MUNICIPAL EMPLOYEES' RETIREMENT SYSTEM OF LOUISIANA

MINUTES OF THE MEETING
OF THE BOARD OF TRUSTEES — OCTOBER 18, 2018

The Board of Trustees of the Municipal Employees' Retirement System of Louisiana met in regular session on Thursday, October 18, 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. Phyllis McGraw, Trustee
Mayor Greg Jones, Trustee
Ms. Susan Percle, Trustee
Mr. James Mack, State Treasurer's Office
Ms. Marshal Guedry, Commissioner of Administration Office

UNABLE TO ATTEND:

Mayor Greg Jones, Trustee
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
Christopher Saik, Chief Investment Officer
Nancy LaGarde, Chief Financial Officer
Aaron Lally, Investment Consultant
Gustavo Bikkesbakker, Investment Consultant
Greg Curran, G.S. Curran, Actuary
Margaret Corley, Senate Retirement Committee
Tyler Bosworth, House Retirement Committee

The Chairman called the meeting to order.

The Chairman asked Ms. Guedry 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 August 16, 2018.

Ms. Mahfouz moved that the minutes of the meeting held on August 16, 2018 be approved; the motion was seconded by Mayor Harris. 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. Mahfouz moved that the Plan A and Plan B retirements be approved; the motion was seconded by Mayor Harris. The motion carried without objection or opposition.

Mr. Sands moved to enter executive session to discuss Fletcher Investment, United States District Court Middle District of Louisiana Civil Action NO. 3:13-CV-00373 Firefighters' Retirement System, *ET AL* Versus Citco Group Limited, *ET AL*; the motion was seconded by Ms. Mahfouz. The motion carried without objection or opposition.

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

Ms. McGraw moved to accept MERS' attorney's recommendation concerning Fletcher Investment; the motion was seconded by Mr. Sands. The motion carried without objection or opposition.

Gregory Zavoyna and Brian Giuliano gave an update on the Brandywine Global Opportunistic Fixed Income strategy with education to the Board.

Mr. Curran gave an educational presentation on Actuarial Assumed Employer Rates if accrual rate is lowered.

Mr. Bikkesbakker and Mr. Lally gave an educational presentation on real estate to the Board.

Ms. Percle moved to authorize Meketa to initiate a search within core real estate; the motion was seconded by Ms. McGraw. The motion carried without objection or opposition.

Mr. Bikkesbakker and Mr. Lally presented the Board with the Preliminary Performance Report for the month of August 31, 2018 and September 30, 2018. A copy of this report is attached and made part of these minutes.

Mr. Saik presented the investment cash flow reports as of August 31 and September 30, 2018.

Mr. Saik presented the ACT 1004 Comparison as of June 30, 2018.

Ms. Mahfouz moved to accept the Chief Investment Officer's report; the motion was seconded by Ms. Percle. The motion carried without objection or opposition.

Ms. Mahfouz moved to authorize staff to proceed with the act of sale of Republic Business Credit; the motion was seconded by Ms. McGraw. The motion carried without objection or opposition.

Mr. Sands moved to authorize staff to proceed with the purchase and implementation of the Pension Administration Software from Pension Technology Group (PTG) pending Ms. LaGarde and Ms. Suire's visit to review the system at one of PTG's clients and visit PTG's office; the motion was seconded by Ms. Mahfouz. The motion was carried without objection or opposition.

Ms. LaGarde presented the budget reports through August 31, and September 30, 2018 detailing the budgeted amount.

Ms. Mahfouz moved to approve the budget reports for August 31, and September 30, 2018; the motion was seconded by Ms. McGraw. The motion carried without objection or opposition.

Mr. Ponder updated the Board that the retirement system has contracted with National Networks to convert to a computer hardware leasing program along with maintaining networking, security, disaster recovery, and all aspects of the IT department.

Ms. LaGarde presented an update to the Board on the status of the DROP account transfer to Empower Retirement.

Ms. LaGarde gave the Board an update on the system's financial audit.

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

Ms. Suire updated the Board that she gave a presentation at the first LMA Human Resource Seminar which was well received and that she will be presenting on Monday at the LA Municipal Clerks' Institute. Ms. Suire, Ms. Gunby, Ms. Weimer, and Mr. Ponder will share time at the MERS' booth on Wednesday and Thursday of next week at the Clerks' conference.

Ms. McGraw moved to approve the 2019 Board Meeting dates as presented; the motion was seconded by Ms. Mahfouz. The motion carried without objection or opposition. A copy of these dates are attached and made part of these minutes.

Mr. Ponder updated the Board that any retirement legislation to be introduced in the 2019 Regular Session must be advertised in January.

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

APPROVED

ATTEST