

**REGULAR MEETING
BOARD OF TRUSTEES
CITY OF NEW ORLEANS EMPLOYEES' RETIREMENT SYSTEM
VIRTUAL
AUGUST 19, 2020**

Trustees Present

Dr. Edgar L. Chase, III, Chairman
Ms. Lisa M. Hudson, Vice Chairperson
Ms. Courtney B. Bagneris, Active Employees' Representative
Ms. Marina M. Kahn, Retired Employees' Representative
Mr. Norman L. White, Treasurer/CFO

Others Present:

Jesse Evans, Jr., Director, Employees' Retirement System
Ian Jones, AndCo, Consultant
Kimberly Smith, City Attorney's Office
Gwelda Swilley, AndCo, Consultant
Bernard Robertson, Robertson Wealth Advisors
Anna Vella, Millennium
Dorien Nunez

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

MONTHLY REPORTS

Minutes of Regular Meeting - July15, 2020 Meeting Minutes - A motion was made by Dr. Chase and seconded by Ms. Bagneris to approve the July 15, 2020 meeting minutes. The motion passed with three in favor (Dr. Chase, Ms. Bagneris, and Ms. Hudson)

Board to Ratify Retirements A motion was made by Ms. Hudson and seconded by Ms. Bagneris to approve the retirements for the month of August. The motion passed with three in favor (Dr. Chase, Ms. Bagneris, and Ms. Hudson)

Member Refund Report - Marked received.

Deceased Report - Marked received

Ms. Kahn joined the meeting.

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

Norman White joined the meeting.

PRESENTATION

Annual Actuarial Valuation Report - Segal Consulting - Jeff Williams

Mr. Williams presented the annual actuarial valuation for January 1, 2020. He reviewed the assumption changes that were a part of the valuation. Additionally, a year to year comparison was reviewed to show the impact of the changes and result of the 2019 investment performance. The board discussed the funding ratios based on market value of assets and actuarial value of assets.

Mr. Nunez made public comment.

2021 Annual Required Contribution Rate

A motion was made by Dr. Chase and seconded by Ms. Bagneris to approve the employer contribution rate of 15.31% for 2021. The motion passed unanimously (Dr. Chase, Ms. Bagneris, Ms. Hudson, Ms. Kahn, and Mr. White)

COMMITTEE REPORTS

Investment Committee - AndCo Consulting - Ian Jones

Mr. Jones introduced Ms. Vella from Millennium. Ms. Vella gave an overview of the firm and the strategies used in the Millennium portfolios. She discussed the fees of the portfolios and the historical performance of the City of New Orleans investment. Additional details related to annual fees compared to year over year performance for the City of New Orleans investment was requested. Ms. Vella discussed the process of investing additional funds in the Millennium fund.

Mr. Jones discussed the YTD market environment. In addition to the market environment and June 30, 2020 performance report, he discussed the variance in returns between growth and value and the performance of the international and emerging markets. He further discussed the fixed income market and the historically low return of the Barclays Aggregate Bond Index.

The board requested that Cornerstone make a presentation during the September meeting.

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Review and Approve Manager of Emerging Managers RFP

The board continued its discussion surrounding the emerging manager of managers RFP. Mr. Jones walked through some of the specific requirements of those who may look to respond to the RFP. The board discussed final adjustments and edits to the draft RFP

Mr. Nunez made public comment.

A motion was made by Dr. Chase and seconded by Mr. White to approve the edits to the manager of emerging managers RFP and post accordingly. The motion passed unanimously (Dr. Chase, Ms. Bagneris, Ms. Hudson, Ms. Kahn, and Mr. White)

Recommendation to raise \$10 million from equity managers

A motion was made by Ms. Hudson and seconded by Ms. Bagneris to approve the recommendations to raise \$10 million as listed below. The motion passed unanimously (Dr. Chase, Ms. Bagneris, Ms. Hudson, Ms. Kahn, and Mr. White)

\$2M - Vanguard Growth Index
\$2M - Cornerstone
\$2M - Vanguard Institutional Index
\$1.5M - First Eagle
\$1M - Vanguard Total International Stock
\$1M - Invesco
\$500,000 - Wasatch

Review funding options for manager of emerging manager allocation

This item is deferred until a hiring decision is made.

Budget Committee

A motion was made by Ms. Hudson and seconded by Dr. Chase to approve the request by Ms. Bagneris, Mr. White and Mr. Evans to attend the NCEPERS Virtual Public Pension Funding Forum. The motion passed unanimously (Dr. Chase, Ms. Bagneris, Ms. Hudson, Ms. Kahn, and Mr. White)

A motion was made by Dr. Chase and seconded by Ms. Bagneris to approve the request by Ms. Hudson to attend the NCEPERS Virtual Public Pension Funding Forum. The motion passed unanimously (Dr. Chase, Ms. Bagneris, Ms. Hudson, Ms. Kahn, and Mr. White)

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Member Relations Committee

No new update. Ms. Bagneris and Mr. Evans discussed holding a future virtual meeting for members after a final proposed plan change and retirement incentive plan ordinance(s) has been drafted.

Contract Compliance Committee

Nothing new to report.

Headline Risk Committee

Nothing new to report.

Governance Committee

Nothing new to report.

Staffing Committee

Mr. Evans discussed a possible increased demand to service members as the discussion of possible layoffs and/or furloughs continues.

There being no further business, a motion was made by Ms. Bagneris and seconded by Ms. Hudson to adjourn. The motion passed unanimously (Dr. Chase, Ms. Bagneris, Ms. Hudson, Ms. Kahn, and Mr. White)

The meeting ended at 11:47am



Jesse Evans, Jr.
Director