MUNICIPAL EMPLOYEES' RETIREMENT SYSTEM OF LOUISIANA

MINUTES OF THE MEETING
OF THE BOARD OF TRUSTEES — JANUARY 17, 2019

The Board of Trustees of the Municipal Employees' Retirement System of Louisiana met in regular session on Thursday, January 17, 2019 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. Marsha Guedry, Commissioner of Administration 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
Christopher Saik, Chief Investment Officer
Nancy LaGarde, Chief Financial Officer
Aaron Lally, Investment Consultant
Gustavo Bikkesbakker, Investment Consultant
Greg Curran, G.S. Curran, Actuary
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 the Chairman led 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 December 13, 2018.

Ms. Mahfouz moved that the minutes of the meeting held on December 13, 2018 be approved; the motion was seconded by Ms. McGraw. 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 Ms. McGraw. The motion carried without objection or opposition.

Mr. Saik presented the investment cash flow reports as of December 31, 2018.

Ms. Mahfouz moved to accept the Investment report; the motion was seconded by Ms. McGraw. The motion carried without objection or opposition.

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

Devin Sullivan, Sean Ruhmann, and Nicole Grinnell with TA Realty gave a presentation to the Board.

Michael Chambers, Claiborne Johnston, and Steven Silo with Morgan Stanley Real Estate gave a presentation to the Board.

Mr. Sands moved to invest $35MM into the TA Realty Core Property Fund; the motion was seconded by Mayor Villere. The motion carried with opposition from Mayor Jones.

Blaine Crochet and Chuck Pevey with Hawthorn Waymouth & Carroll presented the June 30, 2018 fiscal year end audit report.

Ms. Mahfouz moved to accept the June 30, 2018 fiscal year end audit report; the motion was seconded by Ms. Guedry. The motion carried without objection or opposition.

Ms. Mahfouz moved to enter executive session to discuss Landmark's letter of intent and possible litigation; the motion was seconded by Mayor Jones. The motion carried without objection or opposition.

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

Ms. Percle moved to authorize the attorney to proceed with protecting MERS' rights by sending a second letter; the motion was seconded by Ms. Mahfouz. The motion carried without objection or opposition.

Ms. LaGarde presented the budget report and summary of legal fees for investments through December 31, 2018 detailing the budgeted amount.

Ms. McGraw moved to approve the budget report for December 31, 2018; the motion was seconded by Mayor Harris. The motion carried without objection or opposition.

Mayor Jones 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.

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

Mayor Jones moved to accept the recommendations by the attorney concerning Fletcher and move forward with taking appropriate judgments and/or dismissing all claims against CSG, Joe Meals, Denis Kiely, Alphonse Fletcher & FAM, and Lisa Alexander. The attorney will file an appeal at the appropriate time; the motion was seconded by Ms. Mahfouz. The motion carried without objection or opposition.

Ms. Suire updated the Board on the Town of Lecompte, City of Bunkie, and the Town of Clinton.

Ms. LaGarde presented a request from a survivor to negotiate a payment plan to repay overpaid benefits received after the member's death. Mr. Ponder will negotiate a reasonable settlement.

Mr. Curran presented the Board with options to set employer rates.

Ms. Mahfouz moved to enter executive session to discuss Resource Environmental Solutions and potential litigation; the motion was seconded by Mayor Harris. 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 or requested concerning the executive session.

Mr. Ponder reminded the Board that their financial disclosures are due by May 15th.

Mr. Ponder updated the Board that a new staff member has been hired and will begin on February 4th in the retirement department.

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

APPROVED

ATTEST