

**REGULAR MEETING
BOARD OF TRUSTEES
CITY OF NEW ORLEANS EMPLOYEES' RETIREMENT SYSTEM
VIRTUAL
OCTOBER 21, 2021**

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Trustees Present:

Dr. Edgar L. Chase, III, Chairman
Ms. Amy B. Trepagnier, Trustee
Ms. Courtney B. Bagneris, Active Employees' Representative
Mr. Norman L. White, Treasurer/CFO
Ms. Marina M. Kahn, Retired Employees' Representative

Others Present:

Jesse Evans, Jr., Director, Employees' Retirement System
Ian Jones, AndCo Consulting
Kimberly Smith, City Attorney's Office
Jane Armstrong, Phelps Dunbar
Michael Williams, Phelps Dunbar
Bernard Robertson, Robertson Wealth Advisors

The chairman called the meeting to order at 9:31am after roll call.

MONTHLY REPORTS

Meeting Minutes -Regular Meeting-September 15, 2021 and Special Meeting-

October 6, 2021 A motion was made by Dr. Chase and seconded by Ms. Bagneris to approve the September 15, 2021 regular meeting minutes and the special meeting on October 6, 2021. The motion passed with all in favor (Dr. Chase, Ms. Bagneris and Ms. Trepagnier).

Board to Ratify Retirement Allowances - A motion was made by Dr. Chase and seconded by Ms. Bagneris to approve the retirements for the months of September and October. The motion passed with all in favor (Dr. Chase, Ms. Bagneris and Ms. Trepagnier).

Refund Report - Marked received
Contribution Report - Marked received
Transfer Report - Marked received
Deceased Member Report - Marked received

Date for the next regular meeting - The board's next regular meeting is scheduled for Wednesday, November 17th at 9:30am virtually.

Mr. White joined the meeting.

Review Year to Date Market Environment and August 31, 2021 Performance Report

Mr. Jones reviewed the current market environment through October 20, 2021 and further review the investment portfolio and its performance through August 31, 2021. He reviewed the managers from each sector of the portfolio.

Ms. Trepagnier left the meeting.

Ms. Kahn joined the meeting.

Discuss Infrastructure Manager Presentations and possible funding/allocation options

The board had a detailed discussion of the below listed managers.

- JP Morgan Asset Management (JPMAM) - Infrastructure
- JP Morgan Asset Management (JPMAM) - Global Transport Fund
- Kohlberg Kravis Roberts & Co. (KKR)
- Macquarie Infrastructure and Real Assets (MIRA)

The board reviewed several factors including the lockup periods, past performances, and the make-up of the team of each manager. Mr. Jones compared all three of the core options noting some of the differences between them, such as the number of invested assets and tenure of each fund. He noted that as an alternative to the 5% and 10% allocations that he profiled in his meeting materials document, the trustees could consider a 5% allocation to core infrastructure and a 2.5% allocation to the JP Morgan Global Transport Income Fund.

Mr. Evans paused to ask for any public comments. There were no public comments.

A motion was made by Ms. Bagneris and seconded by Ms. Kahn to allocate 7.5% of the retirement fund to the KKR Diversified Core Fund and 2.5% to the JP Morgan Global Transport Income Fund. The motion passed with all in favor (Dr. Chase, Ms. Bagneris, Ms. Kahn, and Mr. White). Based upon the designated percent allocations, approximately \$36 million would be allocated to the KKR Diversified Core Fund and \$12 million to the JP Morgan Global Transport Income Fund.

Discuss Infrastructure Manager Presentations and possible funding/allocation options - C'ont

Mr. Jones noted that using assets from fixed income would improve the return potential of the retirement system as global infrastructure has a higher forward looking return potential versus the core plus fixed income. The board agreed that the funding decision did not have to be made at this meeting but would be further discussed at the meeting in November.

Budget Committee

Ms. Bagneris noted that the LAPERS conference material would be available online for anyone who registered for the virtual conference to review at their own pace.

Member Relations Committee

Ms. Bagneris indicated that a Member Relations Committee meeting would be forthcoming. She further indicated that the committee would review a possible incremental increase in the employee contribution rate, but a cost-of-living adjustment would involve an ordinance change in view of the current 95% funding rate required to grant any retiree cost of living adjustment.

Contract Compliance Committee

Mr. Evans indicated that the RFP for Actuarial Services follows the City's Procurement process. The goal is to have the RFP and final selection completed by year-end.

Headline Risk Committee

Mr. Evans indicated that as of October 18th all city employees will be required to be vaccinated for COVID-19 or provide weekly proof of a negative test.

Governance Committee

Mr. Evans indicated that the Louisiana Legislative Auditor granted preliminary approval of an extension of the due date for the 2020 annual audit. The audit will be due by December 31, 2021.

Staffing Committee

The board discussed the \$15/hr. minimum wage for city employees.

Mr. Evans paused to ask for any public comments. There were no public comments.

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There being no further business, a motion was made by Dr. Chase and seconded by Ms. Bagneris to adjourn. The motion passed with all in favor (Dr. Chase, Ms. Bagneris, Ms. Kahn and Mr. White).

The meeting ended at 11:34 am



Jesse Evans, Jr.
Director