

**REGULAR MEETING
BOARD OF TRUSTEES
CITY OF NEW ORLEANS EMPLOYEES' RETIREMENT SYSTEM
VIRTUAL
MARCH 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

Trustees Absent:

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
Dorien Nunez, Omni Research

The chairman called the meeting to order at 9:33am after roll call.

MONTHLY REPORTS

Minutes of Regular Meeting - February 17, 2021 Meeting Minutes - A motion was made by Dr. Chase and seconded by Ms. Kahn to approve the February 17, 2021 meeting minutes. The motion passed with four in favor (Dr. Chase, Ms. Bagneris, Ms. Kahn, and Ms. Trepagnier)

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

Refund Report - Marked received

Contribution Report - Marked received

Transfer Report - Marked received

Deceased Member Report - Marked received

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

Regular Meeting
Board of Trustees
March 17, 2021
Page - 2

Date for the next regular meeting - The board's next regular meeting is scheduled for Wednesday, April 21st at 9:30am.

Investment Committee - AndCo Consulting - Ian Jones

Mr. Jones reviewed the current market environment. He further discussed performance as of March 16, 2021. Additionally, he reported that the fund had a balance of \$454M as of January 31st. Mr. Jones reviewed several investment managers. He discussed ESG investing in general and noted that the BlackRock Multi Asset Income Fund was not a ESG factor based vehicle. Mr. Evans noted that the City adopted the goal of divesting from energy related companies and that a representative from the City should be invited to a future meeting to detail the City's divestment objectives.

Review status of Manager of Emerging Managers Agreements and Funding

Mr. Jones noted that the Attucks agreement has been vetted by the legal department and the small cap accounts would be funded on March 26th. Mr. Jones discussed the Legato commingled fund that was vetted and selected by the board. He further described Legato's attempt to create a new commingled fund solely for the retirement system's investment portfolio, after their inability to provide access to the agreed upon selected investment fund. He discussed possible options for the funds initially targeted for Legato.

Mr. Evans paused to ask for any public comments.

Public comment was made by Mr. Nunez related to the board's decision to no longer consider Legato as an investment manager. A discussion followed related to utilizing Legato within a separately managed account structure. Mr. Evans talked about the additional administrative effort and additional cost related to using several separately managed accounts. Ms. Bagneris discussed the lack of disclosure related to Legato, specifically providing an investment structure during the selection process and then putting forth a different investment structure after the selection process.

Legato presented a \$200M commingled fund for the board to consider at the beginning of the due diligence process. Ultimately, after being selected, Legato could not offer that vehicle to the retirement system. The board will review other options for funds initially targeted for Legato.

Regular Meeting
Board of Trustees
March 17, 2021
Page - 3

Review Cash and Rebalance – Mr. Jones noted that 3% of cash was raised with 2% being allocated to the GTAA managers and 1% being allocated to the cash account.

Discuss Interest in Private Infrastructure – Mr. Jones described private infrastructure investing. The board expressed a desire to receive infrastructure education at the next meeting. Mr. Jones will present an infrastructure primer and examples of the Brookfield, IFM and JPM investment portfolios at the next meeting.

Set Date for Cryptocurrency/Bitcoin Education - The board requested that Pathway be invited to the April meeting to present their cryptocurrency presentation.

Review Redrafted Investment Policy Statement – Mr. Jones touched on the redrafted Investment Policy Statement. The policy will be further discussed at the next meeting with the goal of adopting it at the next meeting or the May meeting.

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

Budget Committee

Mr. Evans briefly discussed the two-day National Conference on Public Employee Retirement Systems (NCPERS) trustee education conference that will be held virtually in June.

Member Relations Committee

Nothing to report.

Contract Compliance Committee

Mr. Evans indicated that the Attucks agreement has been vetted by the legal department and the small cap accounts would be funded on March 26th.

Headline Risk Committee

Mr. Evans noted that the BGR provided a confidential draft report that they plan to publish. He noted that the board was not in agreement with the findings in the report. He further noted that the board will allow the City Council and the Administration to comment on the report in advance of any comments that the board would make, but the board would provide retirement plan information as needed for their response.

Regular Meeting
Board of Trustees
March 17, 2021
Page - 4

Governance Committee

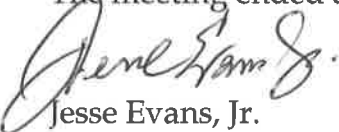
Dr. Chase discussed the board's compliance with Robert's Rules of Order. Mr. Evans indicated that the board has done a very good job of managing the monthly board meetings in an organized manner in the virtual environment.

Staffing Committee

Mr. Evans provided an update on the retirement incentive plan participants. He further described the efforts of the retirement office to comply with the city's social distancing requirements while also meeting the needs of the members of the retirement system.

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

The meeting ended at 10:42 am


Jesse Evans, Jr.
Director