

MUNICIPAL EMPLOYEES' RETIREMENT SYSTEM OF LOUISIANA

MINUTES OF THE MEETING OF THE BOARD OF TRUSTEES

APRIL 18 & 19, 2018

The Board of Trustees of the Municipal Employees' Retirement System of Louisiana met in regular session on Wednesday, April 18, 2018 at 1:00 P.M. and Thursday, April 19, 2018 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
Mr. Mike Sands, Trustee
Mayor Raymond Harris, Trustee
Ms. Mary O. Vice, Trustee
Mayor Greg Jones, Trustee
Ms. Susan Percle, Trustee
Mr. James Mack, State Treasurer's Office
Ms. Marsha Guedry, Commissioner of Administration's Office

UNABLE TO ATTEND:

Representative J. Kevin Pearson, Chairman,
House Retirement Committee
Senator Barrow Peacock, Chairman,
Senate Retirement Committee

IN ATTENDANCE:

Warren Ponder, Executive Director
Susita Suire, Retirement Benefits Administrator
Chris Saik, Chief Investment Officer
Nancy LaGarde, Chief Financial Officer
Gustavo Bikkesbakker, Investment Consultant

The Chairman called the meeting to order.

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

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

Stewart Chesters and Robert Meyers gave an update on the Republic Business Credit (RBC) investment with education to the Board.

Bob McManama gave an update on the Loomis Sayles fund with education to the Board.

Amanda Baron gave an update on the First Eagle Investment Management Fund with education to the Board.

Gustavo Bikkesbakker had a wrap-up session with the Board and answered all questions concerning the presentations given.

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The Chairmen recessed until 9:00 a.m. tomorrow.

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Nancy LaGarde, Chief Financial Officer
Christopher Saik, Chief Investment Officer
Gustavo Bikkesbakker, Investment Consultant
Greg Curran, G.S. Curran Actuary

The Chairman asked for approval of the minutes of the meeting held on March 15, 2018.

Ms. Vice moved that the minutes of the meeting held on March 15, 2018 be approved; the motion was seconded by Mayor Villere. The motion carried without objection or opposition. A copy is 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).

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.

Mr. Bikkesbakker presented the Board with a copy of the Preliminary Performance Report for the month of March 31, 2018. The performance of the portfolio as of March 31, 2018, was down -0.3%. Domestic equities were down -1.4%, developed equities were down -0.3%, emerging market equity was down -0.9%, and U.S. core bonds were up 0.6%. Treasury inflation protected securities were up 1.1%, foreign bonds were up 1.3%, and high yield bonds were up 0.4%. Core real estate, natural resources, private equity, and non-core real estate remained flat. Private debt was up 0.5%. A copy of this report is attached and made part of these minutes.

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Mr. Bikkesbakker presented a five-year progress report to the Board.

Mr. Saik presented the investment cash flow report as of March 31, 2018.

Mr. Saik and Mr. Ponder updated the Board on Gainesville Vision.

Ms. LaGarde presented a budget report through March 31, 2018 detailing the budgeted amount.

Ms. LaGarde presented the cash flow report as of March 31, 2018.

Ms. LaGarde updated the Board on the status of the MIP General Ledger implementation and the pension administration software search.

Mr. Ponder discussed items to be presented on the five-year budget at next month's meeting.

Ms. Suire updated the Board that she gave member presentations at the City of Leesville and New Roads. She also had a booth set up at the City of Gretna's benefits fair.

Ms. Suire updated the Board on the status of contribution reporting from the Town of Lecompte.

Ms. Suire updated the Board that several members were enrolled in MPERS in error. Ms. Suire will have a meeting with Greg Curran, Ben Huxen, and Warren Ponder to discuss how to handle these members.

Mr. Ponder updated the Board that all HB 28 and HB 29 passed in the Senate Retirement Committee and will be heard next on the Senate Floor.

Mr. Ponder reminded the Board that their Tier 2.1 financial disclosures are due no later than May 15, 2018.

Mr. Ponder reminded the Board that the Special Joint Board Meeting with MPERS and FRS will be held at 1:30 p.m. on Tuesday, July 10, 2018 at the LMA building. The Legislative Auditor will bring in their consulting actuary to discuss the reasons to reduce the actuarial assumed rate of return to 5.75%.

Connie Stevens with Empower Retirement gave a presentation to the Board on their program for DROP members.

Mayor Villere moved to have staff enter into an agreement with Empower Retirement to manage the DROP funds for all members offering a money market fund and a self-directed fund; the motion was seconded by Ms. Vice. The motion carried without objection or opposition.

Cam Morton presented a proposal from David Waltemath to purchase MERS' interest in Bedico Creek.

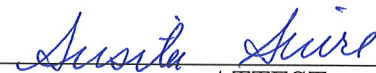
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Ms. Vice moved to accept the offer from David Waltemath to purchase MERS' interest in Bedico Creek; the motion was seconded by Mr. Mack. The motion carried without objection or opposition. A copy of this offer is attached and made part of these minutes.

Mr. Sands moved to adjourn; the motion was seconded by Mayor Jones. The motion carried without objection or opposition.



APPROVED



ATTEST