

# MUNICIPAL EMPLOYEES' RETIREMENT SYSTEM OF LOUISIANA

## MINUTES OF THE MEETING OF THE BOARD OF TRUSTEES

DECEMBER 14, 2017

The Board of Trustees of the Municipal Employees' Retirement System of Louisiana met in regular session on Thursday, December 14, 2017 at 9:00 A.M. at the Municipal Employees' Retirement System, 7937 Office Park Boulevard, Baton Rouge, Louisiana.

### PRESENT:

Ms. Andrea Mahfouz, Chairman  
Mayor Donald Villere, Vice Chairman  
Ms. Mary O. Vice, Trustee  
Mr. Mike Sands, Trustee  
Mayor Raymond Harris, Trustee  
Mayor Greg Jones, Trustee  
Ms. Susan Percle, Trustee  
Representative J. Kevin Pearson, Chairman,  
House Retirement Committee  
Mr. James Mack, State Treasurer's Office  
Ms. Marsha Guedry, Commissioner of Administration's Office

### UNABLE TO ATTEND:

Senator Barrow Peacock, Chairman,  
Senate Retirement Committee

### IN ATTENDANCE:

Warren Ponder, Executive Director  
Susita Suire, Retirement Benefits Administrator  
Nancy LaGarde, Chief Financial Officer  
Christopher Saik, Chief Investment Officer  
Aaron Lally, Investment Consultant  
Gustavo Bikkesbakker, Investment Consultant  
Greg Curran, G.S. Curran Actuary

The Chairman called the meeting to order.

The Chairman asked Ms. Vice to open the meeting with a prayer and the Chairman led everyone in the pledge of allegiance.

The Chairman asked Ms. Suire to call roll. A quorum was present.

The Chairman asked for approval of the minutes of the meeting held on October 19, 2017.

Ms. Vice moved that the minutes of the meeting held on October 19, 2017 be approved; the motion was seconded by Mayor Harris. The motion carried without objection or opposition. A copy is attached and made a part of these minutes.

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The Chairman asked for approval of the Plan A and Plan B retirements (a list was provided to the Board Members).

Mr. Sands moved that the Plan A and Plan B retirements be approved; the motion was seconded by Ms. Vice. The motion carried without objection or opposition.

Treasurer John Schroder made a brief appearance at the meeting to introduce himself to the Board and staff offering his support and his staff's help with the retirement system if needed.

Aaron Lally and Gustavo Bikkesbakker presented the Board with a copy of the Preliminary Performance Report for the month of October 31, 2017. The performance of the portfolio as of October 31, 2017, was up 1.5%. Domestic equities were up 3.2%, developed equities were up 1.8%, emerging market equity was up 3.5%, and U.S. core bonds were up 0.1%. Treasury inflation protected securities were up 0.2%, foreign bonds were down -2.3%, and high yield bonds remained flat. Core real estate, natural resources, private debt, private equity, hedge funds, and non-core real estate remained flat. A copy of this report is attached and made part of these minutes.

Aaron Lally reviewed the 2018 educational schedule with the Board.

Christopher Saik presented the 9/30/2017 Quarterly Act 1004 Summary Report.

Christopher Saik presented the investment cash flow report as November 30, 2017.

Christopher Saik gave the Board an update on the system's alternative investments.

Chuck Pevey and Shana Pamilar with Hawthorn, Waymouth & Carroll, L.L.P. presented the June 30, 2017 (2016 – 2017 Fiscal Year) financial audit report and the Legislative Auditor's agreed-upon procedures report.

Mayor Harris moved to accept the June 30, 2017 (2016 – 2017 Fiscal Year) financial audit report; the motion was seconded by Mayor Villere. The motion carried without objection or opposition. A copy of this audit report is attached and made part of these minutes.

Greg Curran with G.S. Curran & Company, LTD, presented the June 30, 2017 (2016 – 2017) Actuarial Valuation.

Mayor Harris moved to accept the June 30, 2017 (2016 – 2017) Actuarial Valuation; the motion was seconded by Mayor Jones. The motion carried without objection or opposition.

Ms. LaGarde presented a budget report through October 31, and November 30, 2017 detailing the budgeted amount.

Ms. LaGarde presented the cash flow report as of October 31, and November 30, 2017.

Ms. LaGarde updated the Board on the Fletcher legal expenses.

Ms. LaGarde updated the Board on the status of Netchex (payroll service), general ledger software, and the pension software search.

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Ms. Vice moved to accept the CFO report; the motion was seconded by Mayor Harris. The motion carried without objection or opposition.

Ms. Suire updated the Board on her trips to Monroe and Abita Springs for member presentations and Winnboro and Vivian for staff training. Ms. Suire also gave a presentation at the Clerks' Institute in October.

After a brief discussion, Mayor Villere moved to accept a monthly payment plan of \$50.00 to \$80.00 with a minimum of \$50.00 from Quanterius Scott to repay his overpayment of survivor benefits; the motion was seconded by Mayor Harris. The motion carried without objection or opposition.

Mayor Jones moved to enter executive session to discuss a disability retiree including medical records and doctor's reports; the motion was seconded by Ms. Vice. The motion carried without objection or opposition.

Mayor Jones moved to enter regular session; the motion was seconded by Mayor Villere. The motion carried without objection or opposition.

Mayor Jones moved to restore the disability retiree's monthly benefit for the months of October and November 2017 as discussed in executive session; the motion was seconded by Mayor Harris. The motion carried without objection or opposition.

Mayor Jones moved to enter executive session to discuss *Broyles v. Cantor Fitzgerald & Co., et al*, Suit No. 594,747, 19<sup>th</sup> Judicial District Court, Parish of East Baton Rouge, State of Louisiana, and all related matters and discuss potential litigation involving retiring member; the motion was seconded by Mr. Sands. The motion carried without objection or opposition.

Mayor Villere moved to enter regular session; the motion was seconded by Ms. Vice. The motion carried without objection or opposition.

The Board received a report on the status of the *Broyles v. Cantor Fitzgerald & Co., et al* lawsuit and no action is required.

Mayor Jones moved to enter executive session to discuss Fletcher Investment, United States District Court Middle District of Louisiana Civil Action NO. 3:13-CV-00373 Firefighters' Retirement System, ET AL Versus Citco Group Limited, ET AL; the motion was seconded by Mayor Villere. The motion carried without objection or opposition.

Mayor Jones moved to enter regular session; the motion was seconded by Mayor Harris. The motion carried without objection or opposition.

Mr. Sands moved to accept the settlement offer as recommended by MERS' attorney in the Royal Bank of Scotland lawsuit; the motion was seconded by Mayor Jones. The motion carried without objection or opposition.

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Ms. Vice moved to approve legislation for the following entities to join MERS; Uniform Sales Tax Board, Morehouse Sales Tax Commission, New Orleans Firefighters' Retirement System's staff employees, and the Sabine Sales & Use Tax Commission; the motion was seconded by Mr. Sands. The motion carried without objection or opposition.

Ms. Percle moved to approve legislation to calculate the supplemental benefit for retirees terminating from employment while retired to be based on the higher of FAC on original retirement date or at termination of post retirement period and not to permit disability retirees to return to work with a participating employer; the motion was seconded by Mayor Jones. The motion carried without objection or opposition.

Ms. Vice moved to approve legislation to add "vesting is seven (7) years for members in Tier II"; the motion was seconded by Mayor Villere. The motion carried without objection or opposition.

Mayor Villere moved to approve legislation that if a survivor due either an immediate benefit or deferred benefit does not notify the retirement system in writing within ninety (90) days, the benefit is deferred; the motion was seconded by Ms. Vice. The motion carried without objection or opposition.

Ms. Vice moved to approve legislation to redefine "minor child"; the motion was seconded by Mr. Sands. The motion carried without objection or opposition.

Mr. Sands moved to approve legislation to repeal 11:1757 (E) due to being a special interest law no longer needed; the motion was seconded by Ms. Vice. The motion carried without objection or opposition.

Ms. Vice moved to approve legislation to add the "pop-up" options to R.S. 11:1757 (A); the motion was seconded by Mr. Sands. The motion carried without objection or opposition.

Mayor Villere moved to approve legislation to extend the length of DROP if monthly payments have been suspended for members due to a failure to contribute on their full salary during the DROP period; the motion was seconded by Mayor Jones. The motion carried without objection or opposition.

Ms. Vice moved to approve legislation to redefine "disability" for applications after June 30, 2018; to be disabled member must be determined to be incapable of any employment; the motion was seconded by Mayor Jones. The motion carried without objection or opposition.

Mayor Villere moved to approve legislation to redefine "UAL" for purposes of withdrawal from MERS as an amount determined by the system's actuary using applicable standards for profession; the motion was seconded by Ms. Percle. The motion carried without objection or opposition.

Ms. Vice moved to approve legislation to provide for payment of UAL should an employer "privatize" a position that is ordinarily included in MERS' system; the motion was seconded by Mayor Villere. The motion carried without objection or opposition.

Mayor Jones moved to accept the bid to redesign the retirement system's website by Municode; the motion was seconded by Ms. Vice. The motion carried without objection or opposition.

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Ms. Vice moved to adjourn; the motion was seconded by Mayor Harris. The motion carried without objection or opposition.

  
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APPROVED

  
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ATTEST

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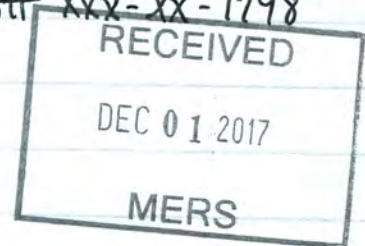
November 26, 2017

Re: Quarternius Scott

Bal. 2810.16

Michael Scott xxx-xx-1798

Municipal Employees'  
Monica Guidry - MERS  
7937 Office Park Blvd.  
Baton Rouge, LA 70809



Dear Monica or To Whom It May Concern :

I received a letter about an audit that now have me owing a high balance that I really can't afford at this time. I do apologize that I could not let your System know when to stop payment, because the letter I got with expiration date was received 9 years ago. No reminder letter until over paid, I have also been in hospital on life support, in and out of ICU, and multiple surgeries. So, I am truly sorry that you all sent more payments but he did need it and used it to get situated in college. At this time he is a full time student with a part time job and it still do not keep him from needing more money. Also, I am on disability right now.

On behalf of the balance that we owe I cannot promise a certain amount that would be guaranteed every payment I make. An estimate

of about 40.00 to 80.00 a month. Also, I was wondering if there was some work that you all could employ me to do for pay. Therefore then we can set a certain amount from my pay to clear the balance. I am a certified medical assistant, EKG tech, Phlebotomist, and in administration. You all could pay me to do data entry, stuff envelopes, and etc. This way I could pay you all quicker.

I understand that my financial issues is not your problem, but at this time, I have more bills than income and have not been able to do anything for my kids holiday, but I still have faith in God he will work it out for my family good.

I pray God bless you all for the holiday season and for the patience to work with my son and myself. I wish you all computer would have never made this mistake. At this time it looks like I might be able to make my 1<sup>st</sup> Payment in January 2018. Please let me know what could be done or what you all accept to keep you all from adding more debt to my credit.

So please be understanding and help me get  
the taken care of for my child and myself.  
My contact number is 318-366-5680 cell.

Sincerely,

Quanita Gholston

Mother of Quanterius Scott.

P. S. Sorry the letter is so long and detailed.  
I'm sure, there is someone that do  
not care to hear all this, but I  
did not get into this situation on  
purpose.

When you all mail me a response back  
please send me a copy of this letter  
also for my records. Please + Thank You.

Send it to Quanita Gholston  
403 Register St  
West Monroe, LA 71202

Form of payments I will mail check or  
set up another acct. to make payments to  
you all



## MERS INVESTMENT CASH FLOWS

November 2017

### CASH ACTIVITY

DESCRIPTION	AMOUNT
<b>Northern Trust Beginning Cash Balance</b>	<b>2,555,730</b>
<b>INVESTMENT TRANSFERS IN</b>	
Interest Income	336
Kline Hill Transaction (Compass Island)	117,607
GoldenTree Distribution	1,429,523
<b>SUBTOTAL TRANSFERS IN</b>	<b>1,547,466</b>
<b>INVESTMENT TRANSFERS OUT</b>	
<b>SUBTOTAL TRANSFERS OUT</b>	<b>-</b>
<b>OTHER INCOME/TRANSFERS IN</b>	
Miscellaneous Investment Income	5,393
<b>SUBTOTAL OTHER INCOME</b>	<b>5,393</b>
<b>OTHER EXPENSES/TRANSFERS OUT</b>	
Northern Trust Sweep Fee	(567)
<b>SUBTOTAL OTHER EXPENSES</b>	<b>(567)</b>
<b>Northern Trust Ending Balance</b>	<b>4,108,022</b>

# MERS CASH SUMMARY

FYE 2018

## ACCOUNT BALANCE SUMMARY

DATE	DESCRIPTION	AMOUNT
<b>SYSTEM CASH</b>		
12/5/2017	Northern Trust Cash Balance	\$2,852,694
12/5/2017	Capital One Operating Account Cash Balance	\$335,930
12/5/2017	Capital One Retirement Payroll Cash Balance - Plan A	\$5,608,209
12/5/2017	Capital One Retirement Payroll Cash Balance - Plan B	\$3,378,602
<b>SUBTOTAL SYSTEM CASH</b>		<b>\$12,175,436</b>
<b>DROP ACCOUNTS</b>		
12/5/2017	Capital One Drop Balance -Plan A	\$20,624,476
12/5/2017	Capital One Drop Balance -Plan B	\$4,730,205
<b>SUBTOTAL DROP ACCOUNTS</b>		<b>\$25,354,681</b>

# MERS CONTRIBUTION SUMMARY

FYE 2018

## CONTRIBUTION ACTIVITY

MONTH	EMPLOYER CONTRIBUTIONS	MEMBER CONTRIBUTIONS	NET TRANSFERS IN/OUT	REFUNDS	TOTAL ACTIVITY
<b>PLAN A</b>					
Jul-17	3,588,923	1,406,477	(328,513)	(363,671)	4,303,216
Aug-17	3,259,308	1,315,427	107,639	(442,680)	4,239,694
Sep-17	3,580,050	1,295,569	(331,343)	(491,956)	4,052,320
Oct-17	4,322,833	1,546,879	23,774	(399,263)	5,494,223
Nov-17	3,248,659	1,169,550	0.00	(417,727)	4,000,482
Dec-17					
Jan-18					
Feb-18					
Mar-18					
Apr-18					
May-18					
Jun-18					
<b>SUBTOTAL PLAN A</b>	<b>\$17,999,773</b>	<b>\$6,733,903</b>	<b>(\$528,444)</b>	<b>(\$2,115,297)</b>	<b>\$22,089,935</b>
<b>PLAN B</b>					
Jul-17	712,241	307,165	(131,274)	(85,429)	802,704
Aug-17	785,409	282,854	0.00	(86,112)	982,151
Sep-17	757,250	269,431	0.00	(151,746)	874,935
Oct-17	815,352	290,412	0.00	(147,736)	958,028
Nov-17	798,985	281,211	0.00	(99,822)	980,374

Dec-17

Jan-18

Feb-18

Mar-18

Apr-18

May-18

Jun-18

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<b>SUBTOTAL PLAN B</b>	<b>\$3,869,237</b>	<b>\$1,431,073</b>	<b>(\$131,274)</b>	<b>(\$570,844)</b>	<b>\$4,598,192</b>
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<b>TOTAL SYSTEM</b>	<b>\$21,869,010</b>	<b>\$8,164,976</b>	<b>(\$659,717)</b>	<b>(\$2,686,141)</b>	<b>\$26,688,127</b>
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# MERS RETIREMENT BENEFITS SUMMARY

FYE 2018

## RETIREMENT BENEFITS ACTIVITY

MONTH	RETIREMENT PAYROLL	DROP PAYROLL	TRANSFERS TO/(FROM) DROP	TOTAL ACTIVITY
<b>PLAN A</b>				
Jul-17	5,062,470	440,391	113,353	5,616,215
Aug-17	5,061,552	189,160	39,216	5,289,927
Sep-17	5,089,394	608,704	(94,947)	5,603,151
Oct-17	5,112,582	442,748	60,210	5,615,540
Nov-17	5,118,404	276,935	315,602	5,710,941
Dec-17	5,125,872	419,351	198,981	5,744,204
Jan-18				
Feb-18				
Mar-18				
Apr-18				
May-18				
Jun-18				
<b>SUBTOTAL PLAN</b>	<b>\$30,570,274</b>	<b>\$2,377,288</b>	<b>\$632,414</b>	<b>\$33,579,977</b>
<b>PLAN B</b>				
Jul-17	899,973	142,083	(74,985)	967,072
Aug-17	936,226	155,381	(3,363)	1,088,244
Sep-17	926,303	20,133	29,860	976,296
Oct-17	931,349	110,861	113,083	1,155,294
Nov-17	936,879	15,833	18,929	971,641
Dec-17	934,088	64,184	0.00	998,272

Jan-18				
Feb-18				
Mar-18				
Apr-18				
May-18				
Jun-18				
<b>SUBTOTAL PLAN</b>	<b>\$5,564,819</b>	<b>\$508,476</b>	<b>\$83,524</b>	<b>\$6,156,819</b>
<b>TOTAL SYSTEM</b>	<b>\$36,135,093</b>	<b>\$2,885,764</b>	<b>\$715,939</b>	<b>\$39,736,796</b>

**LOUISIANA RETIREMENT SYSTEMS  
ACT 1004 QUARTERLY REPORT SUMMARY  
PERIOD ENDING 9/30/2017**

RETIREMENT SYSTEM	AUM	CURRENT ASSET ALLOCATION			TOTAL FUND RETURNS					
		EQUITY	FIXED	ALTERN.	QTLY	FYTD	1 YEAR	3 YEAR	5 YEAR	10 YEAR
MUNI POLICE	\$ 2,052,525,365	58.2%	20.3%	20.4%	4.3%	4.3%	13.7%	6.2%	8.9%	4.2%
LASERS	\$ 11,307,192,363	59.7%	13.3%	27.0%	3.8%	3.8%	14.8%	6.6%	8.5%	5.5%
SCHOOL EMPLOYEES	\$ 1,905,175,388	55.0%	30.0%	15.0%	3.8%	3.8%	13.7%	7.1%	9.2%	6.1%
PAROCHIAL	\$ 3,989,332,374	57.0%	34.3%	8.7%	3.8%	13.4%	13.1%	7.3%	9.2%	-
STATE POLICE	\$ 812,156,933	65.7%	17.6%	12.7%	3.8%	3.8%	14.5%	7.0%	9.1%	5.4%
FIREFIGHTERS	\$ 1,610,417,773	58.1%	17.5%	19.9%	3.7%	3.7%	13.2%	5.6%	6.1%	2.8%
CLERKS	\$ 575,073,708	59.0%	18.0%	23.0%	3.6%	3.6%	12.9%	7.1%	9.1%	5.2%
SHERIFFS	\$ 3,410,849,716	62.0%	25.0%	13.0%	3.5%	3.5%	13.3%	7.2%	9.2%	5.5%
ASSESSORS	\$ 371,249,111	64.3%	30.6%	5.1%	3.4%	12.5%	12.5%	6.4%	8.3%	5.8%
TEACHERS	\$ 19,129,194,490	51.0%	18.0%	30.0%	3.4%	3.4%	16.1%	8.3%	10.1%	5.6%
<b>MUNI EMPLOYEES</b>	<b>\$ 861,468,852</b>	<b>50.0%</b>	<b>34.0%</b>	<b>16.0%</b>	<b>3.1%</b>	<b>3.1%</b>	<b>9.9%</b>	<b>2.9%</b>	<b>4.6%</b>	<b>2.6%</b>
DISTRICT ATTORNEY	\$ 392,509,605	62.7%	28.7%	8.6%	3.0%	3.0%	9.7%	5.6%	8.1%	5.8%
REGISTRARS	\$ 92,547,083	56.2%	26.7%	17.2%	3.0%	3.0%	12.4%	5.1%	6.7%	3.0%
<b>LOUISIANA AVERAGE</b>	<b>\$ 3,577,668,674</b>	<b>58.4%</b>	<b>24.2%</b>	<b>16.7%</b>	<b>3.6%</b>	<b>5.0%</b>	<b>13.1%</b>	<b>6.3%</b>	<b>8.2%</b>	<b>4.8%</b>
<b>STATEWIDE AVERAGE</b>	<b>\$ 1,483,997,065</b>	<b>58.6%</b>	<b>26.1%</b>	<b>14.6%</b>	<b>3.5%</b>	<b>5.6%</b>	<b>12.3%</b>	<b>5.9%</b>	<b>7.8%</b>	<b>4.4%</b>

STATEWIDE: Assessors, Clerks, District Attorneys, Firefighters, Muni Employees, Muni Police, Parochial, Registrars, Sheriffs

Assessors fiscal year end Sept 30

Parochial fiscal year end Dec 31

**LOUISIANA RETIREMENT SYSTEMS  
ACT 1004 QUARTERLY REPORT SUMMARY  
PERIOD ENDING 9/30/2017**

<b>EQUITY RETURNS</b>					
<b>RETIREMENT SYSTEM</b>	<b>FYTD</b>	<b>1 YEAR</b>	<b>3 YEAR</b>	<b>5 YEAR</b>	<b>10 YEAR</b>
PAROCHIAL	18.7%	19.2%	9.2%	11.8%	10.8%
ASSESSORS	18.6%	18.6%	8.3%	11.7%	6.0%
MUNI POLICE	6.4%	21.5%	8.3%	11.8%	4.7%
SCHOOL EMPLOYEES	5.9%	21.1%	9.1%	12.1%	6.5%
TEACHERS	5.6%	20.2%	9.3%	12.0%	5.2%
CLERKS	5.5%	20.3%	9.6%	11.4%	5.1%
<b>MUNI EMPLOYEES</b>	<b>5.4%</b>	<b>18.9%</b>	<b>8.2%</b>	<b>11.9%</b>	<b>5.7%</b>
STATE POLICE	5.3%	21.1%	9.3%	12.2%	6.1%
FIREFIGHTERS	5.2%	20.1%	7.7%	11.2%	5.3%
LASERS	5.2%	19.2%	7.9%	10.7%	4.8%
SHERIFFS	4.9%	20.1%	9.5%	13.2%	
REGISTRARS	4.4%	19.1%	6.6%	10.2%	4.2%
DISTRICT ATTORNEY	4.1%	16.2%	8.1%	12.1%	6.2%
<b>LOUISIANA AVERAGE</b>	<b>7.3%</b>	<b>19.7%</b>	<b>8.5%</b>	<b>11.7%</b>	<b>5.9%</b>
<b>STATEWIDE AVERAGE</b>	<b>8.1%</b>	<b>19.3%</b>	<b>8.4%</b>	<b>11.7%</b>	<b>6.0%</b>

STATEWIDE: Assessors, Clerks, District Attorneys, Firefighters, Muni Employees, Muni Police, Parochial, Registrars, Sheriffs  
Assessors fiscal year end Sept 30  
Parochial fiscal year end Dec 31



**LOUISIANA RETIREMENT SYSTEMS  
ACT 1004 QUARTERLY REPORT SUMMARY  
PERIOD ENDING 9/30/2017**

RETIREMENT SYSTEM	FIXED INCOME RETURNS				
	FYTD	1 YEAR	3 YEAR	5 YEAR	10 YEAR
PAROCHIAL	7.6%	5.7%	4.1%	3.5%	5.5%
ASSESSORS	2.4%	2.4%	3.1%	3.1%	5.8%
TEACHERS	2.1%	2.1%	3.1%	2.4%	4.4%
LASERS	2.0%	6.8%	3.9%	4.1%	7.0%
SCHOOL EMPLOYEES	1.9%	4.8%	3.7%	2.8%	4.9%
MUNI POLICE	1.7%	4.6%	3.3%	3.7%	6.1%
STATE POLICE	1.6%	3.9%	3.0%	3.3%	5.4%
FIREFIGHTERS	1.5%	2.5%	1.9%	1.1%	
REGISTRARS	1.3%	3.8%	3.1%	2.8%	4.7%
<b>MUNI EMPLOYEES</b>	<b>1.3%</b>	<b>1.5%</b>	<b>1.2%</b>	<b>-5.8%</b>	<b>-1.3%</b>
CLERKS	1.3%	2.3%	4.1%	3.1%	5.4%
SHERIFFS	1.2%	2.2%	3.3%	2.8%	
DISTRICT ATTORNEY	0.8%	0.6%	2.4%	2.3%	4.9%
<b>LOUISIANA AVERAGE</b>	<b>2.1%</b>	<b>3.3%</b>	<b>3.1%</b>	<b>2.9%</b>	<b>5.4%</b>
<b>STATEWIDE AVERAGE</b>	<b>2.1%</b>	<b>2.9%</b>	<b>2.9%</b>	<b>2.8%</b>	<b>5.4%</b>

STATEWIDE: Assessors, Clerks, District Attorneys, Firefighters, Muni Employees, Muni Police, Parochial, Registrars, Sheriffs  
Assessors fiscal year end Sept 30  
Parochial fiscal year end Dec 31

**LOUISIANA RETIREMENT SYSTEMS  
ACT 1004 QUARTERLY REPORT SUMMARY  
PERIOD ENDING 9/30/2017**

RETIREMENT SYSTEM	ALTERNATIVE RETURNS				
	FYTD	1 YEAR	3 YEAR	5 YEAR	10 YEAR
ASSESSORS	5.8%	5.8%	4.3%	0.5%	1.7%
PAROCHIAL	5.7%	7.8%	8.1%	9.1%	8.8%
FIREFIGHTERS	3.6%	14.5%	8.3%	-0.90%	0.2%
SHERIFFS	2.2%	7.3%	4.7%	5.3%	-
LASERS	1.9%	9.9%	5.0%	6.5%	4.7%
MUNI POLICE	1.3%	4.4%	3.6%	5.7%	-
REGISTRARS	0.9%	6.5%	3.5%	5.4%	-0.50%
SCHOOL EMPLOYEES	0.7%	7.9%	7.7%	10.2%	4.4%
STATE POLICE	0.5%	5.6%	4.9%	7.0%	2.2%
<b>MUNI EMPLOYEES</b>	<b>0.4%</b>	<b>1.7%</b>	<b>-3.00%</b>	<b>-0.80%</b>	<b>0.3%</b>
TEACHERS	0.4%	16.4%	9.7%	12.2%	7.6%
CLERKS	0.3%	4.3%	3.8%	7.7%	3.9%
DISTRICT ATTORNEY	-	-	-	-	-
<b>LOUISIANA AVERAGE</b>	<b>2.0%</b>	<b>7.7%</b>	<b>5.8%</b>	<b>7.0%</b>	<b>3.8%</b>
<b>STATEWIDE AVERAGE</b>	<b>2.5%</b>	<b>6.5%</b>	<b>5.2%</b>	<b>5.6%</b>	<b>3.0%</b>

STATEWIDE: Assessors, Clerks, District Attorneys, Firefighters, Muni Employees, Muni Police, Parochial, Registrars, Sheriffs  
Assessors fiscal year end Sept 30  
Parochial fiscal year end Dec 31



MUNICIPAL EMPLOYEES' RETIREMENT SYSTEM OF LA

MUNICIPAL EMPLOYEES' RETIREMENT SYSTEM  
 ADMINISTRATIVE BUDGET  
 AS OF NOVEMBER 30, 2017

EXPENSES	ANNUAL BUDGET	YTD ACTUAL	YTD DIFFERENCE \$	YTD %	MTH OF JANUARY ACTUAL
<b>Personnel Expenses</b>					
Salaries	\$790,000.00	\$311,266.80	\$478,733.20	39.40%	\$62,253.36
Employer Retirement	\$185,000.00	\$77,038.60	\$107,961.40	41.64%	\$15,407.72
Health Insurance	\$79,700.00	\$32,597.82	\$47,102.18	40.90%	\$6,064.00
Professional Development	\$31,000.00	\$4,819.00	\$26,181.00	15.55%	\$1,189.00
<b>Subtotal Personnel Expenses</b>	<b>\$1,085,700.00</b>	<b>\$425,722.22</b>	<b>\$659,977.78</b>	<b>39.21%</b>	<b>\$84,914.08</b>
<b>Operating Expenses</b>					
Building & Ground Maintenance	\$36,500.00	\$10,500.02	\$25,999.98	28.77%	\$2,444.07
Office Equipment & Maintenance	\$94,000.00	\$45,382.79	\$48,617.21	48.28%	\$7,193.95
Office Supplies	\$103,100.00	\$33,663.55	\$69,436.45	32.65%	\$3,203.69
Telecommunications/Utilities	\$32,800.00	\$10,800.95	\$21,999.05	32.93%	\$2,152.23
Insurance	\$79,100.00	\$63,529.05	\$15,570.95	80.31%	-\$42.90
<b>Subtotal Operating Expenses</b>	<b>\$345,500.00</b>	<b>\$163,876.36</b>	<b>\$181,623.64</b>	<b>47.43%</b>	<b>\$14,951.04</b>
<b>Professional Services</b>					
Audit	\$100,000.00	\$40,000.00	\$60,000.00	40.00%	-
Professional Services	\$85,000.00	\$19,436.88	\$65,563.12	22.87%	\$6,335.00
Actuarial	\$91,620.00	\$38,175.00	\$53,445.00	41.67%	\$7,635.00
Legal-Administrative	\$10,000.00	\$227.50	\$9,772.50	2.28%	\$0.00
Legal-Securities Litigation	\$350,000.00	\$338,941.95	\$11,058.05	96.84%	\$73,544.09
<b>Subtotal Professional Services</b>	<b>\$636,620.00</b>	<b>\$436,781.33</b>	<b>\$199,838.67</b>	<b>68.61%</b>	<b>\$87,514.09</b>
<b>Travel Expenses</b>					
Travel - Staff	\$15,000.00	\$8,861.95	\$6,138.05	59.08%	\$2,475.58

## MUNICIPAL EMPLOYEES' RETIREMENT SYSTEM OF LA

Travel - Board Meetings & Conventions	\$35,000.00	\$6,401.85	\$28,598.15	18.29%	\$0.00
<b>Subtotal Travel Expenses</b>	<b>\$50,000.00</b>	<b>\$15,263.80</b>	<b>\$34,736.20</b>	<b>30.53%</b>	<b>\$2,475.58</b>
<b>TOTAL OPERATING EXPENSES</b>	<b>\$2,117,820.00</b>	<b>\$1,041,643.71</b>	<b>\$1,076,176.29</b>	<b>49.18%</b>	
Capital Equipment & Services	\$64,346.00	\$13,746.00	\$50,600.00	21.36%	-
<b>TOTAL ADMINISTRATIVE EXPENSES</b>	<b>\$2,182,166.00</b>	<b>\$1,055,389.71</b>	<b>\$1,126,776.29</b>	<b>48.36%</b>	<b>\$189,854.79</b>

- 1 Dues for memberships and registration fees.
- 2 CMA updates to AS400 system.
- 3 Reimbursement from elected Board Members for General Liability Waiver of Recourse paid by MERS (\$14.30 each).
- 4 Related to election and Faulk & Winkler services.
- 5 Preis Gordon - Fletcher Litigation
- 6 Staff travel for 3 municipality presentations, professional education and attendance at LAMP conference (mileage, hotels, meals).

MERS  
2018 PROPOSED LEGISLATION

1. Employers wanting to join system:
  - a. Uniform Sales Tax Board
  - b. Morehouse Sales Tax Commission\*
  - c. New Orleans Firefighters (3 employees)
  - d. Sabine Sales & Use Tax Commission
2. New Supplemental Benefit (RS11:1762(1)(B))
  - a. Final average compensation is based on the higher of FAC on original retirement date or at termination of post retirement period.
  - b. Not permitted for disability retirees
3. Vesting: For Tier II A & B members vesting is seven (7) years
4. Survival Benefit (RS 11:1785(2) and 1805 (2)) may be taken immediately or deferred – if option is not exercised in writing within ninety (90) days, then the benefit is deferred
5. Redefine “minor child”:
  - a. "Minor child" means an unmarried child under the age of eighteen years who is: the issue of a marriage; the legally adopted child of a member of this system; the natural child of a female member of this system; the child of a male member of this system if a court of competent jurisdiction has made an order of filiation declaring the paternity of such a member for the child or if the father has formally acknowledged the child; or, who had a disability at the time of the member's death and who remains in such disability status.
6. Repeal 11:1751(E) - special interest no longer needed
7. RS. 11:1757 (A) Option “pops up” to maximum benefit if beneficiary predeceases member (Option 4.2 or 4.3)
8. Extends DROP if member’s payment is suspended due to a failure to contribute on their full salary during DROP period.
9. Redefine “Disability” for applications after June 30, 2018: to be disabled member must be determined to be incapable of any employment.
10. Redefine “UAL” for purposes of withdrawal from MERS as an amount determined by system’s actuary using applicable standards for profession.
11. Provide for payment of UAL should an employer “privatize” a position that is ordinarily included in MERS system.

\*In system just not authorized by Statute