

**Regular Meeting  
Board of Trustees  
Of the Employees' Retirement System  
Of the City of New Orleans  
Purchasing Conference Room  
1300 Perdido Street, 4W05  
November 14, 2018  
9:36 am**

**Trustees Present:**

Dr. Edgar L. Chase, III, Chairman  
Ms. Lisa M. Hudson, Vice Chairperson  
Ms. Courtney B. Bagneris, Active Representative  
Ms. Marina M. Kahn, Retiree Representative

**Absent Trustee:**

Mr. Norman L. White, Treasurer/CFO

**Others Present:**

Jesse Evans, Jr., Director of Employees' Retirement System  
Janet H. Easterling, Administrative Support Supervisor  
Ian Jones, AndCo Consultant  
Bernard Robertson, RWA  
Kimberly Smith, City Attorney's Office  
Alex Glaser, Phelps Dunbar  
Katie Lasky, Lasky Murphy

The chairman called the meeting to order at 9:36 am.

**NEW BUSINESS**

**Date for next regular meeting** The Board's next regular meeting is tentatively scheduled for December 19, 2018 at 9:30am the location to be determined.

**COMMITTEE REPORTS**

**Investment Committee – AndCo Consultant**

Mr. Jones discussed the S&P 500 total return index level with drawdowns greater than 5% from October 2007 to October 2018. He said that from October 2007 to March 2009 the S&P 500 loss 55.25% over 355 days and the recovery period was 774 days.

Ms. Kahn arrived to the meeting.

Mr. Jones said that the S&P 500 returned 19.1% annualized from March 9, 2009 to September 20, 2018. He said that the equities had a fabulous run, better than average over a ten year period. Mr. Jones said that the domestic market is in positive territory and international equities are in negative territory. He summarized the S&P total return index trading day drawdowns greater than 5% from January 1990 to October 2018. Ms. Hudson expressed concerns with the plan's current funding level and increased contribution rate for the City of

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New Orleans. Ms. Bagneris asked how many managers are in the NOMERS plan. Mr. Jones said the total of managers in the fund are 34, but there were twice as many managers before AndCo was hired. Mr. Jones summarized the worst and best days of the S&P 500 annualized total returns from October 2007 to October 2018. He discussed the S&P 500 Index returns over a 30 year period. He said that since the inception date of January 1, 1926, the S&P 500 has returned 10.20%. Mr. Jones said that for ten years the S&P 500 has returned 12%, eleven years 8.35%. He said that the developed international (MSCI EAFE) returned 5.38% for ten years versus the emerging market international (MSCI EM) return of 5.76%. Mr. Jones said that the S&P 500 returns for 18 years was 6.08% versus emerging market international (MSCI EM) of 8.60%.

Mr. Evans said that a motion is needed to adjust the agenda to move the executive session items to be discussed now. A motion was made by Ms. Hudson and seconded by Ms. Kahn to move the executive session items to be discussed now. The motion passed with four in favor.

**EXECUTIVE SESSION**

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

A motion was made by Dr. Chase and seconded by Ms. Bagneris to come out of executive session. The motion passed with four in favor (Dr. Chase, Ms. Bagneris, Ms. Kahn and Ms. Hudson).

**Accidental Disability – Thomas Conrad, Jr.** A motion was made by Ms. Bagneris and seconded by Ms. Kahn to approve the Accidental Disability Retirement for **Thomas Conrad, Jr.** based on the Board's physician report. The motion passed with four in favor (Ms. Bagneris, Ms. Kahn, Ms. Hudson and Dr. Chase,).

**Fishman Haygood – Update** no action taken by the Board.

**Discussion of GTAA Manager** Mr. Jones discussed the alternative strategy of GMO, dated September 30, 2018. From his handout, he discussed several options to fund the GTAA manager. A motion was made by Ms. Hudson and seconded by Ms. Bagneris to reduce domestic equity by 1.5% and non-US fixed income by 3% and hedge fund by 3% to fund GTAA manager. The motion passed with four in favor (Ms. Hudson, Ms. Bagneris, Ms. Kahn and Dr. Chase). Mr. Jones will provide information at the next meeting as to where to take funds from to fund the GTAA manager. Mr. Evans said now the Board needs to select the manager. A motion was made by Dr. Chase and seconded by Ms. Hudson to select two GTAA managers GMO and Blackrock. The motion passed with four in favor (Dr. Chase, Ms. Hudson, Ms. Bagneris and Ms. Kahn).

**Funding Liquidity** no change,

**Budget Committee - Trustees Conference Review & Approval** Mr. Evans informed the Board of the LATEC conference tonight.

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**Member Relations Committee – Policy Rehired Employees** nothing to report.

**Contract Compliance Committee** nothing to report.

**Headline Risk Committee** nothing to report.

**Governance Committee** nothing to report.

**Staffing Committee** Mr. Evans informed the Board that he requested 3 additional positions in the 2019 budget two accountants and 1 analyst.

**MONTHLY REPORTS**

**Minutes of Regular Meeting for October 18, 2018** were presented to the Board. A motion was made by Ms. Hudson and seconded by Dr. Chase to approve the Regular Meeting for October 18, 2018. The motion passed with four in favor (Ms. Hudson, Dr. Chase, Ms. Bagneris and Ms. Kahn).

**Retirements for the month of November 2018** was presented to the Board. A motion was made by Ms. Hudson and seconded by Dr. Chase to ratify the retirements for the month of November 2018. The motion passed with four in favor (Ms. Hudson, Dr. Chase, Ms. Bagneris and Mr. White).

**Report of deceased retirees for the month of November 2018** was presented to the Board. The Board received the report of deceased retirees for the month of November 2018.

**Employer Contribution Report for the month of September 2018** were presented to the Board. The Board received the Employer Contribution Report for the month of September 2018.

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

  
Jesse Evans, Jr.  
Director

JE/jhe