

**REGULAR MEETING
BOARD OF TRUSTEES
CITY OF NEW ORLEANS EMPLOYEES' RETIREMENT SYSTEM
CITY HALL, FOURTH PURCHASING FLOOR CONFERENCE ROOM
OCTOBER 19, 2022**

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Trustees Present:

Ms. Courtney B. Bagneris, Active Employees' Representative
Ms. Marina M. Kahn, Retired Employees' Representative
Ms. Amy B. Trepagnier, Trustee

Trustees Absent:

Mr. Kim T. DeLarge, Sr., Trustee
Mr. Norman L. White, Treasurer/CFO

Others Present:

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

Mr. Evans called the meeting to order at 10:05 am after roll call.

COMMITTEE REPORTS

Investment Committee

Review year to date market environment and August 31, 2022 performance report

Mr. Jones reviewed the market update as of October 18th and performance through the month of August. He confirmed compliance with the current investment policy statement. He noted that Millennium will be providing liquidity for the legacy share class. The board discussed the option of using the liquidity for operating needs or reinvesting in the less liquid/new share class. Based upon the discussion, the funds will be used to meet liquidity for operating needs.

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

Review asset allocation targets and options to fund the KKR Diversified Core Infrastructure Fund (\$36M commitment)

The board agreed to review the asset allocation and possibly adopt targets during the next meeting.

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

MONTHLY REPORTS

Meeting Minutes - Regular Meeting - September 21, 2022

A motion was made by Ms. Kahn and seconded by Ms. Bagneris to approve the September 21, 2022 regular meeting minutes. The motion passed with all in favor (Ms. Bagneris, Ms. Kahn and Ms. Trepagnier).

Board to Ratify Retirement Allowances

A motion was made by Ms. Kahn and seconded by Ms. Bagneris to approve the retirement allowances for the month of October. The motion passed with all in favor. (Ms. Bagneris, Ms. Kahn and Ms. Trepagnier).

Refund Report - Marked received

Contribution Report - Marked received

Transfer Report - Marked received

Deceased Member Report - Marked received

Budget Committee

Mr. Evans advised the board that the Louisiana Asset Management Pool (LAMP) will hold its annual meeting November 17th - 18th in New Orleans. There is no charge to attend.

Member Relations Committee

Mr. Evans advised that meetings with the City Council fiscal office and members of CM Morrell's staff were continuing. The goal is to produce an ordinance that would reduce the funding requirement that allows the board to grant cost of living adjustments (COLAs) and allow the fund to accept funding from the City to specifically fund COLAs. Ms. Kahn said the board must be fiscally responsible when granting COLAs. Ms. Bagneris advised that the City would fund COLAs for 2023 and 2024 with the additional funding method added during 2024.

Ms. Canfill advised of a recent COLA study done by the National Association of State Retirement Administrators. The detailed report covers the various types of COLAs and their impact. Mr. Evans advised that the report is a good source of information as the board continues to discuss COLAs.

Mr. Trepagnier asked how the City Council arrived at the 65% funding requirement to grant COLAs. Mr. Evans advised that the Council wanted to have a number that was achievable yet maintained some level of financial health. The final number is also in line with the fund's current market value of assets funding ratio.

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

Contract Compliance Committee

Mr. Evans advised that the contract for the actuary was now in the hands of Segal to review and execute.

Headline Risk Committee

Mr. Evans advised of a letter written by the Louisiana state treasurer indicating that the state would be moving all investments from Blackrock because of their "...anti-fossil fuel policies..." The City of New Orleans Employees' Retirement System currently has \$15M invested with Blackrock. Mr. Evans advised that he met with the Mayor's Office along with Mr. Jones and Mr. Robertson to discussed in more detail the Mayor's C40 initiative, which looks to have the city move away from fossil fuels over time. A future presentation to the board is forthcoming.

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

Governance Committee

Nothing new to report.

Staffing Committee

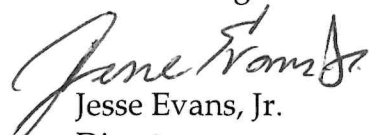
Mr. Evans advised of the addition to the staff.

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

Date of the next regular meeting - The board's next regular meeting is scheduled for Wednesday, November 16th at 9:30am.

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

The meeting ended at 11:04 am


Jesse Evans, Jr.
Director