MUNICIPAL EMPLOYEES' RETIREMENT SYSTEM OF LOUISIANA

MINUTES OF THE MEETING
OF THE BOARD OF TRUSTEES — JUNE 20, 2019

The Board of Trustees of the Municipal Employees' Retirement System of Louisiana met in regular session on Thursday, June 20, 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. Susan Percle, Trustee
Ms. Phyllis McGraw, 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
Mayor Greg Jones, Trustee

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

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 May 16, 2019.

Ms. McGraw moved that the minutes of the meeting held on May 16, 2019 be approved; the motion was seconded by Ms. Mahfouz. 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. Lally gave a brief overview on Loomis Sayles to the Board.

Chis Lazzaro gave an educational update on the Loomis Sayles to the Board.

Mr. Saik presented the investment cash flow report as of May 31, 2019.

Mr. Saik gave the Board a recap on his due diligence trip to Chicago.

The discussion of Gainesville Vision, LLC has been deferred until the July 18th meeting.

Mr. Lally and Mr. Bikkesbakker presented the Board with the Preliminary Performance Report for the month of May 31, 2019. A copy of this report is attached and made part of these minutes.

Mr. Lally gave the Board an update on BlueBay Asset Management.

Mayor Harris moved to approve the engagement with Hawthorne, Waymouth & Carroll to perform the audit of financial statements, GASB 67 & 68 reporting, and the Louisiana Legislative Auditors' agreed upon procedures for fiscal year ending 6-30-19; the motion was seconded by Ms. Mahfouz. The motion carried without objection or opposition.

Mr. Sands gave an update on the Personnel Committee meeting held on June 13, 2019.

Ms. Mahfouz moved to accept the Personnel Committee's recommendation to grant a 4% increase of the total salaries for staff and a 4% increase for the Executive Director. It will be at the Executive Director's discretion to increase staffs' salaries according to the pay ranges adopted last year; the motion was seconded by Ms. McGraw. The motion carried without objection or opposition.

Ms. McGraw moved to approve the July 1, 2019 – June 30, 2020 operating budget with the addition of the 4% increase in the Executive Director's salary; 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 May 31, 2019 detailing the budgeted amount.

Ms. LaGarde had the Board read the MERS' Ethics and Fiduciary Policy and sign the attestation stating they read and understood the policy.

Ms. Suire updated the Board on the City of Winnfield and the Town of Clinton.

Ms. Mahfouz moved to send the monthly direct deposit payments on the first (1st) day of each month regardless of the day of the week, as long as the Federal Reserve Bank is open; the motion was seconded by Ms. McGraw. The motion carried without objection or opposition.

Ms. Mahfouz moved to allow the Executive Director to request an Attorney General's opinion regarding retirees returning to work full-time prior to July 1, 2017 purchasing prior service credit; the motion was seconded by Ms. McGraw. The motion carried without objection or opposition.

The discussion and possible action on insurance premium deductions from benefit payments is deferred until the July 18th meeting after more information is presented.

Camm Morton updated the Board on the Bedico Creek property.

Mr. Sands moved to extend the due date for payment of the note due by Bedico Creek for six (6) months from June 11, 2019; the motion was seconded by Ms. Percle. The motion carried without objection or opposition.

Ms. Mahfouz moved to certify the election results naming Donald Clause as Trustee on the Board to be effective with the October 17, 2019 Board meeting. Mr. Clause did not have any opposition in the election; the motion was seconded by Ms. McGraw. The motion carried without objection or opposition.

Mr. Ponder updated the Board on legislation.

Ms. McGraw moved to authorize the Executive Director to request an Attorney's General opinion for clarification of House Bill 27 by Representative Sam Jones; the motion was seconded by Ms. Mahfouz. The motion carried without objection or opposition.

Ms. Mahfouz moved to authorize the CFO to sign checks in the Executive Director's absence; the motion was seconded by Ms. McGraw. The motion carried without objection or opposition.

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

APPROVED

ATTEST