

MINUTES

The Board of Trustees of the Municipal Police Employees' Retirement System held a Regular Meeting on Wednesday, July 17, 2013, at 7722 Office Park Boulevard, Baton Rouge, Louisiana.

The meeting was called to order by Chairman Mark Huggins at 9:10 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
Mr. John Broussard
Chief Carl Dabadie
Capt. (Ret.) Willie Joe Greene
Chief Dwayne Munch
Mayor Joey Normand
Sgt. (Ret.) Larry Reech
Mayor Donald Villere

Members Absent:

Cdr. Henry Dean
Chief Scott Ford
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
Mr. Mario Tate, NEPC
Ms. L.A. Huggins, Monroe Police Department
Mr. Michael Calloway, Monroe Police Department
Mr. Chad King, Baton Rouge Police Department
Mr. Terry Miller, Opelousas Police Department
Mr. Kevin Swann, Slidell Police Department
Mr. Michael Deckelman, Slidell Police Department

Oath of Office:

Mr. Roche administered the Oath of Office to Chief Carl Dabadie to serve a term from July 1, 2013 through June 30, 2018.

Custody Bank – Finalist Interviews:

Mr. David Barnes and Mr. Mario Tate with NEPC gave a process overview of the Custody Bank Search.

Interviews proceeded as follows:

Northern Trust
Mr. Jeffrey Porta

Mr. Gary Guibert
Mr. Donald Anderson
Mr. Thomas Hackett

BNY Mellon
Mr. Bruce Shain
Mr. Paul Schmidt

JPMorgan
Mr. Jim Polchow

State Street
Mr. R. Scott Paton
Mr. Anthony Teberio

Recess until 12:00 p.m.

Chairman Huggins called the meeting back to order at 12:03 p.m.

Mr. Tate presented the board with a custodian snapshot of all four candidates along with an Estimated Fee Quote Comparison.

Motion by Mr. Villere seconded by Mr. Reech to have NEPC enter into negotiations with Northern Trust and Bank of New York Mellon and report back with results at the August meeting. Without objection the motion carried.

Public Comment:

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

Approval of minutes:

Motion by Mr. Reech seconded by Mr. Gibson to approve the minutes of the meeting held June 19, 2013 as presented. Without objection the motion carried.

Approval of retirement applications:

Motion by Mr. Gibson seconded by Mr. Munch 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>
Kirk Allen	New Orleans	05/08/13	30.12	2a
William Craddock	Sulphur	06/01/13	28.22	Max
Anthony Christiana, Jr.	Gretna	06/01/13	30.14	Max
Kyle Garrison	Baton Rouge	05/07/13	27.02	Max
Glen Markham	New Orleans	05/10/13	25.00	02
Michael Mims	New Orleans	05/18/13	25.25	2a
Sandy Sagrera	Abbeville	05/26/13	25.00	Max
Ronal Serpas	New Orleans	06/01/13	24.15	2a
James Stewart	Bossier City	05/29/13	27.72	2a
Anna Trammell	Shreveport	06/01/13	23.22	02

Motion by Mr. Gibson seconded by Mr. Greene 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>
Jimmie Bobb	New Orleans	06/15/13	37.03	Max
Paul Matte	Lafayette	07/06/13	29.47	2a
Kevin Moore	Lafayette	07/06/13	21.13	02
James Noble, Jr.	Slidell	07/01/13	41.92	Max
Curtis Rebaridi	Berwick	07/15/13	25.24	Max
Charles Spraggins	Bossier City	07/09/13	27.89	Max
Sandra Thomas	Bastrop	06/22/13	20.55	2a
Jimmy Webb	Bossier City	07/10/13	30.18	Max
Gerald Young	New Orleans	07/01/13	25.95	02

Motion by Mr. Gibson seconded by Mr. Reech 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>
Michael Cantu	Baton Rouge	06/21/13	26.31	2a
Gary LeRouge	New Orleans	07/01/13	28.10	2a
Pauline Snell	Many	07/01/13	17.00	Max

Disability Retirement:

Mr. Terry Miller (Opelousas) attended the board meeting to provide information relative to his application for non-duty related disability retirement.

Motion by Mr. Reech seconded by Mr. Gibson to approve Mr. Terry Miller'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 \$1,561,036,413 and performance was -2.0% as of June 30, 2013.

Mr. Barnes presented the Asset Allocation Study and recommended rebalancing the portfolio by reducing the Total Equity from 58% to 54%; retain Fixed Income at 20%; increase Total Alternatives from 17.2% to 21% and increase Other from 4.8% to 5%. Mr. Barnes' recommendation includes adding Emerging Markets Equities, Emerging Markets Debt (local currency), Bank Loans, TIPS, and Private Equity to the portfolio.

Mr. Villere left the meeting at 1:20 p.m.

Motion by Mr. Normand seconded by Mr. Greene to accept NEPC's Asset Allocation recommendations as presented. Without objection the motion carried.

Mr. Barnes presented an offer of secondary in LaSalle Income and Growth Fund IV. The Rhode Island Employees' Retirement System is looking to sell their position in the LaSalle Income & Growth IV. Landmark Partners has offered to purchase Rhode Island's shares. Per the Fund's Limited Partnership Agreement, LaSalle is looking for investor responses regarding two items: 1) Consent to the transaction and 2) to inquire if current investors wish to buy their pro rata share of Rhode Island's investment in the Fund. Mr. Barnes recommends that MPERS not purchase their pro rata of the secondary offering and MPERS gives consent to the proposal by Landmark Partners to purchase the Rhode Island offering.

Motion by Mr. Gibson seconded by Mr. Munch to accept NEPC's recommendation as presented, to approve the sale of Rhode Island offering and pass on purchasing the pro rata share. Without objection the motion carried.

Ms. Monique Appeaning left meeting at 1:30 p.m.

Real Estate Update:

Motion by Mr. Reech seconded by Mr. Gibson to go into executive session at 1:31 p.m. to discuss the purchase agreement for the sale of Olde Oaks Golf Club, Stonebridge Golf Club and Olde Oaks Development. Without objection the motion carried.

Return to regular business at 1:45 p.m.

Actuary Comments:

Mr. Gary Curran discussed his concerns regarding the expectations for returns over the next 5-7 years requiring 7.5% actuarial assumption.

Mr. Normand inquired if he could meet with Mr. Curran to obtain some history of what has been done in the past to reduce the unfunded liability. Mr. Curran advised that he would be glad to meet with Mr. Normand.

Proposed Engagement Letters:

Motion by Mr. Reech seconded by Mr. Gibson to approve the year end June 30, 2013 audit engagement letters submitted by Duplantier, Hrapmann, Hogan and Maher CPA's. Without objection the motion carried.

Other Business:

Attorney General Opinion:

Mr. Gibson asked Mr. Roche whether an Opinion regarding mandatory DROP withdrawals was received from the Attorney General. Mr. Roche advised that he has not received an opinion yet.

Motion by Mr. Reech seconded by Mr. Munch to adjourn the meeting at 2:01 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 July 17, 2013.

Mark Huggins, Chairman

Kathy Bourque, Director