

MEETING MINUTES

LOUISIANA ASSESSORS' RETIREMENT FUND BOARD OF TRUSTEES

TUESDAY, JANUARY 21, 2014

1:30 P.M.

**3060 VALLEY CREEK DRIVE
BATON ROUGE, LOUISIANA**

A meeting of the Board of Trustees of the Louisiana Assessors' Retirement Fund was held at 1:30 P.M., January 21, 2014, at the Louisiana Assessors' Association Office located at 3060 Valley Creek Drive, Baton Rouge, Louisiana. The following officers were present: President Lee Brown, Vice President James Laurent, Jr., Treasurer Rick Ducote and Members Errroll Williams, Rhyn Duplechain, Richard Earl, James Johnson, Stephanie Smith, Charlie Henington, Brian Wilson, Louis Hebert, Glenda Gaspard, and Phyllis Mendoza. Absent were Members James Stevenson, Senator Elbert Guillory and Representative Kevin Pearson.

Following the call to order, roll call, prayer, and Pledge of Allegiance, a motion by Brian Wilson seconded by James Johnson passed unanimously to approve the minutes of the meeting held December 3, 2013.

A presentation of the financial report as of November 30, 2013 was made by Accountant Anita Owens. A motion to accept the financial report was entered by Louis Hebert, seconded by Irby Gamble and passed with no objections.

The report on deaths, refunds, transfers, and retirements for the fourth quarter of 2013 was made by Retirement Benefits Coordinator, Kathy Bertrand. A motion to accept the report by Ms. Bertrand was entered by Glenda Gaspard and seconded by Irby Gamble. The motion passed with no objections.

Agenda Item number nine was discussion of the Valuation Report for year-end September 30, 2013. Due to delays with the transition to a new software program complete and accurate data was unable to be provided to the system actuary in order to have the Actuarial Valuation completed by the January 2014 meeting. A special Retirement Board meeting was scheduled for February 10, 2014 for consideration of the completed Actuarial Valuation report.

Next on the agenda was a portfolio update by Bob McManama of Loomis Sayles.

The next agenda item was a presentation by the Investment Consultant Jon Breth of The Bogdahn Group. Mr. Breth reviewed the investment portfolio flash report with preliminary numbers for December 31, 2013. Mr. Breth also provided a recap of the

portfolio rebalancing and funding of the new investment accounts with Westfield All Cap Growth and GAMCO All Cap Value.

Jon Breth then presented the final version of the Investment Policy Statement and entertained questions from the Board. A motion to approve the revised Investment Policy Statement was made by Louis Hebert and seconded by James Johnson. The motion passed.

Mr. Breth then made the Board aware of some issues recently experienced with Regions Bank. One recent situation was Jon's attempts to obtain copies of historical money managers' statements the Bank had agreed but failed to provide in the last quarter of 2013. Upon further requests the Bank quoted a charge of \$1.50 per statement to produce the requested statement copies.

There was another situation where the Bank requested documents from the Board's Executive Director to facilitate a trade transaction when the Director should not have been involved as it would have been a directive from the Bank. The Executive Director also made the Board aware of numerous times that the staff accountant discovered balancing errors in Regions reports to the Retirement Fund.

In light of these issues with the charges Regions assesses versus the quality of service of late, the Board discussed options. On a motion made by Richard Earl and second by Phyllis Mendoza the Board unanimously voted to request Jon's assistance in reviewing the Regions contract and drawing up a Request for a Quote.

Attorney Lindsey Hunter of the Attorney General's Office provided an update on the final draft language for the amendment to La. R.S. 11:1456.1 to provide for investment of a member's Back Deferred Retirement Option Program (BACKDROP) funds to be considered in the 2014 Louisiana Legislative Session.

The next agenda item was a discussion of La. R.S. 11:233 regarding earnable compensation as it relates to the retirement system. After discussion of a recent incident, a motion was made by Irby Gamble seconded by Louis Hebert and passed unanimously to return funds overpaid by an assessor with a letter stating that the Board has determined that the overstated income is considered non-recurring income and that per our legal counsel if the assessor disagrees with the decision the assessor would be allowed 10 days to provide a written response.

A motion was then made by Charlie Henington seconded by Richard Earl and with no objections the motion passed to enter into a contract with the Attorney General's office to hire Sonia Mallet and Lindsey Hunter to draw up a resolution to file with the State Treasurer to make demand upon Orleans for the ad valorem taxes due the Louisiana Assessors' Retirement Fund in the event Orleans fails to remit such funds.

Agenda Item 16 was a discussion of the meaning of “temporary” reemployment of a retiree. After input by Attorney Lindsey Hunter and Actuary Greg Curran the Board made no motion after determining the statute was clear on its intent.

A motion by Irby Gamble, seconded by James Johnson passed unanimously to add an agenda item.

A motion was made by Erroll Williams, seconded by Charlie Henington and with a unanimous roll call vote of all present the motion passed to go into Executive Session to discuss the medical and mental fitness of an individual to determine if benefits are available to that person.

A motion entered by Erroll Williams was seconded by Charlie Henington to end the Executive Session.

A motion was made by Richard Earl and seconded by Phyllis Mendoza that upon receipt of acceptable documentation from a physician proving the disability of a child, said documentation to be approved at a special meeting of the Retirement Board on February 10, 2014 the Board would consider granting an Option 4 benefit request from a retiring member.

There being no further business to come before the Board, a motion to adjourn was made by Erroll Williams, seconded by Phyllis Mendoza and with no objections the meeting was adjourned.