

**Regular Meeting  
Board of Trustees  
Of the Employees' Retirement System  
Of the City of New Orleans  
Purchasing Conference Room  
1300 Perdido Street, Room 4W05  
December 11, 2013  
9:12 a.m.**

**Trustees Present:**

Dr. Edgar L. Chase, III, Chairman  
Ms. Lisa M. Hudson, Vice Chairperson  
Mr. Norman S. Foster, Treasurer/CFO  
Ms. Courtney B. Bagneris, Active Representative  
Mr. Robert Gebrian, Retiree Representative

**Others Present:**

Jesse Evans, Jr., Director of Employees' Retirement System  
Janet H. Easterling, Adm. Support Supervisor, Employees' Retirement System  
Kimberly Smith, City Attorney's Office  
Jane Armstrong, Phelps Dunbar  
Joe Bogdahn, The Bogdahn Group  
Brian Forth, WHV Investment Management  
Richard Hirayama, WHV Investment Management  
Gary Wilson, Southeastern Asset Management  
Anita Kartalopoulos, Wolf Haldenstein Adler Freeman & Herz LLP

The chairman called the meeting to order at 9:12 am.

**EDUCATIONAL SESSION - Differences in Domestic/International Equity**

**WHV Investment Management** Mr. Forth gave an update on the firm. Mr. Hirayama made a presentation on investment performance since inception to October 31, 2013. He summarized the global GDP growth projections. Mr. Hirayama made a presentation on Industrialization and Urbanization of China and India.

**Southeastern Asset Management** Mr. Wilson gave an overview of the firm and made a presentation on the investment performance for the period ending November 30<sup>th</sup>. He summarized the portfolio purchases and sales for 2013. Mr. Wilson thanked the Board for being a long term client for the past twenty years.

**Review of blending passive with active managers – cost and risk** Mr. Bogdahn made a presentation on the blending of passive with active managers.

Mr. Foster left the meeting.

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A motion was made by Dr. Chase and seconded by Mr. Gebrian to go out of order to rearrange old business items. The motion passed with four (Ms. Hudson, Ms. Bagneris, Mr. Gebrian and Dr. Chase) in favor.

**OLD BUSINESS**

**Security Litigation Policy Statement** Mr. Evans informed the Board that at the last meeting the Headline Risk Committee introduced a draft of the Security Litigation Policy Statement for approval. A motion was made by Ms. Hudson and seconded by Ms. Bagneris to adopt the Security Litigation Policy Statement. The motion was passed with four (Ms. Hudson, Ms. Bagneris, Mr. Gebrian and Dr. Chase) in favor.

Mr. Foster returned to the meeting.

**Transfers** Ms. Armstrong suggested that the Board draft a policy before taking any actions regarding over or under payments on transfers. Deferred.

Dr. Chase left the meeting.

**Rewrites of Chapter 114 – Pending Meeting with Council Staff** no change.

**City Council Motion to Employ Special Counsel** no change.

**NEW BUSINESS**

**Request to purchase/transfer time from a closed Defined Contribution Plan** deferred.

**Date for next Regular Meeting** The Board tentatively scheduled its next regular meeting for Wednesday, January 15<sup>th</sup> at 9:00 am to be held in Purchasing Conference Room 4W05.

**MONTHLY REPORTS**

**Minutes of Regular Meeting for November 20<sup>th</sup>** were presented to the Board. A motion was made by Mr. Gebrian and seconded by Ms. Bagneris to approve the minutes for November 20<sup>th</sup>. The motion passed with four (Ms. Hudson, Ms. Bagneris, Mr. Gebrian and Mr. Foster) in favor.

**Retirements for the month of December** were presented to the Board. A motion was made by Mr. Gebrian and seconded by Ms. Bagneris to ratify the retirements for the month of December 2013. The motion passed with four (Ms. Hudson, Ms. Bagneris, Mr. Gebrian and Mr. Foster) in favor.

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**Report of deceased retirees for the month of December 2013** was presented to the Board. The Board received the report of deceased retirees for the month of December 2013.

**Member Refund Report for the month of November 2013** nothing to report.

**Status Report on Transfers for the month of November 2013** nothing to report.

**COMMITTEE REPORTS**

**Investment Committee - The Bogdahn Group**

**Performance Report** Mr. Bogdahn made a presentation on the Monthly Flash Report ending October 31<sup>st</sup> of the managers' performance. He said that the value of the fund is \$365,523,480 as of October 31<sup>st</sup> and a 13% return on investment year-to-date.

**Update on Announcement for Middle Market Debt and Value Added Real Estate Manager** Mr. Bogdahn informed the Board that the announcement for middle market debt and value added real estate managers are pending review by Mr. Evans. He recommended that the Board invest 5% in middle market debt and 3.6% in value added real estate.

**BUDGET COMMITTEE**

**Trustees Conference Review & Approval** Ms. Bagneris requested approval to attend the International Foundation - Investment Institute conference March 3– 5, 2014 held in Clearwater, Florida. A motion was made by Mr. Gebrian and seconded by Mr. Foster to approve Ms. Bagneris attending the International Foundation - Investment Institute conference March 3–5, 2014 held in Clearwater, Florida. The motion passed with four (Ms. Hudson, Ms. Bagneris, Mr. Gebrian and Mr. Foster) in favor.

**CONTRACT COMPLIANCE COMMITTEE-** nothing to report.

**HEADLINE RISK COMMITTEE –** nothing to report.

**MEMBER RELATIONS COMMITTEE –** The Committee tentatively scheduled a meeting for January 6, 2014.

**STAFFING COMMITTEE -** nothing to report.

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**EXECUTIVE SESSION**

A motion was made by Mr. Gebrian and seconded by Ms. Bagneris to go into executive session. The motion passed with four (Ms. Hudson, Ms. Bagneris, Mr. Gebrian and Mr. Foster) in favor.

The meeting resumed.

A motion was made by Mr. Gebrian and seconded by Ms. Bagneris to approve the Accidental Disability for **Judith Mason** based on the Board's physician report. The motion passed with four (Ms. Hudson, Ms. Bagneris, Mr. Gebrian and Mr. Foster) in favor.

There being no further business, a motion was made by Ms. Bagneris and seconded by Mr. Gebrian to adjourn. The motion passed with four (Ms. Hudson, Ms. Bagneris, Mr. Gebrian and Mr. Foster) in favor.



Jesse Evans, Jr.  
Director

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