Report of deceased retirees for the month of July 2017 was presented to the Board. The Board received the report of deceased retirees for the month of July 2017.

Member Refunds Report for the month of June 2017 was presented to the Board. The Board received the member refunds report for the month June 2017.

Status Report on Transfers for the month of June 2017 was presented to the Board. The Board received the status report on transfers for the month of June 2017.

Employer Contribution Report for the month of May 2017 were presented to the Board. The Board received the Employer Contribution Report for the month of May 2017.

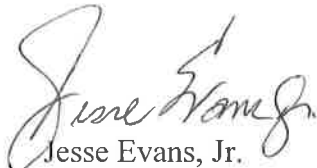
**EXECUTIVE SESSION**

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

The meeting resumed.

Fishman Haygood no action taken by the Board.

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



Jesse Evans, Jr.  
Director

JE/jhe

G:\FIRT\JANET\2017 Draft Minutes\min 07 19 17