

MINUTES

The Board of Trustees of the Municipal Police Employees' Retirement System held a Regular Meeting on Wednesday, June 18, 2014, at 7722 Office Park Boulevard, Baton Rouge, Louisiana.

The meeting was called to order by Chairman Huggins at 9:01 a.m.

Pledge of Allegiance:

Chairman Huggins led the pledge of allegiance.

Members Present:

Cpl. Mark Huggins, Chairman
Maj. Kelly Gibson, Vice Chairman
Ms. Monique Appeaning
Mr. John Broussard
Chief Carl Dabadie
Cdr. Henry Dean
Capt. (Ret.) Willie Joe Greene
Chief Dwayne Munch
Mayor Joey Normand
Sgt. (Ret.) Larry Reech
Mayor Donald Villere

Members Absent:

Chief Scott Ford
Senator Elbert Guillory
Representative Kevin Pearson

Others Present:

Ms. Kathy Bourque, Director
Ms. Daphne Rusk, Administrative Assistant
Ms. Kelli Rogers, CFO
Mr. Randy Roche, General Counsel
Mr. David Barnes, NEPC
Mr. Jacob Putnam, Actuary, G. S. Curran & Co.
Ms. L. A. Huggins, Monroe Police Department
Mr. Michael Suchanek, DeQuincy Police Department
Mr. Charles Marsala, LPL Financial Advisor
Mr. Jim Murphy, Prudential Real Estate Investors
Ms. Jessica Newth, Prudential Real Estate Investors
Mr. Terry McHugh, Prudential Real Estate Investors
Mr. John Berg, Principal Global Investors
Mr. Bill Grayson, Principal Global Investors

Public Comment:

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

Approval of minutes:

Motion by Mr. Dean seconded by Mr. Reech to approve the minutes of the meeting held May 21, 2014 as presented. Without objection the motion carried.

Approval of retirement applications:

Motion by Mr. Greene seconded by Mr. Reech to approve the applications 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>
Eddie Connor	Abbeville	06/07/14	13.52	Max
Dwayne Lee, Sr.	Baton Rouge	05/24/14	27.07	Max
Stephen Short	Covington	05/06/14	25.53	2a

Motion by Mr. Munch seconded by Mr. Greene 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>
Bradley Glaudi	New Orleans	04/18/14	29.16	2a
Mary Ann Hoof	Cullen	02/17/14	21.88	3a
Michael Hughes	New Orleans	04/20/14	23.78	2a
Daryl Terry	Alexandria	04/02/14	25.52	3a
Carl Thibodeaux	New Orleans	04/12/14	30.00	2a
Carolyn Thomas	Opelousas	04/18/14	13.80	03
Harman Winters	Natchitoches	04/03/14	24.17	Max

Motion by Mr. Dean seconded by Mr. Villere 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>
Docia Bates	New Orleans	05/30/14	28.72	Max
Cathy Cherry	Monroe	06/01/14	30.73	Max
James Edwards	Denham Springs	05/31/14	27.17	2a
Paul Ellington	Alexandria	06/16/14	30.00	2a
Mary Fanara	Bunkie	07/01/14	31.73	Max
Mary Findley	Lake Charles	06/28/14	20.15	2a
R. L. Fuller	Monroe	06/17/14	27.00	Max
Chris Guidry	Sulphur	06/20/14	20.08	Max
Brian Jacomine	New Orleans	06/04/14	30.01	Max
Melanie Oliver	West Monroe	06/19/14	25.50	Max
Kevin Peddington	Bossier City	06/01/14	28.90	Max
Roy Tolbert	Covington	07/01/14	21.24	2a
Chalmus Queen, Jr.	Alexandria	06/30/14	30.06	2a

Investment Consultant's Report:

NEPC:

Mr. David Barnes represented NEPC. Mr. Barnes presented the Investment Market Update. The total market value as of May 31, 2014 was \$1,794,116,917 and performance was 1.7% for the month of May 2014 and 16.4% for the FYTD.

Update on Manager Searches:

Emerging Markets Debt – Local Currency and High Yield Bond:

Mr. Barnes advised that 12 investment managers responded to the Request for Proposals (RFP) issuance for Emerging Markets Debt – Local Currency search and 41 investment managers responded to the RFP issuance for High Yield Bond search.

The candidates were quantitatively scored using NEPC's proprietary Performance Analytics Statistical Software (PASS) on metrics that identify investment processes expected to consistently outperform the benchmark over the long term. All analysis are based on excess manager returns, net of all fees. Emerging Markets Debt and High Yield Bond strategies are scored 0-100. The PASS results were reviewed by MPERS staff and the NEPC Research Team which narrowed down the list of candidates for Emerging Markets Debt to eight managers and for High Yield Bond down to ten managers based on a qualitative review of appropriateness for the MPERS mandate. Discussions were held regarding the evaluation and reasons for excluding candidates from further consideration. NEPC will profile these managers and Mr. Barnes will present highlights to the board at the July 16, 2014 meeting in order for the board to select which managers to interview. At the August 20, 2014 board meeting, the board will interview managers for Emerging Markets Debt – Local Currency and interviews for High Yield Bond managers will be held at the October 15, 2014 board meeting.

Investment Managers' Presentations:

Principal Global Investors:

Mr. Bill Grayson and Mr. John Berg represented Principal Global Investors to present their annual report. The portfolio account value as of May 31, 2014 was \$111,941,599.

Prudential Real Estate Investors:

Mr. Jim Murphy and Mr. Terry McHugh represented Prudential Real Estate Investors to present their annual report. The portfolio account value as of March 31, 2014 was \$33,848,914.

2014 Legislative Update:

Mr. Roche advised that HB 24 was signed by the governor and became Act 402. This Act changes the amortization schedules for MPERS' gains and losses and becomes effective July 1, 2014.

Operating and Building Budget 2014 - 2015:

Motion by Mr. Dean seconded Mr. Munch to go into executive session for personnel matters at 10:22 a.m. Roll call vote to go into executive session: Yes vote: Mr. Dabadie, Mr. Dean, Mr. Greene, Ms. Appeaning, Mr. Broussard, Mr. Munch, Mr. Normand, Mr. Reech, Mr. Gibson and Mr. Huggins. With no objections the motion carried.

Back to regular session at 10:39 a.m.

Motion by Mr. Dean seconded by Mr. Normand to approve Operating Budget with a 2 % employee salary increase. Roll call vote in favor of the motion: Mr. Dabadie, Mr. Dean, Mr. Greene, Ms. Appearing, Mr. Broussard, Mr. Munch, Mr. Normand, Mr. Reech and Mr. Gibson. With no objections the motion carried.

Motion by Mr. Gibson seconded by Mr. Munch to retain the amount of \$20,000 in the budget for the use of private investigative services. With Mr. Reech objecting the motion carried.

Motion by Mr. Broussard seconded by Mr. Dean to approve the Operating Budget for 2014 – 2015 as amended. With no objections the motion carried.

Motion by Mr. Normand seconded by Mr. Gibson to approve the Building Budget as presented for 2014 – 2015. With no objections the motion carried.

Accept ballot count for Non Chiefs District III :

The results of the Non Chiefs District III (New Orleans) Trustee election as certified by Hawthorn, Waymouth & Carroll, LLP are as follows:

Mr. Raymond C. Burkart, Jr.	39
Mr. Frank M. Young, Jr.	35

Motion by Mr. Reech seconded by Mr. Dean to approve the ballot count for Non Chiefs District III. Mr. Burkart will be sworn in at the July 16th board meeting. With no objections the motion carried.

A total of 1,350 ballots were mailed to eligible voting members of MPERS.

Other Business:

Chief Mike Suchanek from DeQuincy Police Department attended the meeting and expressed interest in serving as Trustee for Chiefs District I.

Motion by Mr. Dean seconded by Mr. Greene to appoint Mr. Suchanek to the board on an interim basis until an election can be held. With no objections the motion carried.

Mr. Huggins presented Mr. Dean with a plaque for his service rendered on the Board of Trustees of the Municipal Police Employees' Retirement System from November 1997 to June 2014.

Motion by Mr. Dean seconded by Mr. Reech to adjourn the meeting at 11:08 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 June 18, 2014.

Mark Huggins, Chairman

Daphne Rusk, Administrative Assistant