MUNICIPAL EMPLOYEES' RETIREMENT SYSTEM OF LOUISIANA

MINUTES OF THE MEETING
OF THE BOARD OF TRUSTEES — AUGUST 16, 2018

The Board of Trustees of the Municipal Employees' Retirement System of Louisiana met in regular session on Thursday, August 16, 2018 at 9:00 A.M. at the Municipal Employees' Retirement System, 7937 Office Park Boulevard, Baton Rouge, Louisiana.

PRESENT:

Mayor Donald Villere, Chairman
Ms. Andrea Mahfouz, 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. Marshal Guedry, Commissioner of Administration Office
Representative J. Kevin Pearson, Chairman,
House Retirement Committee

UNABLE TO ATTEND:

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
Aaron Lally, Investment Consultant
Gustavo Bikkesbakker, Investment Consultant
Greg Curran, G.S. Curran, Actuary

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.

The Chairman asked for approval of the minutes of the meeting held on July 10, 2018.

Mayor Jones moved that the minutes of the meeting held on July 10, 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 minutes of the meeting held on July 18 & 19, 2018.

Ms. Mahfouz moved that the minutes of the meeting held on July 18 & 19, 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. Ponder reminded the Board that during an executive session the Board may discuss matters without breaking the attorney-client privilege. Any discussion during an executive session must not be discussed in public outside of the meeting or the attorney-client privilege will be broken.

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

Ms. Mahfouz moved to hold the October Board meeting only on Thursday, October 19, 2018 and to have single day Board meetings going forward; the motion was seconded by Mr. Mack. The motion carried without objection or opposition.

Mr. Bikkesbakker and Mr. Lally presented the Board with the Preliminary Performance Report for the month of July 31, 2018. A copy of this report is attached and made part of these minutes.

Mr. Saik updated the Board on the system's alternative investments.

Ms. Saik presented an update on the negotiations on the sale of CapitalSpring Finance Company, LLC.

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

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

Mayor Jones moved to approve to amend the June 30, 2018 investment legal budget by an increase of $216,919.63 for invoices received after June 30, 2018 for services provided during the 6-30-18 fiscal year; the motion was seconded by Ms. Vice. The motion carried without objection or opposition.

Ms. Vice moved to give authorization to the Chief Financial Officer as a dual signer for checks from the operating checking account for amounts between $5,000 and $20,000 after having the Board Chairman review the check and invoice; the motion was seconded by Ms. Mahfouz. The motion carried without objection or opposition.

Ms. LaGarde updated the Board on the status of the implementation of the General Ledger software and Pension Administration System search.

Ms. LaGarde updated the Board that the audit has begun and is going well with no issues as of this date.

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

Ms. Suire updated the Board that she and Mr. Ponder attended the LMA convention in Lake Charles manning the booth in the vendor section. The system's booth was well received.

Ms. Percle moved to adopt a Board policy requiring a waiting period of fourteen (14) days from a retiree's effective date of retirement before the retiree can return to work with a participating employer of MERS; the motion was seconded by Ms. Vice. The motion carried without objection or opposition. A copy of this policy is attached and made part of these minutes.

Ms. Mahfouz moved to amend the 'List of Fees' to include a no charge fee for the first estimate requested by a member that has completed the DROP program; the motion was seconded by Mayor Jones. The motion carried without objection or opposition. A copy of the amend 'List of Fees' is attached and made part of these minutes.

Mayor Jones moved to accept the membership participation agreement for Sabine Parish Sales & Use Tax Commission to join Plan A effective October 1, 2018; the motion was seconded by Mr. Sands. The motion carried without objection or opposition.

Mr. Ponder updated the Board on the transfer of DROP funds to Empower Retirement.

Ms. Mahfouz moved to certify the election results held on August 13, 2018 naming Phyllis McGraw as Trustee on the Board; the motion was seconded by Mayor Jones. 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 Ms. Mahfouz. The motion carried without objection or opposition.

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

No action was taken concerning the executive session.

Mr. Ponder updated the Board that one of the Retirement Benefit Analysts is retiring effective October 1, 2018 with the last day of employment being September 28, 2018. A new employee has been offered the position and has accepted. The new employee will begin effective September 17, 2018 pending results of a background check and drug test.

Mr. Ponder updated the Board that dinner on Sunday September 16, 2018 during LAPERS will be at Deanie's sponsored by MERS. MERS will pay for dinner only for staff and Trustees.

The Chairman presented Mary Vice with a resolution for her service to MERS as a Trustee of the Board.

RESOLUTION

WHEREAS, Mary Vice, has provided valuable service to the Municipal Employees' Retirement System of Louisiana as a member of the Board of Trustees of the Municipal Employees' Retirement System of Louisiana from May 2006, through August 2018, and

WHEREAS, the active role played by and leadership of Mary Vice as a member of the Board of Trustees of the Municipal Employees' Retirement System of Louisiana has been of great benefit to the members of the system and the Board of Trustees in dealing with difficult and complex matters, and

WHEREAS, the Board of Trustees of the Municipal Employees' Retirement System of Louisiana desires to unanimously express its gratitude and sincere appreciation to Mary Vice for her service to the system.

NOW, therefore, be it resolved by the Board of Trustees of the Municipal Employees' Retirement System of Louisiana that Mary Vice is hereby recognized for the outstanding service she has provided to the Municipal Employees' Retirement System of Louisiana during her membership on the system's Board of Trustees.

BE IT FURTHER RESOLVED that the Board of Trustees and the members thereof do hereby unanimously express their genuine appreciation and heartfelt thanks to Mary Vice for the benefits and assistance she has furnished to the Municipal Employees' Retirement System of Louisiana.

BE IT FURTHER RESOLVED that this resolution be spread on the minutes of the Board of Trustees for permanent recordation and that a copy thereof be delivered to Mary Vice.

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

APPROVED

ATTEST