**MEETING MINUTES**

**RETIREMENT BOARD OF TRUSTEES**

**OF THE LOUISIANA ASSESSORS’ RETIREMENT FUND**

**TUESDAY, OCTOBER 21, 2014**

A meeting of the Board of Trustees of the Louisiana Assessors’ Retirement Fund was held at 1:00 p.m. on October 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 Erroll Williams, James Stevenson, Rhyn Duplechain, Richard Earl, James Johnson, Stephanie Smith, Charlie Henington, Brian Wilson, Louis Hebert, Glenda Gaspard, Irby Gamble and Phyllis Mendoza. Absent were Senator Elbert Guillory and Representative Kevin Pearson.

Following the call to order, roll call, prayer, Pledge of Allegiance, and Public comment period wherein no members of the public spoke, a motion by Glenda Gaspard seconded by James Johnson passed unanimously to approve the minutes of the special meeting held October 7, 2014.

After the presentation of the financial report for August 2014, a motion was entered by Irby Gamble and seconded by Stephanie Smith to accept the financial report. The motion passed unanimously.

A motion was made by Charlie Henington, seconded by Louis Hebert and passed with no objections to accept the report of refunds, transfers, reciprocals, retirees, and deaths as presented by Kathy Bertrand.

The next agenda item was a presentation by Brendan McDonough with D. E. Shaw. He provided information about the firm, the Investment process and the portfolio performance. State Street representatives David Settles and Christopher Laine were present to update the board on its international equity index and active emerging markets within the portfolio. A review of overall investment portfolio and investment returns by Jon Breth was given. There was a brief discussion on core real estate investments and hedge funds opportunities. The board asked that Jon Breth provide a review of hedge funds and a recap of the 3 investment managers (Titan, Iron Wood, Intrust) who made presentations in the July meeting. Gary Curran expressed his concern with regards to the ability of a fund to fund hedge funds company to present financial statements in a timely manner. He advised that the group work with our Auditor on the type of financials required to complete our fiscal year end audit.

A motion was made by Erroll Williams, seconded by Charlie Henington to accept the audit contract not to exceed $19,500 from Hawthorn, Waymouth & Carroll, L. L. P. to conduct the GASB 67 & 68 audit tasks. The motion passed unanimously. .

A short summary on the status of our granting the October 1, 2014 Cost of Living Increase, was provided by Lindsey Hunter. A review of the Attorney General Opinion #14-0130 was provided, allowing the board to grant the COLA with an effective date of October 1, 2014. As provided in the statute, R. S. 11:241, the COLA formula, is defined as a monthly increase in the benefit of each recipient determined in accordance with the formula "X(A + B)", where X is equal to $1 and A is equal to the number of years of credited service accrued at retirement or at death of the member or retiree and B is equal to the number of years since retirement or since death of the member or retiree to June thirtieth of the initial year of such increase. Clarification was needed on whether to included DROP or Back DROP participation years in the years of service calculation. On a motion by Phyllis Mendoza and a second by Charlie Henington, the board unanimously voted to exclude the years of participation in DROP or Back DROP from the years of service, in calculating the COLA.

A motion entered by Erroll Williams, seconded by Irby Gamble, passed, to approve the 2015 quarterly meeting dates as January 27th, April 28th, July 28th, October 27th and

a tentative meeting at the annual conference, March 25th. With regards to the December 2014 meeting, Gary Curran mentioned several decisions that he expects the board to provide, once the valuation process begins. It was determined that the retirement board will meet on December 3rd, at the Annual December function.

The next agenda item was consideration of any retirement legislation for 2015. The board discussed waiting until after the December 3rd meeting to determine if any Legislative changes are needed.

Lindsey Hunter then provided a brief summary of 3 retirees being paid the wrong monthly retirement benefit amount. In scenario #1 the retiree has been underpaid $11.70 per month, for 70 months, totaling an underpayment of $819.00. A recommendation was made to pay the retiree in the form of a check, the amount of the underpayment and correct the monthly amount going forward. Authority was provided to Lindsey Hunter to draft a letter, giving the retiree a 30 day notice to correct the monthly benefit going forward. A motion was made by Rhyn Duplechain and seconded by Erroll Williams to proceed as such with correcting the underpayment. The motion passed unanimously. Scenario #2 was a retiree who was overpaid $1 per month for 99 months. A motion was made by Erroll Williams and seconded by Stephanie Smith, approved unanimously to self-insure the overpayment of $99, provide a 30 day written notice to the retiree of our intent to correct the monthly benefit amount going forward.

Senario #3 was a retiree who has been overpaid $141.87 per month for a total overpayment of $17,024.40. A motion was made by Charlie Henington, seconded by James Stevenson, approved unanimously to self-insure the overpayment, reflect it in our financial statements, send 30 day written notice that the monthly retirement payment will be adjusted by $141.87 per month.

A motion to adjourn was made by Richard Earl, seconded by Glenda Gaspard, approved unanimously, the meeting was adjourned.