

**REGULAR MEETING
BOARD OF TRUSTEES
CITY OF NEW ORLEANS EMPLOYEES' RETIREMENT SYSTEM
VIRTUAL
AUGUST 18, 2021**



Trustees Present:

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

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
Jeff Williams, Segal Consulting

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

Ms. Kahn was sworn in as the Retiree Representative on the board.

MONTHLY REPORTS

Minutes of Regular Meeting - July 21, 2021 Meeting Minutes - A motion was made by Ms. Bagneris and seconded by Ms. Trepagnier to approve the July 21, 2021 meeting minutes. The motion passed with all in favor (Dr. Chase, Ms. Bagneris, Ms. Trepagnier, Ms. Kahn and Mr. White).

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 August. The motion passed with all in favor (Dr. Chase, Ms. Bagneris, Ms. Trepagnier, Ms. Kahn and Mr. White).

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

Annual Actuarial Valuation Report

Mr. Williams reviewed the annual actuarial valuation report, noting the below:

- The actuarially determined contribution (ADC) for the upcoming year is \$23,973,368, an increase of \$1,082,728 from last year. The contribution as a percentage of payroll increased from 15.31% to 17.66% of payroll, largely due to a drop in payroll over the course of 2020. Valuation payroll is approximately 9% less than last year's valuation payroll. If valuation payroll had remained level, the ADC as a percentage of pay would be 16.03%.
- The funded ratio (the ratio of the actuarial value of assets to actuarial accrued liability) is 58.84%, compared to the prior year funded ratio of 58.78%. This ratio is one measure of funding status, and its history is a measure of funding progress. Using the market value of assets, the funded ratio is 61.72%, compared to 57.94% as of the prior valuation date. These measurements are not necessarily appropriate for assessing the sufficiency of System assets to cover the estimated cost of settling the System's benefit obligation or the need for or the amount of future contributions.

A motion was made by Dr. Chase and seconded by Ms. Bagneris to accept the annual actuarial valuation report. The motion passed with all in favor (Dr. Chase, Ms. Bagneris, Ms. Trepagnier, Ms. Kahn and Mr. White).

Date for the next regular meeting - The board's next regular meeting is scheduled for Wednesday, September 15th at 9:30am virtually.

Review Year to Date Market Environment and June 30, 2021 Performance Report

Mr. Jones reviewed the current market environment through August 17, 2021 and further review the investment portfolio and its performance through June 30, 2021. He reviewed the managers from each sector of the portfolio.

Review of Infrastructure Request for Proposal

Mr. Jones reviewed the infrastructure profiles with the board. He indicated that a follow-up review should take place prior to the managers being interviewed as there is important detail that the trustees need to understand with respect to each investment manager. The board agreed to interview JP Morgan, KKR and Macquarie at a special meeting in October

Regular Meeting
Board of Trustees
August 18, 2021
Page - 3

Review/Adopt redrafted Investment Policy Statement

Mr. Jones reviewed the investment policy statement. He advised that he reviewed the policy with Mr. Evans, Ms. Armstrong and Mr. Williams. After that review, some additional changes were suggested.

A motion was made by Dr. Chase and seconded by Ms. Bagneris to adopt the investment policy statement. The motion passed with all in favor (Dr. Chase, Ms. Bagneris, Ms. Trepagnier, Ms. Kahn and Mr. White).

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

Budget Committee

Dr. Chase confirmed his plans to attend the NCPERS Funding Forum in New York on August 22- 24th.

Mr. Evans reminded the board of the upcoming Louisiana Association of Public Employees' Retirement System (LAPERS) conference to be held in New Orleans in-person on September 12 - 14th.

Member Relations Committee

Mr. Evans advised that he would circulate a draft policy to the committee related to a review process of the employee contribution rate.

Contract Compliance Committee

A motion was made by Dr. Chase and seconded by Ms. Bagneris to advertise a RFP for actuarial services. The motion passed with all in favor (Dr. Chase, Ms. Bagneris, Ms. Trepagnier, Ms. Kahn and Mr. White).

Headline Risk Committee

Nothing new to report.

Governance Committee

Nothing new to report.

Staffing Committee

Nothing new to report.

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

Regular Meeting

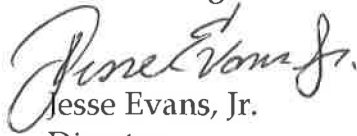
Board of Trustees

August 18, 2021

Page - 4

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

The meeting ended at 11:44 am

A handwritten signature in cursive script that reads "Jesse Evans, Jr." is positioned above the printed name and title.

Jesse Evans, Jr.

Director