

MUNICIPAL EMPLOYEES' RETIREMENT SYSTEM OF LOUISIANA

MINUTES OF THE MEETING OF THE BOARD OF TRUSTEES

MARCH 19, 2015

The Board of Trustees of the Municipal Employees' Retirement System of Louisiana met in regular session on Thursday, March 19, 2015 at 9:00 A.M. at 7937 Office Park Boulevard, Baton Rouge, Louisiana.

PRESENT:

Ms. Claire Sarradet, Chairman
Mayor Clarence Fields, Vice-Chairman
Mayor Ronnie Harris, Trustee
Ms. Mary O. Vice, Trustee
Ms. Andrea Mahfouz, Trustee
Mr. Mike Sands, Trustee
Mayor Vern Breland, Trustee
Marsha Guedry, Division of Administration
Laura Lapeze, State Treasurer's Office

UNABLE TO ATTEND:

Representative J. Kevin Pearson, Chairman,
House Retirement Committee
Senator Elbert Guillory, Chairman,
Senate Retirement Committee

IN ATTENDANCE:

Robert L. Rust, Director
Susita Suire, Administrative Assistant
Warren Ponder, General Counsel
Nancy LaGarde, Accounting Manager
Mayor Carroll Breaux, LMA, 1st Vice President
Gary Curran, G.S. Curran Actuary
Aaron Lally, Investment Consultant
Gustavo Bikkeshbakker, Investment Consultant
Brian Dana, Investment Consultant
Henry Jaung, Investment Consultant
Stephanie Little, House Committee Retirement

The meeting was called to order by the Chairman.

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

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

MINUTES
MARCH 19, 2015
PAGE TWO

The Chairman asked for approval of the minutes of the meeting held on February 19, 2015.

Ms. Mahfouz moved that the minutes of the meeting held on February 19, 2015 be approved with the typo correction made on page 3; the motion was seconded by Ms. Vice. The motion carried without objection or opposition. A copy of these minutes are attached and made a part of these minutes.

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

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

Mayor Breland moved to enter into executive session to discuss the investment in SNTech; In Re: Bankruptcy of SNTech, Inc., the motion was seconded by Mayor Harris. The motion carried without objection or opposition.

Mr. Sands moved to return to regular session; the motion was seconded by Mayor Fields. The motion carried without objection or opposition.

The Chairman introduced Camm Morton who gave a report on Kimble Real Estate. Mayor Breland moved to finalize the operating agreement between MERS and Kimble Real Estate subject to review of the agreement and their financial records by Camm Morton, Meketa, and Kean Miller Law Firm; the motion was seconded by Ms. Mahfouz. The Chairman asked for a roll call vote. The motion carried unanimously.

Henry Jaung gave a brief background on himself and updated the Board on a few changes made in the way the managers are grouped in the performance report.

Aaron Lally presented the Board with a copy of the Preliminary Performance Report for the month of February 2015. The performance of the portfolio as of February 28, 2015 was up 2.8%. Domestic equities were up 5.2% and the international equities were up 6.3%. Fixed income was up 0.4% and hedge funds were up 1.6%. A copy of this report is attached and made part of these minutes.

Henry Jaung reviewed the systems asset allocation with the Board stating that no changes are needed at this time. A copy of this report is attached and made part of these minutes.

Gustavo Bikkesbakker presented the Board with a plan for cash balancing. A copy of this report is attached and made part of these minutes.

MINUTES
MARCH 19, 2015
PAGE THREE

Mayor Fields moved to have Meketa invite BlueBay Asset Management to give a presentation to the Board at the April Board meeting; the motion was seconded by Ms. Vice. The motion carried without objection or opposition.

Brian Dana gave the Board a hedge fund review and recommended that the Board hear presentations in the near future from Empyrean Capital Partners and Och-Ziff Credit Opportunities. A copy of this report is attached and made part of these minutes.

Mr. Rust presented a budget report through February 28, 2015 detailing the amount budgeted and the balance year to date. He also presented a report on the amount spent to date on the new building addition.

Mr. Sands moved to approve the budget report through February 28, 2015; the motion was seconded by Ms. Vice. The motion carried without objection or opposition. A copy of this budget report is attached and made part of these minutes.

Mayor Harris moved to defer the approval of the Town of Richwood entering Plan B until next month's meeting after Mayor Breland visits with the Fiscal Administrator to request more information; the motion was seconded by Ms. Mahfouz. The motion carried without objection or opposition.

Mr. Ponder updated the Board that HB 9 by Ms. Hill allows the "Local Tax 18 Division of the Board of Tax Appeals" to join MERS and allows any employee of that employer to transfer their time into MERS from LASERS.

Mr. Ponder updated the Board that Representative Burns introduced HB39 into legislation that would allow the City of Mandeville to pay both the employee and employer contributions for their employees.

Ms. Vice moved to add the retirement system to HB48, which will allow the system to use the funding deposit account to grant a COLA if desired; the motion was seconded by Mayor Fields. The motion carried without objection or opposition.

Ms. Little updated the Board that Representative Gaines has introduced a bill that would provide an exception to purchase military credit to obtain vested status.

Mayor Breland moved to have the system enter into a contract with VR Election Services to hold the upcoming Board Trustee election. Candidates should submit only their contact information, education, employment positions held, and professional certifications. The motion was seconded by Ms. Vice. The Chairman called for a roll call. The motion carried with Mayor Harris abstaining from the discussion and voting on this matter.

MINUTES
MARCH 19, 2015
PAGE FOUR

Mr. Rust asked the Board if they would like to take a field trip to Bedico Creek on May 13th to see the improvements and development made and then have dinner with an hour of actuarial education by Gary Curran.

Mr. Ponder reminded the Board that their financial disclosures are due by May 15th.

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



APPROVED



ATTEST