

MUNICIPAL EMPLOYEES' RETIREMENT SYSTEM OF LOUISIANA

MINUTES OF THE MEETING OF THE BOARD OF TRUSTEES

JULY 16, 2015

The Board of Trustees of the Municipal Employees' Retirement System of Louisiana met in regular session on Thursday, July 16, 2015 at 9:00 A.M. at 7937 Office Park Boulevard, Baton Rouge, Louisiana.

PRESENT:

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

UNABLE TO ATTEND:

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

IN ATTENDANCE:

Warren Ponder, Acting Director
Susita Suire, Administrative Assistant
Nancy LaGarde, Accounting Manager
Gary Curran, G.S. Curran Actuary
Aaron Lally, Investment Consultant
Gustavo Bikkeshbakker, Investment Consultant
Henry Jaung, Investment Consultant
Margaret Corley, Senate Retirement Committee
Stephanie Little, House Retirement Committee
Carroll Breaux, LMA 1st Vice President

The Chairman called the meeting to order.

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

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

MINUTES
JULY 16, 2015
PAGE TWO

The Chairman thanked the Board for their support and the opportunity to serve as Chairman and transferred the gavel to the new Chairman, Mayor Clarence Fields. Ms. Sarradet also recognized Mr. Sands as the new Vice Chairman.

Mayor Fields thanked Ms. Sarradet for her outstanding leadership and the contributions made during this past year.

Mr. Ponder also expressed his gratitude to Ms. Sarradet for all of her help she has given him.

The Chairman asked for approval of the minutes of the meeting held on June 18, 2015.

Ms. Sarradet moved that the minutes of the meeting held on June 18, 2015 be approved; 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 minutes of the special meeting held on June 18, 2015.

Ms. Mahfouz moved that the minutes of the special meeting held on June 18, 2015 be approved; the motion was seconded by Mr. Harris. 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).

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

The Chairman asked for approval of reduction in benefits (a list was provided to the Board Members).

Mr. Harris moved that the reduction in benefits be approved; the motion was seconded by Ms. Sarradet. The motion carried without objection or opposition.

The Chairman introduced Michelle Cunningham with Duplantier, Hrapmann, Hogan & Maher, who gave a presentation along with Bill Stamm explaining the responsibilities of the audit firm during the actual audit of the retirement system.

Ms. Mathews recommended that the Board meet with the auditors during a Board meeting asking the staff to step out of the meeting during this time.

MINUTES
JULY 16, 2015
PAGE THREE

After a lengthy question and answer session, Mr. Harris moved to approve the engagement of Duplantier, Hrapmann, Hogan & Maher to perform the audit of financial statements and GASB 67 & 68 reporting for fiscal year ending 6/30/15; the motion was seconded by Ms. Vice. The Chairman called for a roll call vote. Ms. Sarradet, Mayor Fields, Mr. Harris, Ms. Vice, Mr. Sands, and Ms. Mahfouz voted yes, Mayor Breland voted no. The motion passed.

Henry Jaung updated the Board on the changes made to the performance report and to suggest having interim monthly reporting and detailed quarterly reporting.

Aaron Lally presented the Board with a copy of the Preliminary Performance Report for the month of June 2015. The performance of the portfolio as of June 30, 2015 was down -1.3%. Domestic equities were down -1.4% and the international equities were down -2.5%. Fixed income was down -1.5% and hedge funds were down -1.3%.

Ms. Mahfouz moved to move agenda item #11 to before the Director's report; the motion was seconded by Ms. Vice. The motion carried without objection or opposition.

Mr. Harris moved to amend the budget to cover Mr. Rust's leave pay and the GASB 67 & 68 charges from DHHM; the motion was seconded by Ms. Vice. The motion carried without objection or opposition.

Mr. Ponder presented a budget report through June 30, 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.

Ms. Vice moved to approve the budget report through June 30, 2015 as presented; the motion was seconded by Ms. Sarradet. The motion carried without objection or opposition. A copy of this budget report is attached and made part of these minutes.

Ms. Sarradet moved to approve the Vinton Public Power Authority to enter Plan A effective July 1, 2015; the motion was seconded by Mr. Harris. The Chairman called for a roll call vote. Ms. Sarradet, Mayor Fields, Mr. Harris, Mr. Sands, Ms. Mahfouz, and Mayor Breland voted yes. Ms. Vice abstained. The motion carried.

Ms. Sarradet moved to approve the Acadiana Planning Commission to enter Plan A effective July 1, 2015; the motion was seconded by Ms. Vice. The motion carried without objection or opposition.

MINUTES
JULY 16, 2015
PAGE FOUR

Mayor Breland moved to table the request from Treasurer Kennedy to change the time for future Board meetings until more information and date acquisitions are gathered; the motion was seconded by Ms. Vice. The motion carried without objection or opposition.

Ms. Sarradet moved to table the discussion and possible action on the travel and personnel policies until next month's meeting; the motion was seconded by Ms. Mahfouz. The motion carried without objection or opposition.

Ms. Mahfouz moved to hire Avison Young as the new management company for the Gainesville property; the motion was seconded by Ms. Sarradet. The motion carried without objection or opposition.

Mr. Harris thanked Mayor Breland for serving two years on the MERS' Board and he will be missed.

Aaron, Lally, Gustavo Bikkesbakker, and Henry Jaung gave an hour of investment education to the Board on "Rebalancing and Basic Investments".

Mr. Ponder updated the Board that the Attorney General will not give an opinion at this time because of an ongoing Legislative investigative audit.

Ms. Mahfouz moved to ratify Warren Ponder as Commonwealth's advisory committee's member; the motion seconded by Mr. Harris. The motion carried without objection or opposition.

Ms. Sarradet moved to approve payment of the Thomas Long invoice in the fiscal year ending June 30, 2015; the motion was seconded by Ms. Vice. The motion carried without objection or opposition.

Ms. Sarradet moved to approve for Susita Suire and Joycelyn Gunby to attend the LMA convention in Lafayette to operate the system's booth; the motion was seconded by Ms. Mahfouz. The motion carried without objection or opposition.

Mr. Ponder updated the Board that every retirement system sends one staff member to help with the conference to reduce expenses and MERS will be sending Janet Stevens.

MINUTES
JULY 16, 2015
PAGE FIVE

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



APPROVED



ATTEST