

**REGULAR MEETING
BOARD OF TRUSTEES
CITY OF NEW ORLEANS EMPLOYEES' RETIREMENT SYSTEM
CITY HALL, FOURTH FLOOR PURCHASING CONFERENCE ROOM
NOVEMBER 15, 2023**

.

Trustees Present:

Mr. Norman L. White, Treasurer/CFO
Mr. Ross Bourgeois, Active Employees' Representative
Ms. Marina M. Kahn, Retired Employees' Representative
Ms. Amy B. Trepagnier, Trustee
Mr. Kim T. DeLarge, Sr., Trustee

Others Present:

Jesse Evans, Jr., Director, Employees' Retirement System
Ian Jones, AndCo Consulting
Bernard Robertson, Robertson Wealth Management
Michael Williams, Phelps Dunbar
Regan Canfill, Phelps Dunbar
Derek Mercadal, City Attorney's Office
Valerie Bouldin, Mayor's Office
Greg Nichols, Mayor's Office
Zach Monroe, Mayor's Office

Mr. Evans called the meeting to order at 9:37am after roll call.

MONTHLY REPORTS

Meeting Minutes - Regular Meeting - October 18, 2023

A motion was made by Mr. Bourgeois and seconded by Ms. Trepagnier to approve the October 18, 2023 regular meeting minutes. The motion passed with all in favor. (Ms. Kahn, Ms. Trepagnier, Mr. DeLarge, and Mr. Bourgeois).

Board to Ratify Retirement Allowances

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

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

**Regular Meeting
Board of Trustees
November 15, 2023
Page - 2**

Mr. Evans paused for public comment. There were no public comments.

NEW BUSINESS

Date of the next regular meeting - The board's next regular meeting is scheduled for Wednesday, December 20th at 9:30am.

Mr. White joined the meeting at 9:48am

2024 Cost of Living Adjustment (COLA)

Mr. Evans provided a copy of the lump sum COLA notice to be included in the January 2024 direct deposit notices. The board discussed the COLA funding provided in 2023 to be utilized to pay COLAs in 2023 and 2024. A motion was made by Ms. Kahn and seconded by Mr. White to approve the one-time \$500 COLA in 2024 for all eligible retirees. The motion passed with all in favor. (Ms. Kahn, Ms. Trepagnier, Mr. DeLarge, Mr. Bourgeois, and Mr. White).

C40 Initiative Presentation-Greg Nichols - Office of Resilience and Sustainability

Mr. Nichols provided some history about the C40 Initiative and its global pledge. He covered the leadership requirements and the commitment made by the Mayor. Mr. Nichols identified some of the local investments made by the city in climate solutions.

The presentation continued.

Mr. Nichols closed by asking the board to review the C40 Divest/Invest pledge and determine what policies and procedures could be put in place in the NOMERS investment policy statement to align with the Divest/Invest pledge.

The board asked questions and a discussion followed.

Mr. Evans advised that it would be appropriate to have his item moved to the governance committee for further review. He advised that the meeting should also include some legal guidance as well as participation by some of the managers that would be impacted by an investment policy change of this nature. The board agreed to move this item to the governance committee.

Mr. Evans paused for public comment. There were no public comments.

COMMITTEE REPORTS

Investment Committee

Review YTD market environment and September 30, 2023 performance report

Mr. Jones discussed the evaluation and implementation of a fossil fuel free investment program

It was noted that it would be important to interview the current investment managers that have fossil fuel exposure to understand their view of eliminating fossil fuels.

Questions for incumbent managers:

- Why do you currently have fossil fuel exposure?
- When investing in fossil fuels - what factors do you consider - financial aspects, environmental aspects, other?
- Will eliminating fossil fuel exposure impact the retirement plan's potential performance?
- Will the retirement plan's current benchmark need to be changed?
- Do you currently manage any fossil fuel free investment portfolios - if yes, for who, for how long and can you share performance results?
- What would be the cost of eliminating fossil fuels?

With respect to implementation, Mr. Jones noted that investment policy guideline changes would be made for separate account managers which defines fossil fuel free exposure and the prohibition of such exposure.

With respect to the publicly traded commingled funds, they would be terminated and replaced with products/vehicles that are consistent with the goal of being fossil fuel free.

Mr. Jones reviewed the market update as of November 14th and performance through September 30, 2023. He noted the continued narrowness of the market, with the bulk of the S & P 500 returns driven by the Magnificent Seven stocks.

Mr. Jones noted the challenging performance of First Eagle and the possibility of revisiting the international equity search in 2024. He touched on the TCW fixed income portfolio and noted that he, Mr. Evans, and Mr. Robertson have been discussing the RFP scope of work that will be presented for trustee consideration at the next meeting.

Review Liquidity Needs

No need to raise funds.

Regular Meeting
Board of Trustees
November 15, 2023
Page - 4

Discuss converting Channing from Small Cap to Small and Mid-Cap (SMID)

Mr. Jones noted that Attucks has suggested a Policy/guideline revision that would allow 5% of the Channing portfolio to run beyond the typical small cap range - "to let winners run" into the mid cap space. He will draft appropriate language for the trustees consideration at the next meeting.

Mr. Evans paused for public comment. There were no public comments.

Governance Committee

The board recognized the movement of the C40 Initiative item to the governance committee.

Budget Committee

Mr. Evans advised the board again of the upcoming National Conference on Public Employee Retirement Systems (NCPERS) 2024 Pension Communications Summit and Legislative Conference to be held January 21st - 24th in Washinton, DC. Ms. Kahn advised that she would review the conference material and indicate during the December meeting if she would like to attend.

Member Relations Committee

Mr. Evans advised of an upcoming Member Relations Committee meeting to be held prior to the next regular monthly board meeting.

Contract Compliance Committee

No new contracts

Headline Risk Committee

Mr. Evans advised of the ongoing MPERS and City of New Orleans dispute.

Mr. Williams provided information related to upcoming requirements that all entities holding public meeting must create virtual meeting access policies and procedures that are Americans with Disabilities Act (ADA) compliant. The requirement will also extend to the creation of policies and procedures for the virtual participation by board members who may be covered by the ADA guidelines.

Staffing Committee

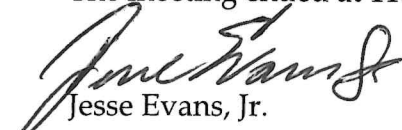
Nothing new to report.

**Regular Meeting
Board of Trustees
November 15, 2023
Page - 5**

Mr. Evans paused for public comment. There were no public comments.

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

The meeting ended at 11:20am


Jesse Evans, Jr.
Director