

MINUTES

The Board of Trustees of the Municipal Police Employees' Retirement System held a Regular Meeting on Wednesday, April 19, 2017, at 7722 Office Park Boulevard, Baton Rouge, Louisiana.

The meeting was called to order by Chairman Mark Huggins at 9:11 a.m.

Pledge of Allegiance:

Chairman Huggins led the pledge of allegiance.

Members Present:

Sgt. Mark Huggins, Chairman
Chief Scott Ford, Vice Chairman
Maj. Raymond Burkart, Jr.
Capt. (Ret.) Willie Joe Greene
Sgt. Chad King
Mr. Rick McGimsey, Div. of Administration Designee
Ms. Amy Mathews, State Treasurer Designee
Sgt. (Ret.) Larry Reech
Chief Michael Suchanek
Mayor Donald Villere

Members Absent:

Rep. Tony Bacala
Chief Carl Dabadie, Jr.
Mayor Gerard Landry
Chief Dwayne Munch
Senator Barrow Peacock

Others Present:

Ms. Kathy Bourque, Director
Ms. Daphne Rusk, Administrative Assistant
Mr. Randy Roche, General Counsel
Mr. David Barnes, NEPC
Mr. Gary Curran, Actuary
Ms. Annie Smith, Attorney, House Retirement Committee
Mr. Carlton "Trey" Jones, Attorney for MPERS
Mr. Steven C. Stewart, BRPD
Mr. Vicente Dave, NOPD
Mr. Stephen Weeks, William Blair
Mr. Blake Pontius, William Blair
Mr. Pdraig Sheehy, KBI Global Investors

Public Comment:

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

Interviews for Executive Director:

Motion by Mr. Greene seconded by Mr. Suchanek to hold the interviews for Executive Director in executive session under the provision of R.S. 42:17(A)(1) at 9:13 a.m. Without objection the motion carried.

Separate Interviews were held as follows:

- Mr. Ben Huxen
- Mr. Carlton Jones
- Mr. Mark Williams

Mr. McGimsey arrived at 10:34 a.m.

Back to regular session at 10:57 a.m.

Motion by Mr. Reech seconded by Mr. Ford to move to item number 18 on the agenda: Discussion of RFP for Executive Director and General Counsel. Without objection the motion carried.

Motion by Mr. Reech seconded by Mr. Villere to offer Mr. Ben Huxen the position of Executive Director/General Counsel with the salary of \$160,000 annually. Without objection the motion carried.

Back to regular order of business.

Approval of minutes:

Motion by Mr. Burkart seconded by Mr. King to approve the minutes of the meetings held March 14 and 15, 2017. Without objection the motion carried.

Approval of retirement applications:

Motion by Mr. Ford 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>
Elizabeth Branton	Bogalusa	02/21/17	14.28	2a
Michael Efferson	Baton Rouge	02/21/17	26.99	02
Jody Jones	Shreveport	03/01/17	25.82	Max
Kyle Manceaux	Lafayette	02/08/17	23.10	Max
Dwayne Prejean	Lafayette	02/09/17	28.16	3a
James Shepack	New Orleans	02/06/17	25.22	3a
Dwayne Stoute	Lafayette	02/13/17	25.56	2a
Patrick Van Dyke	Alexandria	02/02/17	25.00	3a
Christopher Welch	Alexandria	02/08/17	25.00	3a
George Wilhite	Winnsboro	02/10/17	24.15	2a

Motion by Mr. Suchanek seconded by Mr. Burkart 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>
Stephen Harrell	New Orleans	04/01/17	25.69	2a
Steven Williams	New Orleans	04/09/17	25.00	Max

Motion by Mr. Reech seconded by Mr. Greene 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>
Mark Johnson	Monroe	04/04/17	24.20	2a
Robert Kirton III	New Orleans	03/31/17	26.43	Max
Kathryn Morgan	Bossier City	05/01/17	12.69	Max
Mark Munson	New Roads	03/09/17	20.00	2a
Mary Stevenson	New Iberia	04/06/17	19.80	2a

Disability Retirement:

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

Motion by Mr. Reech seconded by Mr. King to enter into executive session at 11:04 a.m. to discuss Mr. Dave's disability application. With Mr. Burkart recusing himself, the motion carried.

Back in regular session at 11:18 a.m.

Motion by Mr. Suchanek seconded by Mr. King to approve the duty related disability application by Mr. Vicente Dave (New Orleans). Without objection the motion carried.

Mr. Steven C. Stewart (Baton Rouge) attended the board meeting to provide information relative to his non-duty related disability application.

Motion by Mr. King seconded by Mr. Ford to enter into executive session at 11:19 a.m. to discuss the non-duty related disability application by Mr. Steven C. Stewart (Baton Rouge). Without objection the motion carried.

Back in regular session at 11:28 a.m.

Mr. Steven C. Stewart (Baton Rouge) withdrew his non-duty related disability application.

Discussion of pending litigation: Jeff M. Bailes vs MPERS 19th JDC No. 644,057 Sec 26:

Motion by Mr. Reech seconded by Mr. King to enter into executive session at 11:29 a.m. to discuss Jeff M. Bailes vs. MPERS. Without objection the motion carried.

Back in regular session at 11:41 a.m.

Investment Consultant's Report:

Mr. David Barnes represented NEPC and presented the Investment Market Update for the system. The total market value as of March 31, 2017 was \$1,903,641,362 and performance was up 1.0% for the month and up 10.4% for the fiscal year to date.

Mr. Barnes provided a memo regarding Acadian Asset Management's update on its next phase of leadership succession plan that was initially developed and communicated in 2012.

NEPC recommends: No Client Action. This organizational announcement by Acadian is an update to a plan that has been in place for several years and has been well communicated to clients. The announcement represents a natural succession of leadership within the organization to qualified and capable senior employees.

KBI Global Investors:

Mr. Padraig Sheehy represented KBI Global Investors and presented their annual report to the board. The market value as of March 31, 2017 was \$103,258,902.

William Blair Investment Management:

Mr. Blake Pontius and Mr. Stephen Weeks represented William Blair and presented their annual report to the board. The market value as of March 31, 2017 was \$195,635,090.

Responses from ITB audit services:

Ms. Bourque advised that she invited 11 accounting firms to submit proposals for professional auditing services for MPERS. Several firms stated they did not have the staff in place to handle such task, however two firms submitted a proposal for such services: Duplantier, Hrapmann, Hogan & Mayer, LLP (DHHM) and Postlethwaite & Netterville (P&N).

Discussions and comparisons were made on the two proposals submitted.

Motion by Mr. Reech seconded by Mr. Villere to award Duplantier, Hrapmann, Hogan & Mayer, LLP (DHHM) a one year contract to perform audit and agreed upon procedures for Fiscal Year 2017 and to allow the new executive director to extend the contract 4 more years under his discretion. The audit contract will include the requirement to have a second person within the firm to review the audit. Without objection the motion carried.

Approve Nominations for:

- Chief District I and II
- Retiree District I and II

Ms. Bourque announced the nominations received for the following districts:

Chief District I received one nomination: **G. Scott Ford (St. Francisville)**

Chief District II received one nomination: **Dwayne Munch, Sr. (Westwego)**

Retiree District II received one nomination: **Larry Reech (New Orleans)**

Retiree District I received three nominations:

- **Willie Joe Greene (Shreveport)**
- **Henry Sims (Westlake)**
- **Ronald Schleuter (Monroe)**

<u>May 3, 2017</u>	Ballots mailed to eligible voting members
<u>June 12, 2017</u>	Ballots due in the post office of Hawthorn, Waymouth & Carroll by 4:30 p.m.
<u>June 14, 2017</u>	Ballots counted and verified beginning at 2:00 p.m.at the office of Hawthorn, Waymouth & Carroll, 8555 United Plaza Blvd., Baton Rouge, LA 70809
<u>June 21, 2017</u>	Board accepts certified ballot count and publishes results
<u>July 1, 2017</u>	Elected trustee takes office

Motion by Mr. King seconded by Mr. Burkart to accept the nominations as presented for Chief District I and II, along with Retiree District I and II. Without objection the motion carried.

Director's Report:

Ms. Bourque provided the board with a list of invoices paid by the retirement system during the prior month for their review. The board had no questions regarding any payments issued.

Motion by Mr. Reech seconded by Mr. King to adjourn the meeting at 12:52 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 April 19, 2017.

Mark Huggins, Chairman

Daphne Rusk, Administrative Assistant