

**REGULAR MEETING
BOARD OF TRUSTEES
CITY OF NEW ORLEANS EMPLOYEES' RETIREMENT SYSTEM
VIRTUAL
FEBRUARY 17, 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
Ms. Marina M. Kahn, Retired Employees' Representative
Mr. Norman L. White, Treasurer/CFO

Others Present:

Jesse Evans, Jr., Director, Employees' Retirement System
Ian Jones, AndCo, Consultant
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

Minutes of Regular Meeting - January 20, 2020 Meeting Minutes - A motion was made by Ms. Bagneris and seconded by Ms. Trepagnier to approve the January 20, 2020 meeting minutes. The motion passed with four in favor (Dr. Chase, Ms. Bagneris, Mr. White, and Ms. Trepagnier)

Board to Ratify Retirement Allowances - A motion was made by Ms. Bagneris and seconded by Ms. Bagneris to approve the retirements for the month of February. The motion passed with four in favor (Dr. Chase, Ms. Bagneris, Ms. Trepagnier, and Mr. White).

Ms. Kahn joined the meeting.

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

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

Date for Trustee Training - The board scheduled trustee training for Friday, March 12th at 9:30am.

Member Account Interest - A motion was made by Ms. Kahn and seconded by Ms. Bagneris to approve the member interest rate of .10%. The motion passed with all in favor (Dr. Chase, Ms. Bagneris, Ms. Kahn, Ms. Trepagnier, and Mr. White).

Pension Legal Landscape - Phelps Dunbar - Mr. Williams gave a presentation on the current pension legal landscape. He covered ESG investing and DB planning in relation to current and possible future Biden Administration policies. He further discussed pension shortfalls and the impact COVID-19 may have on local, state, and federal employees and their pension plans. Mr. Williams ended his presentation with a review of the legal protections of members of pension plans. He provided specific focus on the protections for members of Louisiana pension plans. The presentation was followed by a question and answer session.

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

Investment Committee - AndCo Consulting - Ian Jones

Mr. Jones reviewed the current market environment. He further discussed performance as of February 16, 2021. Additionally, he reported that the fund had a balance of \$458M as of December 31st, with a 14.2% performance for 2021. Mr. Jones discussed the performance of several managers in detail. He detailed the prospective returns from the retirement systems current asset allocation/manager structure and noted that infrastructure would potentially be an attractive diversifying asset class that could produce a rate of return close to or more than the retirement systems' actuarial interest rate assumption. The board agreed to have further discussion related to possibly initiating a RFP for infrastructure.

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

Review status of Manager of Emerging Managers Agreements and Funding

Mr. Jones noted that the goal is to fund the new accounts on April 1st 2021.

Review Redraft of Investment Policy Statement – Mr. Jones presented a redraft of the Investment Policy Statement for the trustees to review and consider adopting at a future meeting. A further review and discussion will be held at the next meeting.

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

Discuss funding to cover net cash needs for the balance of 2021 - The board reviewed and discussed options for the funding needs for the balance of 2021. A motion was made by Ms. Bagneris and seconded by Mr. White to reduce public equities by 3% and place 1% of the funds in the reserve account and the remaining 2% with the fund's two GTAA managers (1% each), GMO and Blackrock. An amendment to the motion was made with the final motion by Ms. Bagneris to improve portfolio compliance and generate funds for the balance of 2021 by reducing public equities by 3% and placing 1% of the funds in the reserve account and the remaining 2% with the fund's two GTAA managers (1% each), GMO and Blackrock. The amended motion passed with all in favor (Dr. Chase, Ms. Bagneris, Ms. Kahn, Ms. Trepagnier, and Mr. White).

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

Budget Committee

Mr. Evans will provide a 2021 calendar of some of the currently available virtual conferences.

Member Relations Committee

Nothing to report.

Contract Compliance Committee

Ms. Smith met with Mr. Jones and Mr. Evans related to the Attucks and Legato contracts. The contracts are on schedule to be reviewed and executed before the April 1st targeted funding date.

Headline Risk Committee

Mr. Evans noted some of the items Mr. Williams covered in his Pension Legal Landscape presentation.

Governance Committee

Mr. Evans noted that he and Ms. Trepagnier are set to meet to begin preparations for the retiree representative election.

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Staffing Committee

Mr. Evans indicated that the retirement office would look to put out an RFP for accounting services to assist the retirement system in the preparation of the annual financial statements. Mr. Evans indicated that the addition of an accounting firm would result in no staffing changes for the retirement office.

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, Ms. Trepagnier, and Mr. White).

The meeting ended at 11:26 am


Jesse Evans, Jr.
Director