

MINUTES

The Board of Trustees of the Municipal Police Employees' Retirement System held a Regular Meeting on Wednesday, January 15, 2014, at 7722 Office Park Boulevard, Baton Rouge, Louisiana.

The meeting was called to order by Chairman Mark Huggins at 9:04 a.m.

Pledge of Allegiance:

Chairman Mark Huggins led the pledge of allegiance.

Members Present:

Cpl. Mark Huggins, Chairman
Capt. Kelly Gibson, Vice Chairman
Chief Travis Crouch
Chief Carl Dabadie
Cdr. Henry Dean
Chief Scott Ford
Capt. (Ret.) Willie Joe Greene
Chief Dwayne Munch
Mayor Joey Normand
Ms. Lori Pierce
Sgt. (Ret.) Larry Reech
Mayor Donald Villere

Members Absent:

Ms. Monique Appeaning
Senator Elbert Guillory
Representative Kevin Pearson

Others Present:

Ms. Kathy Bourque, Director
Ms. Daphne Rusk, Administrative Assistant
Mr. Randy Roche, General Counsel
Mr. Gary Curran, GS Curran & Company, Ltd
Mr. David Barnes, NEPC
Ms. L.A. Huggins, Monroe Police Department
Mr. Gary Welchel, Energy Opportunities Capital Management
Mr. Farrell Crane, Energy Opportunities Capital Management
Ms. Michelle Cunningham, DHHM
Mr. Darrell Basco, Louisiana FOP
Mr. Ronald Ruiz, Jr., NOPD
Mr. Horace Perez, NOPD
Mr. Claude Schlesinger, NOPD & FOP
Mr. Samuel Bua, NOPD
Mr. Harry Mendoza, NOPD
Mr. Gerald Young, NOPD – Retired
Mr. Frank Vacarella, NOPD – Retired

Public Comment:

Chairman Huggins called for public comment. Mr. Claude Schlesinger retiree from New Orleans Police Department addressed the board regarding cost of living adjustments.

Motion by Mr. Gibson seconded by Mr. Dean to amend the agenda to discuss other business. Without objection the motion carried.

Discussion was held regarding cost of living increases, the criteria required to grant them, and the various methods of distribution.

Motion by Mr. Gibson seconded by Mr. Dean to reconsider granting a cost of living increase of 3% for all retirees. With Mr. Dean, Mr. Greene, Mr. Reech and Mr. Gibson voting in favor of the motion and Mr. Crouch, Mr. Dabadie, Mr. Ford, Ms. Pierce, Mr. Munch, Mr. Normand and Mr. Villiere voting against the motion, the motion failed.

Amendment motion by Mr. Dean seconded by Mr. Greene to grant a 2% cost of living increase to all retirees. With Mr. Dabadie, Mr. Dean, Mr. Greene, Mr. Reech and Mr. Gibson voting in favor of the motion and Mr. Crouch, Mr. Ford, Ms. Pierce, Mr. Munch, Mr. Normand and Mr. Villere voting against the motion, the motion failed.

Substitute motion by Ms. Pierce seconded by Mr. Ford to grant a 3% cost of living increase to all retirees under the poverty level.

Discussion was held concerning limiting cost-of-living increase to a special group of retirees under the act authorizing the one time COLA.

Mr. Roche advised that the statute states that the cost of living increase must be granted to all retirees, therefore Ms. Pierce's motion cannot be made.

Ms. Pierce withdrew her motion and Mr. Ford withdrew his second.

Motion by Mr. Dean seconded by Mr. Villere to request an Attorney General Opinion on the law relative to granting a COLA and the parameters it defines MPERS to use.

Discussion regarding possible methods of granting COLA's to be included in opinion request.

Motion by Mr. Gibson seconded by Mr. Reech to amend the motion to add examples of methods to grant COLA's in request for opinion. Amended motion passed without opposition.

Motion by Mr. Gibson seconded by Mr. Reech to go into executive session at 10:20 a.m. to discuss potential litigation and personnel matters. Without objection the motion carried.

Return to regular business at 11:00 a.m.

Town of Plain Dealing:

Mr. Ford advised that Mr. Ronnie Murray of Plain Dealing is the elected Town Marshall and was denied membership in MPERS because of his title as Town Marshall. Mr. Ford advised that Mr. Murray has obtained an Attorney General's Opinion which states that the Town Marshall is in fact the Chief of Police. Mr. Ford wants a determination made that would allow Mr. Murray to participate in MPERS.

Mr. Roche advised that the statute states that a City or Ward Marshall cannot participate in MPERS. The Marshal of Plain Dealing is not a City or Ward Marshal but is the chief law enforcement officer of the town. The Attorney General Opinion clearly states the Town Marshall should be allowed to be a member of the system.

Motion by Mr. Dean seconded by Mr. Reech to allow Town Marshall Mr. Ronnie Murray of Plain Dealing to participate in MPERS based on the Attorney General's Opinion as long as Mr. Murray meets all the criteria to become a member of MPERS. Without objection the motion carried.

Motion by Mr. Ford seconded by Mr. Reech to allow all Town Marshall's and Deputy Marshall's to participate in MPERS as long as they meet the eligibility criteria. Without objection the motion carried.

Mr. Roche advised that the Commissioner of Insurance is being sued by Grey Insurance Company regarding the Insurance Premium Tax. Grey Insurance Company is not an insurance company that has a set rate like all the other insurance companies do, they are an insurer granting coverage against specific risk brought to them for coverage.

Grey Insurance Company filed suit saying that they have been illegally paying the Insurance Premium Tax and are seeking a declaratory judgment regarding the statute under which the assessments are made and whether it is applicable to Grey Insurance Company.

Approval of minutes:

Motion by Mr. Dean seconded by Mr. Reech to approve the minutes of the meeting held December 18, 2013 as presented. Without objection the motion carried.

Approval of retirement applications:

Motion by Mr. Greene seconded by Mr. Reech 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>
Don Bradley	Lake Charles	10/17/13	25.06	2a
Michael Cody	Baton Rouge	10/08/13	28.31	2a
Errol Foy	New Orleans	10/16/13	25.00	2a
David Gaines	New Orleans	10/18/13	23.53	2a
Steven Gilliam	New Orleans	10/20/13	15.32	Max
Michael Kellum	Shreveport	11/01/13	27.14	2a
James Lavergne	Eunice	10/17/13	25.00	Max
Lane Litton	Pineville	10/21/13	27.10	2a
Albert Miller	New Orleans	11/01/13	30.07	02
Irvin Raphiel, Jr.	Bossier City	10/30/13	20.09	2a
Scott Rayford	New Orleans	10/13/13	22.50	2a
Sherman Skipper	New Orleans	10/25/13	12.05	3a
Jacqueline Willis	Shreveport	11/01/13	30.19	2a
Donald Young	Opelousas	11/01/13	25.19	2a

Motion by Mr. Reech seconded by Mr. Munch 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>
Gerard Bloom	Baton Rouge	01/03/14	28.98	2a
Richard Carroll	Shreveport	02/01/14	22.48	02
Jerry Deville	Alexandria	02/01/14	28.46	2a
Dale Haydel	New Orleans	01/09/14	29.10	Max
Juanita Hinton	Alexandria	12/22/13	19.13	Max
Anthony LeBlanc	Shreveport	01/16/14	27.36	2a
Marliam Lee	Walker	02/01/14	30.18	2a
John Lummus	Alexandria	01/04/14	23.01	3a
Robert Luneau	Pineville	02/01/14	25.01	2a
Michael Marino, Jr.	Morgan City	01/04/14	25.06	Max
Irvin Raphiel, Jr.	Bossier City	01/03/14	20.09	2a
Jeff Sislo	New Orleans	01/17/14	27.00	03

William Stone	Baton Rouge	01/03/14	28.98	2a
Randall Vincent	Lafayette	01/05/14	29.39	2a

Disability Retirement:

Mr. Ronald Ruiz (New Orleans) attended the board meeting to provide information relative to his application for duty related disability retirement. Chairman Huggins advised Mr. Ruiz that he had the option of having his application discussed in open session or executive session. Mr. Ruiz opted for open session.

Mr. Ruiz gave details of his accident/injury regarding his application for a duty related disability.

Motion by Mr. Dean seconded by Mr. Reech to defer action on Mr. Ronald Ruiz's request for disability until a copy of the first report of injury/accident report is received. Without objection the motion carried.

Personnel Matters:

Motion by Mr. Dean seconded by Mr. Gibson to suspend the regular order of business to discuss personnel matters. Without objection the motion carried.

Discussion by Mr. Dean to set up an interview committee to interview candidates for a Chief Financial Officer position due to the size of the fund and that we have three candidates who have been selected through the assistance of Michelle Cunningham of DHHM. The interim interview committee would come back and make a recommendation to the board at the February meeting.

Motion by Mr. Dean seconded by Mr. Crouch to set up an interim interview committee for the position of Chief Financial Officer to interview 3 candidates that has been selected through a professional employment service with the assistance of Ms. Michelle Cunningham. Without objections the motion carried.

Mr. Huggins appointed Mr. Dean who has volunteered to chair the interim interview committee.

Return to the regular order of business.

Investment Consultant's Report:

NEPC:

Mr. David Barnes represented NEPC. Mr. Barnes presented the Investment Market Update and Market Environment Overview. The total market value was \$1,738,031,081 and performance was 1.6% as of December 31, 2013.

Emerging Market Equity Search:

Mr. Barnes handed out a schedule for interviews for Emerging Market Equity which will begin on Tuesday, February 18, 2014 and continue on Wednesday, February 19, 2014. The following managers will be interviewed: Acadian Asset Management, LLC, AQR Capital Management, LLC, Dimensional Fund Advisors, LP, Eaton Vance Management, OFI Institutional Asset Management and Thornburg Investment Management, Inc.

Energy Opportunities:

Mr. Farrell Crane and Mr. Gary Welchel represented Energy Opportunities Capital Management to present the annual report. The market value of the portfolio as of December 31, 2013 was \$51,235,395.

Motion by Mr. Gibson seconded by Mr. Munch to adjourn the meeting at 12:10 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 January 15, 2014.

Mark Huggins, Chairman

Kathy Bourque, Director