

MINUTES

The Board of Trustees of the Municipal Police Employees' Retirement System held a **Special Meeting** on Tuesday, February 15, 2011, at 7722 Office Park Boulevard, Baton Rouge, Louisiana.

The meeting was called to order by Chairman Kelly Gibson at 9:02 a.m.

Pledge of Allegiance:

Chairman Kelly Gibson led the pledge of allegiance.

Members Present:

Lt. Kelly Gibson, Chairman (Lafayette)
Sgt. (Ret.) Larry Reech, Vice Chairman (New Orleans)
Chief Stephen Caraway (Kenner)
Capt. Henry Dean (New Orleans)
Chief Christopher Elg (West Monroe)
Capt. (Ret.) Willie Joe Greene (Shreveport)
Cpl. Mark Huggins (Monroe)
Chief Dwayne Munch (Westwego)

Members Absent:

Chief K.P. Gibson (Crowley)
Representative Kevin Pearson, Ex-officio
Senator D.A. "Butch" Gautreaux, Ex-officio

Others Present:

Ms. Kathy Bourque, Director
Ms. Daphne Rusk, Administrative Assistant
Mr. Randy Roche, General Counsel
Mr. Charles Hall, Actuary
Mr. Eddie Guerra, Mercer
Ms. Lauren Bailey, Attorney, Senate Retirement Committee

Investment Consultant's Report:

Mr. Eddie Guerra represented Mercer Investment Consulting at the meeting.

Executive Summary:

MPERS plan totaled \$1,330.0 billion as of December 31, 2010. This represents an increase of \$83.2 million from the end of the third quarter of 2010, which totaled \$1,246.8 billion. The increase in Plan value was due to investment gains of \$94.9 million slightly offset by \$11.7 million in net cash outflows to fund Plan obligations.

At the end of the quarter, the Plan's asset allocation was generally in line with the targets outlined in the investment policy statement. The Plan ended the quarter underweight to international small cap and emerging markets; however, both of these investment remained within the allowable investment ranges and the Plan also gains exposure to these segments of the market through the developed international managers. The Plan was also underweight to hedge funds and modestly underweight to real estate. Conversely, the Plan was modestly overweight to core and high yield fixed income.

The Plan returned 7.4% for the quarter ending December 31, 2010 and 18.7% for fiscal year to date.

Finals interviews for Investment Consultant:

Interviews proceeded as follows:

rogerscasey
Larry Eckman
Diane Smola

Segal Advisors
Brett Hazen
Amy Heyel
Dan Westerheide

Watershed Investment Consultants, Inc.
Terri Baldwin
Dale Conners

Break for Lunch

NEPC
John Elliot
Keith Stronkowsky
Rhett Humphreys

Callan Associates, Inc.
Gwelda Swilley-Burke
Paul Troup

The Bogdahn Group
Ron Partain
Joe Bogdahn
Mike Welker

Motion by Mr. Reech seconded by Mr. Dean to adjourn the meeting at 4:14 p.m.
Without objection the motion carried.

To the best of my knowledge, the foregoing minutes accurately represent the
actions taken at the meeting held February 15, 2011.

Kelly Gibson, Chairman

Kathy Bourque, Director