

MUNICIPAL EMPLOYEES' RETIREMENT SYSTEM OF LOUISIANA

MINUTES OF THE MEETING OF THE BOARD OF TRUSTEES

JULY 18 & 19, 2018

The Board of Trustees of the Municipal Employees' Retirement System of Louisiana met in regular session on Wednesday, July 18, 2018 at 1:00 P.M. and Thursday, July 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

UNABLE TO ATTEND:

Representative J. Kevin Pearson, Chairman,
House Retirement Committee
Senator Barrow Peacock, Chairman,
Senate Retirement Committee
Mr. Jay Dardenne, Commissioner of Administration

IN ATTENDANCE:

Warren Ponder, Executive Director
Susita Suire, Retirement Benefits Administrator
Chris Saik, Chief Investment Officer
Nancy LaGarde, Chief Financial Officer
Aaron Lally, Investment Consultant
Gustavo Bikkesbakker, Investment Consultant
Margaret Corley, Senate Retirement Committee

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.

Brett Lawrence gave an update on the WCM investment with education to the Board.

Rick Babb gave an update on the Louisiana Fund II with education to the Board.

Nick Stein and Nick Verano gave an update on the Sentinel Real Estate Fund with education to the Board.

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

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Ms. Vice moved to recess until 9:00 a.m. tomorrow; the motion was seconded by Mayor Jones. The motion carried without objection or opposition.

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Gustavo Bikkesbakker, Investment Consultant
Gary Curran, G.S. Curran Actuary

The Chairman asked for approval of the minutes of the meeting held on June 21, 2018.

Mayor Jones moved that the minutes of the meeting held on June 21, 2018 be approved; the motion was seconded by Ms. Vice. 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).

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

Mr. Bikkesbakker and Mr. Lally presented the Board with the Preliminary Performance Report for the month of June 30, 2018. Mayor Jones moved to accept the Preliminary Performance Report for the month of June 30, 2018; the motion was seconded by Ms. Vice. The motion carried without objection or opposition. A copy of this report is attached and made part of these minutes.

Mr. Saik presented the investment cash flow report as of June 30, 2018.

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Mr. Saik presented an updated Investment Policy Statement to the Board for their review. Mayor Villere moved to approve the updated Investment Policy Statement; seconded by Mayor Jones. The motion carried without objection or opposition. A copy of this Investment Policy Statement is attached and made part of these minutes.

Ms. Saik presented an update on the negotiations on the sale of CapitalSpring Finance Company, LLC. The final version from Landmark will be presented at the August 16TH regular meeting for Board approval.

Ms. LaGarde presented a proposed amended budget report through June 30, 2018 detailing the budgeted amount.

Mayor Jones moved to increase the office equipment amount by \$15,000 taken from the office supply budget due to reclassification of non-capital assets; the motion was seconded by Mayor Villere. The motion carried without objection or opposition.

Mayor Jones moved to approve to amend the investment legal budget to \$881,348 due to the Fletcher litigation; the motion was seconded by Mr. Sands. The motion carried without objection or opposition.

Mayor Villere moved to approve the budget report through June 30, 2018 as presented; the motion was seconded by Ms. Vice. The motion carried without objection or opposition.

Ms. LaGarde presented the cash flow report as of June 30, 2018.

Ms. LaGarde updated the Board on the status of the Pension Administration System search.

Ms. Suire updated the Board on the City of Slaughter and the Town of Lecompte

Ms. Suire updated the Board that the election count for Ms. Vice's seat resulted in having a run-off election between Donald Clause and Phyllis McGraw. Ballots will be mailed June 20th with August 10th as the deadline for receipt of ballots for counting. Counting will be performed before the August 16th Board meeting.

Ms. Vice moved to approve the staff salary ranges and performance pay parameters recommended by the Personnel Committee; the motion was seconded by Mayor Jones. The motion carried with opposition from Mr. Mack.

Ms. Vice moved to approve the actuarial assumed rate of return of 7.275% effective July 1, 2018; the motion was seconded by Mr. Sands. The motion carried without objection or opposition.

Mayor Jones moved to enter executive session to discuss Resource Environmental Solutions (RES) and potential litigation; the motion was seconded by Mayor Villere. The motion carried without objection or opposition.

Mayor Villere moved to return to regular session; the motion was seconded by Mayor Harris. The motion carried without objection or opposition.

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Ms. Percle moved to hire the firm of Roedel Parsons Koch Blache Balhoff & McCollister to take any and all actions that are appropriate in the best interest of MERS concerning evaluation and enforcement of contracts with Resource Environmental Solutions (RES); the motion was seconded by Mayor Jones. The motion carried without objection or opposition.

Mr. Ponder reminded the Board that LAPERS will be in September for required educational hours.

Mr. Sands moved to nominate Mayor Villere as Chairman of the MERS Board; the motion was seconded by Mayor Jones. The motion carried without objection or opposition.

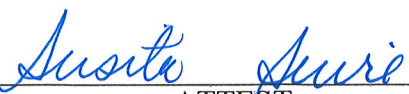
Mayor Harris moved to nominate Ms. Mahfouz as Vice Chairman of the MERS Board; the motion was seconded by Mayor Jones. The motion carried without objection or opposition.

Ms. Vice moved to appoint Ms. Suire as Secretary to the MERS Board; the motion was seconded by Mayor Villere. The motion carried without objection or opposition.

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



APPROVED



ATTEST