

**Regular Meeting
Board of Trustees
Of the Employees' Retirement System
Of the City of New Orleans
Purchasing Conference Room
1300 Perdido Street, Room 4W05
April 16, 2014
9:00 a.m.**

Trustees Present:

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

Absent Trustee:

Ms. Lisa M. Hudson, Vice Chairperson

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
Stephen Daste

The chairman called the meeting to order at 9:00 am.

OLD BUSINESS

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

City Council Motion to Employ Special Counsel no change.

Transfers no change.

Purchase of Time - Closed Defined Contribution Plan no change.

Board Election for Representative Election Mr. Evans informed the Board that ballots for the election will be mailed next week to members.

NEW BUSINESS

Date for next Regular Meeting The Board tentatively scheduled its next regular meeting for Wednesday, May 21st at 9:00 am to be held in Purchasing Conference Room 4W05.

MONTHLY REPORTS

Minutes of Regular Meeting for March 19th were presented to the Board. A motion was made by Mr. Gebrian and seconded by Ms. Bagneris to approve the minutes for March 19th. The motion passed with four in favor.

Retirements for the month of April 2014 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 April 2014. The motion passed with four in favor.

Report of deceased retirees for the month of March 2014 was presented to the Board. The Board received the report of deceased retirees for the month of March 2014.

Status Report on Transfers for the month of March 2014 was presented to the Board. The Board received the report on transfers for the month of March 2014.

COMMITTEE REPORTS

Investment Committee – The Bogdahn Group

Review of Value Added Real Estate Managers - Mr. Bogdahn made a presentation on the value added real estate managers' responses. He said that 5% of the fund which is \$18 million would be invested in value added real estate market. Mr. Bogdahn recommended that the Board interview Principal Enhanced Property Fund, Intercontinental US REIF, ARA Strategic Value Realty Fund and Heitman Value Partners III for the value added real estate manager. A motion was made by Dr. Chase and seconded by Mr. Gebrian to interview value added real estate managers; Principal Enhanced Property Fund, Intercontinental US REIF, ARA Strategic Value Realty Fund and Heitman Value Partners III. The motion passed four in favor (Dr. Chase, Mr. Gebrian, Ms. Bagneris and Mr. Foster).

Performance Report - Mr. Bogdahn made a presentation on the Monthly Flash Report ending February 28th of the managers' performance. He informed the Board that the fund is underweight in Alternatives and overweight in Fixed Income. He discussed Abbey Capital's performance and recommended elimination from the managed futures allocation of the fund. Mr. Bogdahn suggested using the funds from Abbey Capital for payroll. A motion was made by Mr. Gebrian and seconded Ms. Bagneris to terminate Abbey Capital and use the funds for payroll. The motion passed with four in favor (Mr. Gebrian, Ms. Bagneris, Mr. Foster and Dr. Chase).

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Update on Search for Domestic Large Cap Core Equity Manager - Mr. Bogdahn handed out a summary of the Domestic Large Cap Core Equity search for the Board review.

Mr. Bogdahn recommended that Abel Noser be approved as a transition manager for the fund and allow Mr. Evans to sign the amended contract. A motion was made by Ms. Bagneris and seconded by Mr. Gebrian to amend the Abel Noser contract to add transition management. The motion passed with four in favor (Mr. Gebrian, Ms. Bagneris, Mr. Foster and Dr. Chase).

Budget Committee nothing to report.

Trustees Conference Review & Approval – Mr. Gebrian requested to attend the 12th Annual Pensions and Capital Stewardship Conference May 7 to 9, 2014 in Massachusetts. A motion was made by Dr. Chase and seconded by Ms. Bagneris to approve Mr. Gebrian attending the 12th Annual Pensions and Capital Stewardship Conference May 7 to 9, 2014 in Massachusetts. The motion passed with three in favor (Dr. Chase, Ms. Bagneris and Mr. Foster). Mr. Evans informed the Board that he will not be able to attend the NCPERS Annual Conference and Exhibition April 26 – May 1, 2014 in Chicago, Illinois.

Contract Compliance Committee- nothing to report.

Headline Risk Committee – nothing to report.

Member Relations Committee – Ms. Bagneris briefly summarized the Member Relations Committee meeting held on April 11, 2014 regarding possible changes to the plan.

Staffing Committee - nothing to report.

EXECUTIVE SESSION

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

The meeting resumed.

Mr. Evans informed the Board that a motion is needed to pay the court cost in the case of Mary Bates versus the CNOERS. A motion was made by Ms. Bagneris and seconded by Mr. Gebrian to approve the payment of \$484.90 in court cost related to the case of Mary Bates versus CNOERS (Ms. Bagneris, Mr. Gebrian, Mr. Foster and Dr. Chase).

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There being no further business, a motion was made by Mr. Gebrian and seconded by Dr. Chase to adjourn. The motion passed unanimously.


Jesse Evans, Jr.
Director

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