

MINUTES

The Board of Trustees of the Municipal Police Employees' Retirement System held a Regular Meeting on Wednesday, October 19, 2011, at 7722 Office Park Boulevard, Baton Rouge, Louisiana.

The meeting was called to order by Chairman Kelly Gibson at 9:00 a.m.

Pledge of Allegiance:

Chairman Kelly Gibson led the pledge of allegiance.

Members Present:

Capt. Kelly Gibson, Chairman
Sgt. (Ret.) Larry Reech, Vice Chairman
Mayor Barney Arceneaux
Mr. John Broussard, designee for State Treasurer
Chief Stephen Caraway
Capt. Henry Dean
Chief Christopher Elg
Capt. (Ret.) Willie Joe Greene
Cpl. Mark Huggins
Mayor Tim Matte
Chief Dwayne Munch
Dr. Steve Procopio, designee for DOA Commissioner

Members Absent:

Chief K.P. Gibson
Senator D.A. "Butch" Gautreaux
Representative Kevin Pearson

Others Present:

Ms. Kathy Bourque, Director
Ms. Daphne Rusk, Administrative Assistant
Mr. Randy Roche, General Counsel
Mr. Brett Hazen, Segal Advisors
Mr. Greg Curran, GS Curran & Company, Ltd
Mr. Richard Hartzell, JPMorgan
Ms. Beth Andrews, JPMorgan Securities Lending
Mr. Brian Walton, Sterling Capital Management, LLC
Mr. Bob Clark, Sterling Capital Management, LLC
Ms. LA Tucker, Monroe Police Department
Mr. Michael Callaway, Monroe Police Department
Ms. Sharon Aymond, Denham Springs Police Department
Ms. Bridgitte Culivan, Denham Springs Police Department
Mr. Jeff Wesley, Retiree
Mr. Joseph Narcisse, New Orleans Police Department
Mr. Gary Watson, City of Denham Springs

Public Comment:

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

Approval of minutes:

Motion by Mr. Reech seconded by Mr. Munch to approve the minutes of the meeting held September 21, 2011 as presented. Without objection the motion carried.

Approval of retirement applications:

Motion by Mr. Dean seconded by Mr. Caraway 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>
Clarence Gillard	New Orleans	09/01/11	20.86	Max
Curtis Stephenson	Bastrop	09/26/11	24.22	2a

Motion by Mr. Huggins 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>
Owen Anderson	Baton Rouge	09/01/11	24.34	Max
John Bacot	Bossier City	08/14/11	28.97	3a
Larry Buford	Monroe	08/01/11	28.17	2a
Joyce Branch	Alexandria	09/01/11	20.20	3a
Marilynn Jerkins	Monroe	09/01/11	12.00	Max
Christopher Lang	Covington	08/17/11	30.01	2a
Michael Reed	Westlake	09/01/11	31.50	2a
Gilbert Slaughter, Jr.	Baton Rouge	08/15/11	23.59	02
Rosemary Turner	Monroe	09/01/11	18.29	Max
Joseph Waguespack, Sr.	New Orleans	08/09/11	25.65	3a
Edmund Worthy	New Orleans	09/01/11	30.41	2a

Motion by Mr. Reech 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>
Phillip Dupas, Jr.	Baton Rouge	10/14/11	25.00	2a
Linda Durr	Monroe	10/01/11	35.86	Max
Freddy Mercer	Monroe	10/01/11	23.67	Max

Disability Retirement:

Ms. Sharon Aymond (Denham Springs) attended the board meeting to provide information relative to her application for disability retirement. Chairman Gibson advised Ms. Aymond that she had the option of having her application discussed in open session or executive session. Ms. Aymond opted for executive session.

Motion by Mr. Reech seconded by Mr. Dean to go into executive session at 9:08 a.m. to discuss Ms. Sharon Aymond's disability application. Without objection the motion carried.

Back to regular session at 9:16 a.m.

Motion by Mr. Reech seconded by Mr. Dean to approve Ms. Sharon Aymond's (Denham Springs) non duty related disability application as submitted. Without objection the motion carried.

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

Motion by Mr. Dean seconded by Mr. Reech to go into executive session at 9:17 a.m. to discuss Mr. Joseph Narcisse's disability application. Without objection the motion carried.

Back to regular session at 9:23 a.m.

Motion by Mr. Dean seconded by Mr. Elg to approve the non-duty related disability application as submitted. Without objection the motion carried.

Motion by Mr. Reech seconded by Mr. Dean to amend the agenda to add Mr. David Kirsch's (New Orleans) disability application for certification purposes only. Without objection the motion carried.

Motion by Mr. Reech seconded by Mr. Dean to go into executive session at 9:25 a.m. to discuss Mr. David Kirsch's disability application. Without objection the motion carried.

Back to regular business at 9:34 a.m.

Motion by Mr. Reech seconded by Mr. Dean to certify that Mr. David Kirsch (New Orleans) was injured in the line of duty. Without objections the motion carried.

Investment Managers Presentation:

Sterling Capital Management, LLC

Mr. Brian Walton and Mr. Robert Clark represented Sterling Capital Management, LLC to present the annual report. The market value of the portfolio was \$33,316,872 as of September 30, 2011.

<i>Performance results:</i>	<u>MPERS</u>	<u>Russell 2500 Value</u>
Qtr. ended 9/30/11	-21.9%	-21.1%
YTD ended 9/30/11	-19.8%	-16.3%
Three years	4.1%	0.1%
Since inception 8/31/01	6.7%	5.9%

JPMorgan Securities Lending:

Ms. Beth Andrews represented JPMorgan Securities Lending to present their annual report. Total earning for 2nd quarter of 2011 was \$187,807.

Custodian Report by JPMorgan:

Mr. Richard Hartzell represented JPMorgan at the meeting. Total market value as of September 30, 2011 was \$1,231,861,643.

Investment Consultant's Report:

Mr. Brett Hazen represented Segal Advisors at the meeting and presented the analysis of performance ending September 30, 2011. Market value as of September 30, 2011 was \$1,231,861,643. Performance for the month of September 2011 was -6.49%.

Mr. Hazen presented analysis of Segal's due diligence efforts on the Global Tactical Asset Allocation (GTAA) universe representing a significant portion of the universe and categorizing the universe into sub-classifications. The sub-classifications were Fixed Income Replacement, Blend, Equity Replacement and Completion. Mr. Hazen stated that firms in the Completion and Equity Replacement sub-classifications were preferred for MPERS' needs.

Motion by Mr. Huggins seconded by Mr. Greene to authorize Segal Advisors to conduct a search report based on the due diligence conducted on managers to compare information on individual managers for a possible 5% allocation. Without objection the motion carried.

Mr. Hazen presented a composite analysis of the Systems' five International Equity managers with return information prior to each manager's inception. As the Board has seen over the last three years or so, the risk/return characteristics do not compare favorably to a broad-based index. Longer-term results were very similar to this and relative performance was largely controlled by the more volatile components of the portfolio (emerging markets and small cap). Discussed the idea of a more efficient core investment in the space and Segal Advisors will discuss further at next month's meeting.

Compliance Questionnaire:

Motion by Mr. Reech seconded by Mr. Huggins to adopt a resolution authorizing the Chairman of the Board and the System's Director to execute the Annual Systems Survey and compliance Questionnaire as of June 30, 2011 as required by statute. Without objection the motion carried.

Other Business:

Golf Courses:

Mr. Roche advised that Touchstone Golf requested funds for both Stonebridge Golf Club and Olde Oaks Golf Club to carry the courses through the end of the year. Stonebridge is requesting \$140,000.00 and Olde Oaks is requesting \$80,000.00.

Motion by Mr. Matte seconded by Mr. Munch that Touchstone must submit a profit and loss statement along with a cash flow projection prior to requesting funding for Stonebridge Golf Club and/or Olde Oaks Golf Club. Without objection the motion carried.

Request from Darryl Dean:

Mr. Roche advised that retiree Mr. Darryl Dean is threatening a law suit against MPERS regarding his effective date of retirement.

Motion by Mr. Dean seconded by Mr. Huggins to go into executive session at 11:17 a.m. to discuss Mr. Darryl Dean's request to back date his retirement date. Without objection the motion carried.

Back to regular session at 11:50 a.m.

Motion by Mr. Dean seconded by Mr. Reech to offer in settlement to Mr. Darryl Dean to back date his initial retirement to September 1, 2009 which is the date he received an estimate of benefits from MPERS. Without objection the motion carried.

Policy Committee:

Motion by Mr. Dean seconded by Mr. Huggins to appoint a policy committee to discuss and provide future policies for MPERS' membership. Without objection the motion carried.

Mr. Dean volunteered to Chair the policy committee.

Chairman Gibson appointed Mr. Dean to Chair the policy committee and allow Mr. Dean to flexibly choose the committee members.

Chiefs Association Conference:

Mr. Elg advised that the Executive Director of the Louisiana Chief's Association inquired about MPERS holding a meeting in conjunction with the Chief's Annual Conference which will be held in Baton Rouge October 2012.

The Board instructed Ms. Bourque to contact the Executive Director to coordinate a meeting in conjunction with the Chief's Annual Conference. Without objection the motion carried.

Motion by Mr. Dean seconded by Mr. Reech to adjourn the meeting at 11:55 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 October 19, 2011.

Kelly Gibson, Chairman

Kathy Bourque, Director