

MINUTES

The Board of Trustees of the Municipal Police Employees' Retirement System held a Regular Meeting on Wednesday, August 21, 2013, at 7722 Office Park Boulevard, Baton Rouge, Louisiana.

The meeting was called to order by Chairman Mark Huggins at 9:11 a.m.

Pledge of Allegiance:

Chairman Mark Huggins led the pledge of allegiance.

Members Present:

Cpl. Mark Huggins, Chairman
Capt. Kelly Gibson, Vice Chairman
Ms. Monique Appeaning
Chief Carl Dabadie
Chief Scott Ford
Capt. (Ret.) Willie Joe Greene
Chief Dwayne Munch
Mayor Joey Normand
Ms. Lori Pierce
Mayor Donald Villere

Members Absent:

Cdr. Henry Dean
Senator Elbert Guillory
Representative Kevin Pearson
Sgt. (Ret.) Larry Reech

Others Present:

Ms. Kathy Bourque, Director
Ms. Daphne Rusk, Administrative Assistant
Mr. Randy Roche, General Counsel
Mr. Greg Curran, GS Curran & Company, Ltd
Mr. David Barnes, NEPC
Ms. L.A. Huggins, Monroe Police Department
Mr. John Grybauskas, Standard Life Investments
Mr. Tam McVie, Standard Life Investments
Mr. Scott Weisler, Pineville Police Department

Public Comment:

Chairman Huggins called for public comment. There was no comment from the public in attendance.

Approval of minutes:

Motion by Mr. Gibson seconded by Mr. Greene to approve the minutes of the meeting held July 17, 2013 as presented. Without objection the motion carried.

Approval of retirement applications:

Motion by Mr. Gibson seconded by Mr. Ford to approve the applications for DROP. Without objection the motion carried.

<u>NAME</u>	<u>CITY/TOWN</u>	<u>EFF. DATE</u>	<u>YEARS OF SERVICE</u>	<u>PLAN</u>
Kenney Guidry	New Orleans	06/12/13	25.10	Max

Reginald Jacque	New Orleans	06/03/13	26.17	02
Laura Kirklin	Oakdale	06/05/13	20.00	Max
Anthony Mitchell	New Orleans	06/01/13	12.05	2a
Luther Randall	New Orleans	06/17/13	25.34	3a
Melissa Salamoni	Baton Rouge	06/04/13	28.97	3a
David Tetlow	Baton Rouge	06/04/13	25.93	Max
Brian Wiess	New Orleans	06/16/13	30.12	Max

Motion by Mr. Greene seconded by Mr. Gibson to approve the applications for DROP to Regular Retirement. Without objection the motion carried.

<u>NAME</u>	<u>CITY/TOWN</u>	<u>EFF. DATE</u>	<u>YEARS OF SERVICE</u>	<u>PLAN</u>
Michael Bailey	Shreveport	08/07/13	25.13	2a
Shaun Baxley	Baton Rouge	08/30/13	29.00	Max
Dwayne Bovia	Baton Rouge	08/30/13	29.00	Max
Garold Fayard	New Orleans	07/12/13	28.00	Max
Rodney Feazell	Alexandria	08/09/13	30.01	2a
Claude Flot, Jr.	New Orleans	08/05/13	30.04	Max
Carl Fontenot	Lafayette	08/04/13	30.15	2a
Donald Grim	Baton Rouge	08/02/13	27.25	02
Shelia Hall	New Orleans	07/14/13	25.40	2a
Carl Harvey	Marksville	09/01/13	16.42	2a
Mitchell Hobbs	Monroe	08/02/13	22.05	Max
Stacy LeBlanc	Baton Rouge	08/16/13	27.08	Max
Randy Scrantz	Baton Rouge	08/30/13	29.00	3a
Michael Sposito	New Orleans	07/14/13	34.92	02
William Trepagnier	New Orleans	07/06/13	44.66	2a
Donna Wallace	Baton Rouge	08/16/13	27.08	Max
Sterling Williams, Jr.	New Orleans	07/02/13	28.56	02

Motion by Mr. Gibson seconded by Mr. Ford to approve the application for regular retirement. Without objection the motion carried.

<u>NAME</u>	<u>CITY/TOWN</u>	<u>EFF. DATE</u>	<u>YEARS OF SERVICE</u>	<u>PLAN</u>
Gary Dupart, Sr.	New Orleans	08/01/13	25.10	Max
Clinton Lauman, Jr.	New Orleans	07/13/13	28.08	2a
David Lemoine	New Orleans	07/10/13	25.16	3a
Kelly Silva	Shreveport	07/01/13	23.30	Max
Renita Smith	Shreveport	06/27/13	17.26	Max

Motion by Mr. Gibson seconded by Mr. Greene to approve the application for Early retirement. Without objection the motion carried.

<u>NAME</u>	<u>CITY/TOWN</u>	<u>EFF. DATE</u>	<u>YEARS OF SERVICE</u>	<u>PLAN</u>
William Kettler	Lake Charles	07/29/13	20.57	2a

Disability Retirement:

Mr. Scott Weisler (Pineville) attended the board meeting to provide information relative to his application for non-duty related disability retirement. Chairman Huggins advised Mr. Weisler that he had the option of having his application discussed in open session or executive session. Mr. Weisler opted for executive session.

Motion by Mr. Gibson seconded by Mr. Villere to go into executive session at 10:24 a.m. to discuss Mr. Scott Weisler's non-duty related disability application. Without objection the motion carried.

Return to regular session at 10:49 a.m.

Motion by Mr. Gibson seconded by Mr. Dabadie to approve Mr. Scott Weisler's non-duty related disability as presented. Without objection the motion carried.

NEPC:

Mr. David Barnes represented NEPC. Mr. Barnes presented the Investment Market Update and Market Environment Overview. The total market value was \$1,617,152,682 and performance was 3.5% as of July 31, 2013.

Mr. Barnes presented the second quarter performance review. As of June 30, 2013, the total market value was \$1.56 billion, an increase of \$6.6 million during the quarter posting a 0.6% return (net of fees) ranking in the 21st percentile of public funds.

Custody Bank Search Finals:

Mr. Barnes reported that BNY Mellon and Northern Trust have both switched to a flat fee structure, eliminating volatile components of the fee structure. Mr. Barnes advised that NEPC works closely with both banks and would be content with either bank.

Motion by Mr. Munch seconded by Mr. Ford to hire BNY Mellon as custodian bank to replace JPMorgan. With Mr. Greene objecting, the motion carried.

Investment Policy Statement:

Mr. Barnes presented the Investment Policy Statement that was created by NEPC and reviewed by Mr. Roche.

Motion by Mr. Ford seconded by Mr. Greene to approve the Investment Policy Statement as presented by NEPC. Without objection the motion carried.

Asset Allocation Implementation:

Mr. Barnes presented two proposals for asset allocation implementation cash flows. The first proposal recommends the termination of AllianceBernstein International Value and replace with an Index Fund at a later date, hiring two Emerging Markets Equity Managers, one Emerging Markets Debt manager, one TIPS manager and one Private Equity Manager all through a RFP. Mr. Barnes recommends beginning the process with initiating a search for Emerging Markets Equity and upon completion of that search, continuing with the other recommended searches.

Motion by Mr. Villere seconded by Mr. Ford to approve the first proposal as recommended by NEPC for asset allocation implementation cash flows which includes the termination of AllianceBernstein International Value. Without objection the motion carried.

Standard Life Investments:

Mr. John Grybauskas and Mr. Tam McVie represented Standard Life Investments to present the annual report. The market value as of June 30, 2013 was \$74,553,757.

Real Estate Update:

Mr. Roche advised that Olde Oaks Golf Club, Stonebridge Golf Club and Olde Oaks Development were sold on August 2, 2013 for \$3 million.

Actuary Comments:

Mr. Greg Curran advised that Mr. Normand visited the Curran's office and obtained some history of what has been done in the past to reduce the unfunded liability. Mr. Curran advised that the preparation of the 2012-2013 valuation will begin within the next few weeks.

Other Business:

Election for Chief District I:

Ms. Bourque presented an election schedule for Chief District I to replace the expired term of Chief K.P. Gibson.

Motion by Mr. Gibson seconded by Mr. Greene to accept the election schedule for Chief District I as presented. Without objection the motion carried.

<u>Sept 6, 2013</u>	Election Schedule, Rules and Petitions mailed to eligible voting members
<u>Oct 4, 2013</u>	Petitions due in the post office box of Hawthorn, Waymouth & Carroll by 4:30 p.m.
<u>Oct 16, 2013</u>	Nominations accepted by Board of Trustees
<u>Oct 25, 2013</u>	Ballots mailed to eligible voting members
<u>Nov 15, 2013</u>	Ballots due in the post office of Hawthorn, Waymouth & Carroll by 4:30 p.m.
<u>Nov 19, 2013</u>	Ballots counted and verified beginning at 2:00 p.m. at the office of Hawthorn, Waymouth & Carroll, 8555 United Plaza Blvd., Baton Rouge, LA 70809
<u>Nov 20, 2013</u>	Board accepts certified ballot count and publishes results
<u>Dec 1, 2013</u>	Elected trustee takes office

Staff Attorney:

Motion by Mr. Greene seconded by Mr. Gibson to initiate a RFP for an in-house attorney. Motion failed.

Discussion was held regarding Mr. John Broussard's recommendation regarding the hiring of a full time in-house attorney.

Motion by Mr. Normand seconded by Mr. Gibson to add Mr. Broussard's recommendations to the September board meeting agenda. Without objection the motion carried.

Motion by Mr. Gibson seconded by Mr. Munch to adjourn the meeting at 11:31 a.m. Without objection the motion carried.

To the best of my knowledge, the foregoing minutes accurately represent the actions taken at the meeting held August 21, 2013.

Mark Huggins, Chairman

Kathy Bourque, Director