

MUNICIPAL EMPLOYEES' RETIREMENT SYSTEM OF LOUISIANA

MINUTES OF THE MEETING OF THE BOARD OF TRUSTEES

JUNE 18, 2015

The Board of Trustees of the Municipal Employees' Retirement System of Louisiana met in regular session on Thursday, June 18, 2015 at 9:00 A.M. at 7937 Office Park Boulevard, Baton Rouge, Louisiana.

PRESENT:

Ms. Claire Sarradet, Chairman
Mr. 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
Amy Mathews, State Treasurer's Office

UNABLE TO ATTEND:

Mayor Clarence Fields, Vice-Chairman
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 Bikkesbakker, Investment Consultant
Stephanie Little, House Retirement Committee
Katie LeLeux, House Retirement Committee Attorney
Christopher Trahan, State Treasurer's Office

The meeting was called to order by the Chairman.

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

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

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The Chairman asked for approval of the minutes of the meeting held on May 21, 2015.

Ms. Vice moved that the minutes of the meeting held on May 21, 2015 be approved; the motion was seconded by Ms. Mahfouz. 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 meeting held on June 5, 2015.

Ms. Mahfouz moved that the minutes of the meeting held on June 5, 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 Plan A and Plan B retirements (a list was provided to the Board Members).

Mayor Breland 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.

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

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

The Chairman announced that Robert Rust has resigned from his position as Executive Director effective today, June 18, 2015.

Gustavo Bikkesbakker updated the Board on the management transition taking place in the Meketa firm. A copy of this update is attached and made part of these minutes.

Aaron Lally presented the Board with a copy of the Preliminary Performance Report for the month of May 2015. The performance of the portfolio as of May 31, 2015 was up 0.6%. Domestic equities were up 1.1% and the international equities remained flat. Fixed income was down -1.0% and hedge funds were up 0.7%.

Ms. Mahfouz moved to accept the report by Meketa Investment Group; the motion was seconded by Mr. Harris. A copy of these reports are attached and made part of these minutes.

Aaron Lally gave the Board an update on the Whalehaven investment.

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After a brief discussion, Meketa Investment Group will give an hour of investment education to the Board immediately after the Board meeting on July 16, 2015.

The Chairman introduced Gary Curran, the system's actuary, who presented the Board with updated leave conversion factors. Mr. Harris moved to adopt the updated leave conversion factors based on the valuation interest rate and mortality assumptions approved by the Board of Trustees in adoption of the June 30, 2012 actuarial valuation report; the motion was seconded by Ms. Vice. The motion carried without objection or opposition. A copy of these factors is attached and made part of these minutes.

Mr. Harris moved to approve the G.S. Curran Actuarial Contract for Fiscal Year 7/1/15 – 6/30/16; the motion was seconded by Ms. Vice. The Chairman asked for a roll call vote. Ms. Sarradet, Mr. Harris, Ms. Vice, Mr. Sands, Ms. Mahfouz, and Mayor Breland voted yes. The motion carried unanimously. A copy of this contract is attached and made part of these minutes.

After a discussion concerning the system's fiscal year end audit, Mr. Harris moved to approve engaging Duplantier, Hrapmann, Hogan & Maher for the audit of financial statements and GASB 67 & 68 reporting for fiscal year ending 6/30/15 with concerns; the motion was seconded by Ms. Vice. The Chairman asked for a roll call vote. Ms. Sarradet, Mr. Harris, Ms. Vice, Mr. Sands, and Ms. Mahfouz voted yes. Mayor Breland voted no. The motion carried. A copy of these engagement proposals are attached and made part of these minutes.

Mr. Ponder presented a budget report through May 31, 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. Mahfouz moved to approve the budget report through May 31, 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.

Mr. Ponder updated the Board that the system will need a new fire suppression system which will cost approximately \$16,000. He will proceed with the change order for the new building.

Mr. Sands moved to include the Acting Director and CPA in the 3% increase in staff salaries effective July 1, 2015 and associated benefits according to salary; the motion was seconded by Ms. Mahfouz. The motion carried without objection or opposition.

Mr. Ponder presented a proposed budget for the 7/1/15 – 6/30/16 fiscal year. Ms. Vice moved to approve the 7/1/15 – 6/30/16 proposed budget as presented; the motion was seconded by Ms. Mahfouz. The Chairman asked for a roll call vote: Ms. Sarradet, Mr. Harris, Ms. Vice, Mr. Sands, Ms. Mahfouz, and Mayor Breland voted yes. The motion carried unanimously.

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Mr. Harris moved to amend the agenda to discuss the request by the City of Monroe to have the retirement system deduct health insurance premiums from the retirees' monthly benefit checks; the motion was seconded by Ms. Mahfouz. The Chairman asked for a roll call vote: Ms. Sarradet, Mr. Harris, Ms. Vice, Mr. Sands, Ms. Mahfouz, and Mayor Breland voted yes. The motion carried unanimously.

Ms. Vice moved to not approve the request by the City of Monroe to have the retirement system deduct health insurance premiums from the retirees' monthly benefit checks and remit them to the appropriate municipalities; the motion was seconded by Mayor Breland. The Chairman asked for a roll call vote. Ms. Sarradet, Mr. Harris, Ms. Vice, Mr. Sands, Ms. Mahfouz, and Mayor Breland voted yes. The motion carried unanimously.

Mr. Sands moved to amend the agenda to consider approving the Board of Tax Appeals entering Plan A effective June 17, 2015; the motion was seconded by Mr. Harris. The Chairman asked for a roll call vote. Ms. Sarradet, Mr. Harris, Ms. Vice, Mr. Sands, Ms. Mahfouz, and Mayor Breland voted yes. The motion carried unanimously.

Ms. Vice moved to approve the Board of Tax Appeals to enter Plan A effective June 17, 2015; the motion was seconded by Ms. Mahfouz. The motion carried without objection or opposition.

Ms. Vice moved to amend the agenda to amend the 7/1/14-6/30/15 budget; the motion was seconded by Ms. Mahfouz. The Chairman asked for a roll call vote. Ms. Sarradet, Mr. Harris, Ms. Vice, Mr. Sands, Ms. Mahfouz, and Mayor Breland voted yes. The motion carried unanimously.

Ms. Mahfouz moved to amend the 7/1/14-6/30/15 budget to pay the cancellation fee of \$42,698.00 to the Grand Marriott by adjusting the budget amounts in hospitalization and building insurance to travel; the motion was seconded by Ms. Vice. The Chairman asked for a roll call vote. Ms. Sarradet, Mr. Harris, Ms. Vice, Mr. Sands, Ms. Mahfouz, and Mayor Breland voted yes. The motion carried unanimously.

Ms. Mahfouz moved to cancel all three (3) MERS' credit cards; the motion was seconded by Ms. Vice. The motion carried without objection or opposition.

Ms. Mahfouz moved to authorize Mr. Ponder to apply for one (1) credit card for the retirement system; the motion was seconded by Ms. Vice. The motion carried without objection or opposition.

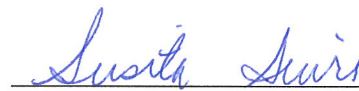
Mr. Ponder updated the Board that Nancy LaGarde will need to attend a conference for a week in July to complete her CPE hours.

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



APPROVED



ATTEST