

# MUNICIPAL EMPLOYEES' RETIREMENT SYSTEM OF LOUISIANA

## MINUTES OF THE MEETING OF THE BOARD OF TRUSTEES

SEPTEMBER 17, 2017

The Board of Trustees of the Municipal Employees' Retirement System of Louisiana met in regular session on Sunday, September 17, 2017 at 3:30 P.M. at the Sheraton Hotel, 500 Canal St., New Orleans, LA 70130 in the Gallier A Room, 4<sup>th</sup> Floor.

### 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  
Representative J. Kevin Pearson, Chairman,  
House Retirement Committee  
Senator Barrow Peacock, Chairman,  
Senate Retirement Committee  
Ms. Amy Mathews, State Treasurer's Office  
Ms. Marsha Guedry, Commissioner of Administration's Office

### UNABLE TO ATTEND:

### 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  
Margaret Corley, Senate Retirement Committee  
Annie Smith, House Retirement Committee

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 July 19 & 20, 2017.

Ms. Mathews moved that the minutes of the meeting held on July 19 & 20, 2017 be approved; the motion was seconded by Mayor Jones. 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).

Ms. Mathews moved that the Plan A and Plan B retirements be approved; the motion was seconded by Mayor Villere. The motion carried without objection or opposition.

Aaron Lally and Gustavo Bikkesbakker presented the Board with a copy of the Preliminary Performance Report for the month of August 31, 2017. The performance of the portfolio as of August 31, 2017, was up 0.4%. Domestic equities were down -0.6%, developed equities were up 0.5%, emerging market equity was up 2.4%, and U.S. core bonds were up 0.9%. Treasury inflation protected securities were up 1.0%, foreign bonds were up 0.8%, and high yield bonds were up 0.6%. 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.

Mayor Villere moved to accept the offer from Landmark Partners to purchase CapitalSpring Finance Co., and CapitalSpring, LLC for \$5,645,000; the motion was seconded by Mayor Jones. The motion carried without objection or opposition.

Christopher Saik presented the ACT 1004 summary report for quarter ending June 30, 2017.

Christopher Saik presented the investment cash flow report as of July 31, and August 31, 2017.

Ms. LaGarde presented a budget report through July 31 and August 31, 2017 detailing the budgeted amount.

Ms. LaGarde presented the cash flow report as of July 31, and August 31, 2017.

Mr. Ponder updated the Board that the Embassy Suites will no longer bill MERS for the hotel rooms reserved for the out of town Trustees to attend the monthly Board meetings, but will charge these rooms to the MERS' credit card.

Ms. LaGarde updated the Board that the audit started 8/10/17 and was finished by 9/7/17. The system should be able to give the actuary numbers by 9/30/17.

Ms. LaGarde updated the Board that Whalehaven and CapitalSpring Finance was adjusted on the books for 6/30/17. There was also an adjustment on Republic Business Credit for \$2.7MM.

Ms. Suire updated the Board that the City of Vidalia has inquired about withdrawing from MERS. They have requested the cost to get a hypothetical calculation of the unfunded liability that would be due as of 6/30/17. The City of Vidalia is on MERS' auditor's list to visit for GASB 68 testing. Ms. Suire will keep the Board updated.

Ms. Suire updated the Board that she and Mr. Ponder attended the council meeting at the Town of Cheneyville in August. The Mayor is asking the council to pass a tax to cover the cost to enter the retirement system.

The MERS' auditors completed their GASB 68 testing at the City of New Roads and found three (3) of five (5) members tested contributing on overtime wages. New Roads will send in corrected reports for all members that have contributed on overtime wages.

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Ms. Suire gave a presentation to the members at the Town of Maringouin last month. Ms. Suire and Joanna Jacob met with the human resource staff and Mayor Villere at the City of Mandeville to train staff on their responsibilities and procedures with the system. Ms. Suire also attended the benefits fair at the City of Thibodaux last week.

Ms. Suire updated the Board that MERS had a booth at the LMA convention and was approached by several municipalities inquiring about the system; Fenton, Dubach, Livonia, Simmesport, and Mansura.

Ms. Suire updated the Board that there will be a run-off election for the Trustee seat between former Mayor Dudley Dixon and Susan Percle. The ballots will be mailed no later than 9/22/17, the deadline to be received is 10/6/17, and the ballots will be counted on 10/11/17.

Mr. Greg Curran presented recommendations to the Board on updating actuarial equivalence and option factors. Mayor Villere moved to accept the recommendations by G.S. Curran that the actuarial equivalence factors mentioned in the attached chart be recalculated at the ultimate long-term rate of return assumption approved by the Board of 7.0% with an effective date of July 1, 2018 for implementation; the motion was seconded by Ms. Mathews. The motion carried without objection or opposition. The memo and chart are attached and made part of these minutes.

Mayor Villere 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 Ms. Mathews. The motion carried without objection or opposition.

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

Mr. Ponder updated the Board that the next Trustee election will take place in time for the new Trustee to attend the LAPERS convention in September.

Senator Peacock moved to adjourn; the motion was seconded by Ms. Guedry. The motion carried without objection or opposition.

  
APPROVED

  
ATTEST

**LOUISIANA RETIREMENT SYSTEMS  
ACT 1004 QUARTERLY REPORT SUMMARY  
PERIOD ENDING 6/30/2017**

RETIREMENT SYSTEM	AUM	CURRENT ASSET ALLOCATION			TOTAL FUND RETURNS					
		EQUITY	FIXED	ALTERN.	QTLY	FYTD	1 YEAR	3 YEAR	5 YEAR	10 YEAR
TEACHERS	\$ 18,527,266,282	51.4%	18.4%	29.2%	4.3%	15.1%	15.1%	6.1%	10.1%	5.3%
STATE POLICE	\$ 780,090,924	63.7%	18.0%	13.1%	3.7%	14.5%	14.5%	5.1%	9.3%	5.2%
PAROCHIAL	\$ 3,857,908,609	56.1%	34.7%	9.2%	3.6%	9.1%	13.4%	5.3%	9.5%	5.9%
LASERS	\$ 11,012,172,837	59.0%	13.4%	27.6%	3.4%	15.4%	15.4%	4.5%	8.7%	5.3%
ASSESSORS	\$ 358,643,997	63.5%	31.3%	5.2%	3.3%	8.7%	13.2%	4.8%	8.7%	5.7%
SHERIFFS	\$ 3,300,775,856	60.0%	26.0%	14.0%	3.2%	13.8%	13.8%	5.5%	9.5%	5.4%
SCHOOL EMPLOYEES	\$ 1,852,986,104	54.0%	31.0%	16.0%	3.1%	13.8%	13.8%	5.3%	9.3%	5.9%
CLERKS	\$ 561,549,863	58.0%	18.0%	24.0%	2.9%	14.1%	14.1%	5.5%	9.6%	5.0%
FIREFIGHTERS	\$ 44,159,358	57.3%	21.8%	20.2%	2.9%	13.4%	13.4%	3.3%	6.2%	2.5%
MUNI POLICE	\$ 1,959,684,254	57.3%	20.1%	22.3%	2.8%	13.5%	13.5%	4.0%	9.0%	4.0%
REGISTRARS	\$ 90,334,898	55.4%	27.6%	17.1%	2.8%	12.9%	12.9%	3.4%	6.7%	2.9%
<b>MUNI EMPLOYEES</b>	<b>\$ 841,701,032</b>	<b>49.0%</b>	<b>33.0%</b>	<b>18.0%</b>	<b>2.0%</b>	<b>10.6%</b>	<b>10.6%</b>	<b>1.4%</b>	<b>4.8%</b>	<b>2.7%</b>
DISTRICT ATTORNEY	\$ 378,598,061	62.5%	29.8%	7.7%	1.9%	9.4%	9.4%	4.6%	7.5%	5.5%
LOUISIANA AVERAGE	\$ 3,351,220,929	57.5%	24.9%	17.2%	3.1%	12.6%	13.3%	4.5%	8.4%	4.7%
STATEWIDE AVERAGE	\$ 1,265,928,436	57.7%	26.9%	15.3%	2.8%	11.7%	12.7%	4.2%	7.9%	4.4%

STATEWIDE: ASSESSORS, CLERKS, DISTRICT ATTORNEYS, FIREFIGHTERS, MUNI EMPLOYEES, MUNI POLICE, PAROCHIAL, REGISTRARS, SHERIFFS  
ASSESSORS and PAROCHIAL fiscal year end is September 30th

**LOUISIANA RETIREMENT SYSTEMS  
ACT 1004 QUARTERLY REPORT SUMMARY  
PERIOD ENDING 6/30/2017**

RETIREMENT SYSTEM	EQUITY RETURNS				
	FYTD	1 YEAR	3 YEAR	5 YEAR	10 YEAR
SCHOOL EMPLOYEES	22.1%	22.1%	6.3%	12.1%	6.1%
STATE POLICE	21.7%	21.7%	6.5%	12.4%	5.7%
CLERKS	21.5%	21.5%	6.6%	11.9%	4.6%
FIREFIGHTERS	21.2%	21.2%	4.9%	11.7%	4.9%
MUNI POLICE	21.0%	21.0%	5.0%	11.9%	4.1%
SHERIFFS	20.9%	20.9%	7.2%	13.6%	-
LASERS	20.6%	20.6%	5.0%	11.0%	4.5%
REGISTRARS	20.4%	20.4%	4.0%	11.0%	4.0%
TEACHERS	20.0%	20.0%	6.3%	12.3%	4.7%
<b>MUNI EMPLOYEES</b>	<b>19.2%</b>	<b>19.2%</b>	<b>5.1%</b>	<b>10.5%</b>	<b>4.6%</b>
DISTRICT ATTORNEY	16.6%	16.6%	6.1%	12.3%	5.9%
ASSESSORS	13.3%	19.7%	6.2%	12.1%	5.8%
PAROCHIAL	12.9%	20.0%	6.2%	12.1%	5.5%
LOUISIANA AVERAGE	19.3%	20.4%	5.8%	11.9%	5.0%
STATEWIDE AVERAGE	18.5%	20.1%	5.7%	11.9%	4.9%

STATEWIDE: ASSESSORS, CLERKS, DISTRICT ATTORNEYS, FIREFIGHTERS, MUNI EMPLOYEES, MUNI POLICE, PAROCHIAL, REGISTRARS, SHERIFFS  
ASSESSORS and PAROCHIAL fiscal year end is September 30th

**LOUISIANA RETIREMENT SYSTEMS  
ACT 1004 QUARTERLY REPORT SUMMARY  
PERIOD ENDING 6/30/2017**

RETIREMENT SYSTEM	FIXED INCOME RETURNS				
	FYTD	1 YEAR	3 YEAR	5 YEAR	10 YEAR
LASERS	7.9%	7.9%	2.8%	4.7%	7.2%
MUNI POLICE	5.4%	5.4%	2.5%	4.2%	6.2%
PAROCHIAL	5.3%	5.9%	3.1%	4.0%	6.0%
SCHOOL EMPLOYEES	4.7%	4.7%	2.9%	3.2%	5.0%
STATE POLICE	4.0%	4.0%	2.1%	3.6%	5.5%
TEACHERS	3.6%	3.6%	1.7%	2.7%	4.5%
REGISTRARS	3.5%	3.5%	2.5%	2.9%	4.7%
CLERKS	3.2%	3.2%	3.6%	3.3%	5.6%
SHERIFFS	2.5%	2.5%	2.9%	3.0%	-
FIREFIGHTERS	2.1%	2.1%	0.8%	-	-
<b>MUNI EMPLOYEES</b>	<b>1.7%</b>	<b>1.7%</b>	<b>0.2%</b>	<b>-5.7%</b>	<b>-1.1%</b>
ASSESSORS	1.1%	3.1%	2.5%	3.6%	5.9%
DISTRICT ATTORNEY	-0.1%	-0.1%	3.1%	2.4%	5.1%
LOUISIANA AVERAGE	3.5%	4.0%	2.4%	3.4%	5.6%
STATEWIDE AVERAGE	2.7%	3.4%	2.4%	3.4%	5.6%

STATEWIDE: ASSESSORS, CLERKS, DISTRICT ATTORNEYS, FIREFIGHTERS, MUNI EMPLOYEES, MUNI POLICE, PAROCHIAL, REGISTRARS, SHERIFFS  
ASSESSORS and PAROCHIAL fiscal year end is September 30th

**LOUISIANA RETIREMENT SYSTEMS  
ACT 1004 QUARTERLY REPORT SUMMARY  
PERIOD ENDING 6/30/2017**

RETIREMENT SYSTEM	ALTERNATIVE RETURNS				
	FYTD	1 YEAR	3 YEAR	5 YEAR	10 YEAR
TEACHERS	13.4%	13.4%	8.6%	11.7%	7.3%
LASERS	9.1%	9.1%	4.0%	6.5%	4.9%
SCHOOL EMPLOYEES	7.5%	7.5%	8.1%	10.4%	4.7%
SHERIFFS	7.1%	7.1%	3.7%	5.7%	-
REGISTRARS	7.1%	7.1%	2.9%	2.9%	-0.4%
FIREFIGHTERS	6.5%	6.5%	1.7%	-0.3%	1.5%
CLERKS	6.4%	6.4%	4.5%	8.6%	4.5%
STATE POLICE	5.3%	5.3%	4.7%	7.1%	2.2%
MUNI POLICE	4.8%	4.8%	3.0%	11.4%	-
<b>MUNI EMPLOYEES</b>	<b>4.5%</b>	<b>4.5%</b>	<b>-2.4%</b>	<b>-0.1%</b>	<b>0.6%</b>
ASSESSORS	4.2%	5.8%	1.9%	0.5%	1.7%
PAROCHIAL	2.8%	6.7%	8.0%	9.0%	3.1%
DISTRICT ATTORNEY	0.0%	0.0%	0.0%	0.0%	0.0%
LOUISIANA AVERAGE	6.0%	6.5%	4.3%	6.7%	3.0%
STATEWIDE AVERAGE	4.8%	5.4%	3.2%	5.4%	1.9%

STATEWIDE: ASSESSORS, CLERKS, DISTRICT ATTORNEYS, FIREFIGHTERS, MUNI EMPLOYEES, MUNI POLICE, PAROCHIAL, REGISTRARS, SHERIFFS  
ASSESSORS and PAROCHIAL fiscal year end is September 30th

September 11, 2017

Mr. Michael Evans  
Setter Capital Inc.  
77 Bloor Street West, Suite 1901  
Toronto, Ontario, Canada

Dear Mr. Evans,

Landmark Equity Advisors, LLC (“Landmark”), through one or more of the funds it manages, is prepared to acquire certain limited partnership interests owned by your client (the “Seller”). The following is a summary of the terms upon which Landmark is prepared to complete the purchase.

**Secondary Assets:** Landmark will acquire the Seller’s interest in the assets (the “Secondary Assets”) detailed in Exhibit A.

**Purchaser:** The Purchaser will be Landmark Equity Partners XVI, L.P., or another entity managed by and affiliated with Landmark.

**Form of Purchase:** The Seller will transfer the Secondary Assets to Landmark by execution and delivery of assignments and assumption agreements, and other appropriate documentation.

**Purchase Price:** The purchase price for the Secondary Assets will be \$5,645,000, or approximately 60% of the June 30, 2017 (“Reference Date”) capital account balances. The purchase price will be made in cash at the time of closing.

The purchase price will be (i) increased by all capital calls funded by the Seller subsequent to the Reference Date, and prior to the closing, and (ii) decreased by the aggregate value of distributions (in cash or in-kind) received by the Seller during such period, all with respect to the Secondary Assets (the “Net Secondary Assets Purchase Price”).

**Purchase Agreement:** Within 60 days after the date of the execution of this Letter of Intent, Landmark and the Seller will execute a definitive Purchase Agreement (the “Definitive Agreement”) containing representations, warranties, covenants, agreements, and provisions agreed to by the parties and customary in transactions of this type.

**Non-Solicitation:** After the date of execution of this Letter of Intent, and until the earlier of the execution of the Definitive Agreement, or 30 days



after the execution of this Letter of Intent, the Seller shall not solicit bids for, nor negotiate with any other party for the sale of, the Secondary Assets.

**Closing Conditions:**

The closing will be subject to the conditions specified in the Definitive Agreement, which may include (among others); (i) completion to Landmark's satisfaction of its due diligence review of the Secondary Assets, including without limitation due diligence with respect to the underlying fund manager; (ii) formal approval by Landmark's Investment Committee; (iii) negotiation of the Definitive Agreement in form and substance mutually satisfactory to Landmark and the Seller; and (v) obtaining all consents necessary to transfer the Secondary Assets to Landmark upon terms reasonably acceptable to the Seller and Landmark.

**Fees and Expenses:**

Each party will bear its own expenses in connection with the transactions contemplated hereby. Any fees or expenses charged by the partnerships or their affiliates in connection with the transfer of the Secondary Assets shall be borne equally by the Seller and Landmark.

**Legal Effect:**

This Letter of Intent is an expression of the parties' intent which is subject to the negotiation of the terms and conditions, and execution, of the Definitive Agreement in a form and substance satisfactory to the parties. The terms of this Letter of Intent shall be superceded by the terms of the Definitive Agreement, except that the parties' obligations under the clauses entitled "Non-Solicitation," and "Confidentiality" shall remain legally binding. No representation or warranty shall be deemed to have been made by the Seller, Landmark, or the Landmark funds in connection with the transactions described in this Letter of Intent, except to the extent expressly set forth in the Definitive Agreement.

**Termination:**

This Letter of Intent may be terminated by either party if the Definitive Agreement has not been executed within 60 days after the acceptance of this letter, and may be extended by mutual agreement of the parties.

**Confidentiality:**

The terms and existence of this Letter of Intent and the transaction, including the identity of the parties, are proprietary and confidential, and shall not be disclosed by the parties to any other party except to the extent that disclosure is required by law or to consummate the transaction.

September 11, 2017

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If the foregoing is acceptable to you, please sign the enclosed copy of this letter where indicated below, on or before September 18, 2017, and return it to the undersigned.

Very truly yours,

LANDMARK EQUITY ADVISORS, LLC

By:



**Michael A. Carrano**  
*Vice President*

Accepted:

By: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

**Exhibit A**

**As of June 30, 2017**

<b>Fund</b>	<b>Unfunded</b>	<b>NAV</b>
CapitalSpring Finance Company, LLC	\$0	\$8,563,259
CapitalSpring, LLC <sup>1</sup>	0	845,000
<b>Total</b>	<b>\$0</b>	<b>\$9,408,259</b>

<sup>1</sup>NAV based on preliminary information. To be confirmed.

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CLERKS	\$ 561,549,863	58.0%	18.0%	24.0%	2.9%	14.1%	14.1%	5.5%	9.6%	5.0%
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MUNI POLICE	\$ 1,959,684,254	57.3%	20.1%	22.3%	2.8%	13.5%	13.5%	4.0%	9.0%	4.0%
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<b>MUNI EMPLOYEES</b>	<b>\$ 841,701,032</b>	<b>49.0%</b>	<b>33.0%</b>	<b>18.0%</b>	<b>2.0%</b>	<b>10.6%</b>	<b>10.6%</b>	<b>1.4%</b>	<b>4.8%</b>	<b>2.7%</b>
DISTRICT ATTORNEY	\$ 378,598,061	62.5%	29.8%	7.7%	1.9%	9.4%	9.4%	4.6%	7.5%	5.5%
LOUISIANA AVERAGE	\$ 3,351,220,929	57.5%	24.9%	17.2%	3.1%	12.6%	13.3%	4.5%	8.4%	4.7%
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STATEWIDE: ASSESSORS, CLERKS, DISTRICT ATTORNEYS, FIREFIGHTERS, MUNI EMPLOYEES, MUNI POLICE, PAROCHIAL, REGISTRARS, SHERIFFS  
ASSESSORS and PAROCHIAL fiscal year end is September 30th

**LOUISIANA RETIREMENT SYSTEMS  
ACT 1004 QUARTERLY REPORT SUMMARY  
PERIOD ENDING 6/30/2017**

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STATE POLICE	21.7%	21.7%	6.5%	12.4%	5.7%
CLERKS	21.5%	21.5%	6.6%	11.9%	4.6%
FIREFIGHTERS	21.2%	21.2%	4.9%	11.7%	4.9%
MUNI POLICE	21.0%	21.0%	5.0%	11.9%	4.1%
SHERIFFS	20.9%	20.9%	7.2%	13.6%	-
LASERS	20.6%	20.6%	5.0%	11.0%	4.5%
REGISTRARS	20.4%	20.4%	4.0%	11.0%	4.0%
TEACHERS	20.0%	20.0%	6.3%	12.3%	4.7%
<b>MUNI EMPLOYEES</b>	<b>19.2%</b>	<b>19.2%</b>	<b>5.1%</b>	<b>10.5%</b>	<b>4.6%</b>
DISTRICT ATTORNEY	16.6%	16.6%	6.1%	12.3%	5.9%
ASSESSORS	13.3%	19.7%	6.2%	12.1%	5.8%
PAROCHIAL	12.9%	20.0%	6.2%	12.1%	5.5%
<b>LOUISIANA AVERAGE</b>	<b>19.3%</b>	<b>20.4%</b>	<b>5.8%</b>	<b>11.9%</b>	<b>5.0%</b>
<b>STATEWIDE AVERAGE</b>	<b>18.5%</b>	<b>20.1%</b>	<b>5.7%</b>	<b>11.9%</b>	<b>4.9%</b>

STATEWIDE: ASSESSORS, CLERKS, DISTRICT ATTORNEYS, FIREFIGHTERS, MUNI EMPLOYEES, MUNI POLICE, PAROCHIAL, REGISTRARS, SHERIFFS  
ASSESSORS and PAROCHIAL fiscal year end is September 30th

**LOUISIANA RETIREMENT SYSTEMS  
ACT 1004 QUARTERLY REPORT SUMMARY  
PERIOD ENDING 6/30/2017**

RETIREMENT SYSTEM	FIXED INCOME RETURNS				
	FYTD	1 YEAR	3 YEAR	5 YEAR	10 YEAR
LASERS	7.9%	7.9%	2.8%	4.7%	7.2%
MUNI POLICE	5.4%	5.4%	2.5%	4.2%	6.2%
PAROCHIAL	5.3%	5.9%	3.1%	4.0%	6.0%
SCHOOL EMPLOYEES	4.7%	4.7%	2.9%	3.2%	5.0%
STATE POLICE	4.0%	4.0%	2.1%	3.6%	5.5%
TEACHERS	3.6%	3.6%	1.7%	2.7%	4.5%
REGISTRARS	3.5%	3.5%	2.5%	2.9%	4.7%
CLERKS	3.2%	3.2%	3.6%	3.3%	5.6%
SHERIFFS	2.5%	2.5%	2.9%	3.0%	-
FIREFIGHTERS	2.1%	2.1%	0.8%	-	-
<b>MUNI EMPLOYEES</b>	<b>1.7%</b>	<b>1.7%</b>	<b>0.2%</b>	<b>-5.7%</b>	<b>-1.1%</b>
ASSESSORS	1.1%	3.1%	2.5%	3.6%	5.9%
DISTRICT ATTORNEY	-0.1%	-0.1%	3.1%	2.4%	5.1%
LOUISIANA AVERAGE	3.5%	4.0%	2.4%	3.4%	5.6%
STATEWIDE AVERAGE	2.7%	3.4%	2.4%	3.4%	5.6%

STATEWIDE: ASSESSORS, CLERKS, DISTRICT ATTORNEYS, FIREFIGHTERS, MUNI EMPLOYEES, MUNI POLICE, PAROCHIAL, REGISTRARS, SHERIFFS  
ASSESSORS and PAROCHIAL fiscal year end is September 30th

**LOUISIANA RETIREMENT SYSTEMS  
ACT 1004 QUARTERLY REPORT SUMMARY  
PERIOD ENDING 6/30/2017**

RETIREMENT SYSTEM	ALTERNATIVE RETURNS				
	FYTD	1 YEAR	3 YEAR	5 YEAR	10 YEAR
TEACHERS	13.4%	13.4%	8.6%	11.7%	7.3%
LASERS	9.1%	9.1%	4.0%	6.5%	4.9%
SCHOOL EMPLOYEES	7.5%	7.5%	8.1%	10.4%	4.7%
SHERIFFS	7.1%	7.1%	3.7%	5.7%	-
REGISTRARS	7.1%	7.1%	2.9%	2.9%	-0.4%
FIREFIGHTERS	6.5%	6.5%	1.7%	-0.3%	1.5%
CLERKS	6.4%	6.4%	4.5%	8.6%	4.5%
STATE POLICE	5.3%	5.3%	4.7%	7.1%	2.2%
MUNI POLICE	4.8%	4.8%	3.0%	11.4%	-
<b>MUNI EMPLOYEES</b>	<b>4.5%</b>	<b>4.5%</b>	<b>-2.4%</b>	<b>-0.1%</b>	<b>0.6%</b>
ASSESSORS	4.2%	5.8%	1.9%	0.5%	1.7%
PAROCHIAL	2.8%	6.7%	8.0%	9.0%	3.1%
DISTRICT ATTORNEY	0.0%	0.0%	0.0%	0.0%	0.0%
LOUISIANA AVERAGE	6.0%	6.5%	4.3%	6.7%	3.0%
STATEWIDE AVERAGE	4.8%	5.4%	3.2%	5.4%	1.9%

STATEWIDE: ASSESSORS, CLERKS, DISTRICT ATTORNEYS, FIREFIGHTERS, MUNI EMPLOYEES, MUNI POLICE, PAROCHIAL, REGISTRARS, SHERIFFS  
ASSESSORS and PAROCHIAL fiscal year end is September 30th

## MERS INVESTMENT CASH FLOWS

July 2017

### CASH ACTIVITY

DESCRIPTION	AMOUNT
<b>Northern Trust Beginning Cash Balance</b>	<b>8,509,622</b>
<b>INVESTMENT TRANSFERS IN</b>	
Interest Income	4,526
Scoggin Redemption	6,257,084
Timbervest Distribution	275,000
<b>SUBTOTAL TRANSFERS IN</b>	<b>6,536,610</b>
<b>INVESTMENT TRANSFERS OUT</b>	
BlueBay Capital Call	(851,142)
<b>SUBTOTAL TRANSFERS OUT</b>	<b>(851,142)</b>
<b>OTHER INCOME/TRANSFERS IN</b>	
Miscellaneous Investment Income	5,318
<b>SUBTOTAL OTHER INCOME</b>	<b>5,318</b>
<b>OTHER EXPENSES/TRANSFERS OUT</b>	
Northern Trust - Sweep Fee	(604)
Meketa - Consulting Fee	(50,000)
<b>SUBTOTAL OTHER EXPENSES</b>	<b>(50,604)</b>
<b>Northern Trust Ending Balance</b>	<b>14,149,804</b>



## MERS INVESTMENT CASH FLOWS

August 2017

### CASH ACTIVITY

DESCRIPTION	AMOUNT
<b>Northern Trust Beginning Cash Balance</b>	<b>14,149,804</b>
<b>INVESTMENT TRANSFERS IN</b>	
Interest Income	12
RES Distribution	860,000
Sentinel Distribution	149,768
Scoggin Redemption	190,173
Kline Hill Transaction*	2,714,945
<b>SUBTOTAL TRANSFERS IN</b>	<b>3,914,899</b>
<b>INVESTMENT TRANSFERS OUT</b>	
<b>SUBTOTAL TRANSFERS OUT</b>	<b>-</b>
<b>OTHER INCOME/TRANSFERS IN</b>	
Miscellaneous Investment Income	11,516
SNTech Settlement	221,569
Entropy Sale	140,842
<b>SUBTOTAL OTHER INCOME</b>	<b>373,927</b>
<b>OTHER EXPENSES/TRANSFERS OUT</b>	
Northern Trust - Sweep Fee	(1,228)
Kean Miller Invoices - Kline Hill	(5,638)
Compass Island Quarterly Management Fee	(33,252)
Capital One	(8,500,000)
<b>SUBTOTAL OTHER EXPENSES</b>	<b>(8,540,118)</b>
<b>Northern Trust Ending Balance</b>	<b>9,898,512</b>

\* Sale of Compass Island, Greenspring, and Louisiana Fund I

**MUNICIPAL EMPLOYEES' RETIREMENT SYSTEM  
ADMINISTRATIVE BUDGET  
AS OF JULY 31, 2017**

EXPENSES	ANNUAL BUDGET	YTD ACTUAL	YTD DIFFERENCE \$	YTD %	MTH OF JULY ACTUAL
<b>Personnel Expenses</b>					
Salaries	\$790,000.00	\$63,191.32	\$726,808.68	8.00%	\$63,191.32
Employer Retirement	\$185,000.00	\$15,407.72	\$169,592.28	8.33%	\$15,407.72
Health Insurance	\$79,700.00	\$5,691.76	\$74,008.24	7.14%	\$5,691.76
Professional Development	\$31,000.00	\$0.00	\$31,000.00	0.00%	\$0.00
<b>Subtotal Personnel Expenses</b>	<b>\$1,085,700.00</b>	<b>\$84,290.80</b>	<b>\$1,001,409.20</b>	<b>7.76%</b>	<b>\$84,290.80</b>
<b>Operating Expenses</b>					
Building & Ground Maintenance	\$36,500.00	\$2,123.80	\$34,376.20	5.82%	\$2,123.80
Office Equipment & Maintenance	\$94,000.00	\$14,279.23	\$79,720.77	15.19%	\$14,279.23 <sup>1</sup>
Office Supplies	\$103,100.00	\$5,745.28	\$97,354.72	5.57%	\$5,745.28
Telecommunications/Utilities	\$32,800.00	\$2,095.48	\$30,704.52	6.39%	\$2,095.48
Insurance	\$79,100.00	\$0.00	\$79,100.00	0.00%	-
<b>Subtotal Operating Expenses</b>	<b>\$345,500.00</b>	<b>\$24,243.79</b>	<b>\$321,256.21</b>	<b>7.02%</b>	<b>\$24,243.79</b>
<b>Professional Services</b>					
Audit	\$100,000.00	\$0.00	\$100,000.00	0.00%	-
Professional Services	\$85,000.00	\$4,443.00	\$80,557.00	5.23%	\$4,443.00
Actuarial	\$91,620.00	\$7,635.00	\$83,985.00	8.33%	\$7,635.00
Legal-Administrative	\$10,000.00	\$70.00	\$9,930.00	0.70%	\$70.00
Legal-Securities Litigation	\$350,000.00	\$52,685.41	\$297,314.59	15.05%	\$52,685.41 <sup>2</sup>
<b>Subtotal Professional Services</b>	<b>\$636,620.00</b>	<b>\$64,833.41</b>	<b>\$571,786.59</b>	<b>10.18%</b>	<b>64,833.41</b>
<b>Travel Expenses</b>					
Travel - Staff	\$15,000.00	\$1,687.37	\$13,312.63	11.25%	\$1,687.37 <sup>3</sup>
Travel - Board Meetings & Conventions	\$35,000.00	\$3,197.14	\$31,802.86	9.13%	\$3,197.14
<b>Subtotal Travel Expenses</b>	<b>\$50,000.00</b>	<b>\$4,884.51</b>	<b>\$45,115.49</b>	<b>9.77%</b>	<b>\$4,884.51</b>
<b>TOTAL OPERATING EXPENSES</b>	<b>\$2,117,820.00</b>	<b>\$178,252.51</b>	<b>\$1,939,567.49</b>	<b>8.42%</b>	
Capital Equipment & Services	\$64,346.00	\$0.00	\$64,346.00	0.00%	-
<b>TOTAL ADMINISTRATIVE EXPENSES</b>	<b>\$2,182,166.00</b>	<b>\$178,252.51</b>	<b>\$2,003,913.49</b>	<b>8.17%</b>	<b>\$178,252.51</b>

<sup>1</sup> Equipment & furniture for Director's office.

<sup>2</sup> Preis Gordon (\$52,685.41).

<sup>3</sup> LAPERS & travel to municipalities.

**MUNICIPAL EMPLOYEES' RETIREMENT SYSTEM  
ADMINISTRATIVE BUDGET  
AS OF AUGUST 31, 2017**

EXPENSES	ANNUAL BUDGET	YTD ACTUAL	YTD DIFFERENCE \$	YTD %	MTH OF AUGUST ACTUAL
<b>Personnel Expenses</b>					
Salaries	\$790,000.00	\$126,382.64	\$663,617.36	16.00%	\$63,191.32
Employer Retirement	\$185,000.00	\$30,815.44	\$154,184.56	16.66%	\$15,407.72
Health Insurance	\$79,700.00	\$14,527.12	\$65,172.88	18.23%	\$9,458.54
Professional Development	\$31,000.00	\$895.00	\$30,105.00	2.89%	\$895.00
<b>Subtotal Personnel Expenses</b>	<b>\$1,085,700.00</b>	<b>\$172,620.20</b>	<b>\$913,079.80</b>	<b>15.90%</b>	<b>\$88,952.58</b>
<b>Operating Expenses</b>					
Building & Ground Maintenance	\$36,500.00	\$4,082.80	\$32,417.20	11.19%	\$1,609.00
Office Equipment & Maintenance	\$94,000.00	\$28,433.69	\$65,566.31	30.25%	\$14,154.46 <sup>1</sup>
Office Supplies	\$103,100.00	\$18,424.98	\$84,675.02	17.87%	\$12,679.70 <sup>2</sup>
Telecommunications/Utilities	\$32,800.00	\$4,363.17	\$28,436.83	13.30%	\$2,267.69
Insurance	\$79,100.00	\$0.00	\$79,100.00	0.00%	-
<b>Subtotal Operating Expenses</b>	<b>\$345,500.00</b>	<b>\$55,304.64</b>	<b>\$290,195.36</b>	<b>16.01%</b>	<b>\$30,710.85</b>
<b>Professional Services</b>					
Audit	\$100,000.00	\$0.00	\$100,000.00	0.00%	-
Professional Services	\$85,000.00	\$7,721.20	\$77,278.80	9.08%	\$3,278.20 <sup>3</sup>
Actuarial	\$91,620.00	\$15,270.00	\$76,350.00	16.67%	\$7,635.00
Legal-Administrative	\$10,000.00	\$70.00	\$9,930.00	0.70%	\$0.00
Legal-Securities Litigation	\$350,000.00	\$124,526.72	\$225,473.28	35.58%	\$71,841.31 <sup>4</sup>
<b>Subtotal Professional Services</b>	<b>\$636,620.00</b>	<b>\$147,587.92</b>	<b>\$489,032.08</b>	<b>23.18%</b>	<b>\$82,754.51</b>
<b>Travel Expenses</b>					
Travel - Staff	\$15,000.00	\$3,124.84	\$11,875.16	20.83%	\$1,162.35 <sup>5</sup>
Travel - Board Meetings & Conventions	\$35,000.00	\$2,922.02	\$32,077.98	8.35%	\$0.00
<b>Subtotal Travel Expenses</b>	<b>\$50,000.00</b>	<b>\$6,046.86</b>	<b>\$43,953.14</b>	<b>12.09%</b>	<b>\$1,162.35</b>
<b>TOTAL OPERATING EXPENSES</b>	<b>\$2,117,820.00</b>	<b>\$381,559.62</b>	<b>\$1,736,260.38</b>	<b>18.02%</b>	<b>-</b>
Capital Equipment & Services	\$64,346.00	\$0.00	\$64,346.00	0.00%	-
<b>TOTAL ADMINISTRATIVE EXPENSES</b>	<b>\$2,182,166.00</b>	<b>\$381,559.62</b>	<b>\$1,800,606.38</b>	<b>17.49%</b>	<b>\$203,580.29</b>

- <sup>1</sup> Lobby desk, Audio recorder, and Cooling cabinet in Board Room.
- <sup>2</sup> \$10,544 related to the election and mailing of annual statements.
- <sup>3</sup> Lifestatus (death checks) annual charge and Faulk & Winkler.
- <sup>4</sup> Preis Gordon (\$66,204.21) and Kean Miller (\$5,637.10) related to sale of Greenspring , Compass Island, and LA Fund I to Kline Hill.
- <sup>5</sup> LMA convention and travel to municipalities.

# MERS CASH SUMMARY

## ACCOUNT BALANCE SUMMARY

DATE	DESCRIPTION	AMOUNT
<b>SYSTEM CASH</b>		
8/24/2017	Northern Trust Cash Balance	\$17,790,923
8/24/2017	Capital One Operating Account Cash Balance	\$574,643
8/24/2017	Capital One Retirement Payroll Cash Balance - Plan A	\$5,357,586
8/24/2017	Capital One Retirement Payroll Cash Balance - Plan B	\$4,386,419
	<b>SUBTOTAL SYSTEM CASH</b>	<b>\$28,109,571</b>
<b>DROP ACCOUNTS</b>		
8/24/2017	Capital One Drop Balance -Plan A	\$20,268,045
8/24/2017	Capital One Drop Balance -Plan B	\$4,624,676
	<b>SUBTOTAL DROP ACCOUNTS</b>	<b>\$24,892,720</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	5,030,558
Aug-17					
Sep-17					
Oct-17					
Nov-17					
Dec-17					
Jan-18					
Feb-18					
Mar-18					
Apr-18					
May-18					
Jun-18					
<b>SUBTOTAL PLAN A</b>	<b>\$3,588,923</b>	<b>\$1,406,477</b>	<b>(\$328,513)</b>	<b>\$363,671</b>	<b>\$5,030,558</b>
<b>PLAN B</b>					
Jul-17	712,241	307,165	(131,274)	85,429	973,562
Aug-17					
Sep-17					
Oct-17					
Nov-17					

Dec-17

Jan-18

Feb-18

Mar-18

Apr-18

May-18

Jun-18

<b>SUBTOTAL PLAN B</b>	<b>\$712,241</b>	<b>\$307,165</b>	<b>(\$131,274)</b>	<b>\$85,429</b>	<b>\$973,562</b>
<b>TOTAL SYSTEM</b>	<b>\$4,301,164</b>	<b>\$1,713,643</b>	<b>(\$459,787)</b>	<b>\$449,099</b>	<b>\$6,004,119</b>

# MERS RETIREMENT BENEFITS SUMMARY

FYE 2018

## RETIREMENT BENEFITS ACTIVITY

MONTH	RETIREMENT PAYROLL	DROP PAYROLL	TRANSFERS TO DROP	TOTAL ACTIVITY
<b>PLAN A</b>				
Jul-17	5,075,496	440,391	395,911	5,911,798
Aug-17				
Sep-17				
Oct-17				
Nov-17				
Dec-17				
Jan-18				
Feb-18				
Mar-18				
Apr-18				
May-18				
Jun-18				
<b>SUBTOTAL PLAN</b>	<b>\$5,075,496</b>	<b>\$440,391</b>	<b>\$395,911</b>	<b>\$5,911,798</b>
<b>PLAN B</b>				
Jul-17	902,673	142,083	0	1,044,756
Aug-17				
Sep-17				
Oct-17				
Nov-17				
Dec-17				

Jan-18				
Feb-18				
Mar-18				
Apr-18				
May-18				
Jun-18				
<b>SUBTOTAL PLAN</b>	<b>\$902,673</b>	<b>\$142,083</b>	<b>\$0</b>	<b>\$1,044,756</b>
<b>TOTAL SYSTEM</b>	<b>\$5,978,169</b>	<b>\$582,474</b>	<b>\$395,911</b>	<b>\$6,956,554</b>



## MERS CASH SUMMARY

### ACCOUNT BALANCE SUMMARY

DATE	DESCRIPTION	AMOUNT
<b>SYSTEM CASH</b>		
9/12/2017	Northern Trust Cash Balance	\$14,494,169
9/12/2017	Capital One Operating Account Cash Balance	\$427,263
9/12/2017	Capital One Retirement Payroll Cash Balance - Plan A	\$11,571,359
9/12/2017	Capital One Retirement Payroll Cash Balance - Plan B	\$3,845,702
	<b>SUBTOTAL SYSTEM CASH</b>	<b>\$30,338,492</b>
<b>DROP ACCOUNTS</b>		
9/12/2017	Capital One Drop Balance -Plan A	\$20,181,706
9/12/2017	Capital One Drop Balance -Plan B	\$4,656,500
	<b>SUBTOTAL DROP ACCOUNTS</b>	<b>\$24,838,206</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	5,030,558
Aug-17	3,259,308	1,315,427	107,639	442,680	5,125,054
Sep-17					
Oct-17					
Nov-17					
Dec-17					
Jan-18					
Feb-18					
Mar-18					
Apr-18					
May-18					
Jun-18					
<b>SUBTOTAL PLAN A</b>	<b>\$6,848,231</b>	<b>\$2,721,905</b>	<b>(\$220,875)</b>	<b>\$806,351</b>	<b>\$10,155,611</b>
<b>PLAN B</b>					
Jul-17	712,241	307,165	(131,274)	85,429	973,562
Aug-17	785,409	282,854	0.00	86,112	1,154,375
Sep-17					
Oct-17					
Nov-17					

Dec-17

Jan-18

Feb-18

Mar-18

Apr-18

May-18

Jun-18

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<b>SUBTOTAL PLAN B</b>	<b>\$1,497,650</b>	<b>\$590,019</b>	<b>(\$131,274)</b>	<b>\$171,541</b>	<b>\$2,127,937</b>
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<b>TOTAL SYSTEM</b>	<b>\$8,345,881</b>	<b>\$3,311,924</b>	<b>(\$352,148)</b>	<b>\$977,891</b>	<b>\$12,283,548</b>
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# MERS RETIREMENT BENEFITS SUMMARY

FYE 2018

## RETIREMENT BENEFITS ACTIVITY

MONTH	RETIREMENT PAYROLL	DROP PAYROLL	TRANSFERS TO DROP	TOTAL ACTIVITY
<b>PLAN A</b>				
Jul-17	5,075,496	440,391	395,911	5,911,798
Aug-17	5,063,498	189,160	194,417	5,447,074
Sep-17	5,087,840	608,704	411,557	6,108,101
Oct-17				
Nov-17				
Dec-17				
Jan-18				
Feb-18				
Mar-18				
Apr-18				
May-18				
Jun-18				
<b>SUBTOTAL PLAN</b>	<b>\$15,226,833</b>	<b>\$1,238,254</b>	<b>\$1,001,885</b>	<b>\$17,466,973</b>

<b>PLAN B</b>				
Jul-17	902,673	142,083	0	1,044,756
Aug-17	936,382	155,381	55,810	1,147,573
Sep-17	924,799	20,133	49,982	994,913
Oct-17				
Nov-17				
Dec-17				

Jan-18				
Feb-18				
Mar-18				
Apr-18				
May-18				
Jun-18				
<b>SUBTOTAL PLAN</b>	<b>\$2,763,853</b>	<b>\$317,597</b>	<b>\$105,791</b>	<b>\$3,187,242</b>
<b>TOTAL SYSTEM</b>	<b>\$17,990,687</b>	<b>\$1,555,852</b>	<b>\$1,107,677</b>	<b>\$20,654,215</b>

# G. S. CURRAN & COMPANY, LTD.

Actuarial Services

10555 N. Glenstone Place • Baton Rouge, Louisiana 70810 • (225) 769-4825

Gary S. Curran, FCA, MAAA, ASA, EA  
Consulting Actuary

Gregory M. Curran, FCA, MAAA, ASA, EA  
Consulting Actuary

## MEMORANDUM

To: Board of Trustees  
Municipal Employees' Retirement System

From: Gregory M. Curran, FCA, MAAA, ASA  
G. S. Curran & Company, Ltd.

Date: August 28, 2017

Re: Update to actuarial equivalence and option factors

### Background:

The Board of Trustees approved a plan to reduce the actuarial rate of return from 7.5% to 7.0% over the four fiscal years from 2017 through 2020 according to the following schedule:

1. 7.400% as of July 1, 2017 to be incorporated in the June 30, 2017 actuarial valuation report
2. 7.275% as of July 1, 2018 to be incorporated in the June 30, 2018 actuarial valuation report
3. 7.175% as of July 1, 2019 to be incorporated in the June 30, 2019 actuarial valuation report
4. 7.000% as of July 1, 2020 to be incorporated in the June 30, 2020 actuarial valuation report

These changes will result in changes in assumptions in each of the annual actuarial valuation reports for fiscal 2017 through 2020.

The actuarial rate of return used to discount plan liabilities has also been used to determine actuarial equivalence factors and option factors for determining member benefits. In the past, the Board has approved the basis for actuarial equivalence factors to be used by the system's actuary in making individual actuarial calculations to support the administration of the retirement system under the statutes.

The following actuarial equivalence calculations require the actuary to use the investment return assumption in addition to specified mortality assumptions:

#### A. Actuarial Equivalence Factors:

1. Single Life Option Factors
2. Joint & Survivor Option Factors (Option 2, Option 3, Option 4, Option 2 Popup, Option 3 Popup along with automatic COLA options)
3. DROP Balance Life Annuity Conversions
4. Sick and Annual Leave Conversions
5. Disability Award Lifetime Equivalences
6. Early Retirement Reduction Factors
7. Immediate Survivor Benefit Reduction Factors

#### B. Transfers and Purchases of Service Credit:

In addition, the calculation of the actuarial cost of purchases and transfers of service credit require the use of the investment return assumption along with the plan's demographic assumptions, actuarial valuation assumptions with some adjustments for anti-selection.

**Recommendation:**

Although the Board has elected to phase-in the effect of the change in actuarial rate of return over the coming four years to smooth out the effect of the change on employer contribution rates, the Board adopted long-term rate of return assumption is 7.0%. It is our recommendation that the actuarial equivalence factors mentioned in A above be recalculated at the ultimate long-term rate of return assumption approved by the Board of 7.0% with an effective date of July 1, 2018 for implementation. An effective date of July 1, 2018 aligns with the date of implementation of the new employer contribution rate calculated based upon the first step of the change in assumed rate of return. In addition, this gives the system time to calculate new actuarial equivalence factors and to incorporate new option factors in the software used by the staff to determine plan benefits. The lead time allows the staff to incorporate the new factors in time to be used for estimated benefits with proposed dates of retirement on or after July 1, 2018.

Since actuarial transfers and purchases of service credit are computed based on valuation assumptions, we recommend the incorporation of the annual valuation assumptions including the updated actuarial rate of return assumption each year based upon the following schedule:

1. Incorporate the assumptions used within the June 30, 2017 Board approved actuarial valuation report (including the 7.400% assumed rate of return) for all valuation dates on transfers and purchases from July 1, 2018 through June 30, 2019.
2. Incorporate the assumptions used within the June 30, 2018 Board approved actuarial valuation report (including the 7.275% assumed rate of return) for all valuation dates on transfers and purchases from July 1, 2019 through June 30, 2020.
3. Incorporate the assumptions used within the June 30, 2019 Board approved actuarial valuation report (including the 7.175% assumed rate of return) for all valuation dates on transfers and purchases from July 1, 2020 through June 30, 2021.
4. Incorporate the assumptions used within the June 30, 2020 Board approved actuarial valuation report (including the 7.000% assumed rate of return) for all valuation dates on transfers and purchases from July 1, 2021 through June 30, 2022.

## System: Municipal Employees' Retirement System

Effective Date: July 1, 2018

Category	Male Mortality Table	Female Mortality Table	Interest Rate	Annuity Type	Unisex / Sex Distinct	% Male
Transfers / Purchases	Male Mortality Contained within the 2017 Actuarial Valuation Report	Female Mortality Contained within the 2017 Actuarial Valuation Report	7.40%	Due	S/D	N/A
Disability Award Lifetime Equivalences	2000 RP Disabled Lives Mortality Table for Males	2000 RP Disabled Lives Mortality Table for Females	7.00%	Due	U	80%
Single Life Option Factors	2000 RP Combined Healthy Male Table set forward 2 years	2000 RP Combined Healthy Female Table set forward 1 year	7.00%	Due	U	65%
Joint & Survivor Option Factors	2000 RP Combined Healthy Male Table set forward 2 years	2000 RP Combined Healthy Female Table set forward 1 year	7.00%	Due	U	85%
Early Retirement Reduction Factors	2000 RP Combined Healthy Male Table set forward 2 years	2000 RP Combined Healthy Female Table set forward 1 year	7.00%	Due	U	65%
Sick and Annual Leave Conversion	2000 RP Healthy Annuitant Male Table set forward 2 years and projected to 2028 (Using Scale AA)	2000 RP Healthy Annuitant Female Table set forward 1 year and projected to 2028 (Using Scale AA)	7.00%	Due	S/D	N/A
Immediate Survivor Benefit Reduction Factors	2000 RP Combined Healthy Male Table set forward 2 years	2000 RP Combined Healthy Female Table set forward 1 year	7.00%	Due	U	25%
Drop Balance Life Annuity Conversions	2000 RP Healthy Annuitant Male Table set forward 2 years and projected to 2028 (Using Scale AA)	2000 RP Healthy Annuitant Female Table set forward 1 year and projected to 2028 (Using Scale AA)	7.00%	Due	U	65%

Approved by Board at the September 17, 2017 Board Meeting