

MINUTES

The Board of Trustees of the Municipal Police Employees' Retirement System held a Regular Meeting on Wednesday, May 17, 2017, at 7722 Office Park Boulevard, Baton Rouge, Louisiana.

The meeting was called to order by Chairman Mark Huggins at 9:14 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.
Chief Carl Dabadie, Jr.
Capt. (Ret.) Willie Joe Greene
Mayor Gerard Landry
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
Sgt. Chad King
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
Mr. Robert McManama, Loomis Sayles
Mr. John Grybauska, Standard Life Investments
Mr. Stuart Peskin, Standard Life Investments

Public Comment:

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

Approval of minutes:

Motion by Mr. Ford seconded by Mr. Greene to approve the minutes of the meetings held April 19, 2017. Without objection the motion carried.

Approval of retirement applications:

Motion by Mr. Reech seconded by Mr. Burkart 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>
Richard Arnold, Jr.	Kenner	03/02/17	31.92	2a
Darrell Doucette	New Orleans	04/01/17	25.27	Max
Glenn Hauck, Jr.	Hammond	03/16/17	30.04	2a
Edmund Henry	New Orleans	03/10/17	27.00	3a
Felicia Iheanacho	Baton Rouge	03/14/17	19.15	Max
Robert Norris	New Orleans	04/01/17	20.01	Max
Bryan Racca	Lafayette	03/26/17	27.21	3a
Josef Roesler	Baton Rouge	03/21/17	27.11	Max

Motion by Mr. Greene seconded by Mr. Reech 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>
Eric Berger	New Orleans	04/15/17	26.33	Max
Steven Engel	New Orleans	04/29/17	19.53	03
Jimmy Ray	Shreveport	05/01/17	18.16	Max
John Stalnaker	Shreveport	05/01/17	25.10	2a
Arnold Williams	New Orleans	04/23/17	25.00	2a

Motion by Mr. Ford seconded by Mr. Suchanek 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>
Kenneth Boudoin	Kenner	04/08/17	20.07	Max
Philip Gioiello	Kenner	05/01/17	27.47	Max
Mary Skains	Alexandria	05/01/17	20.27	Max
Joseph Smith	Monroe	05/08/17	25.02	Max
John Walker, Jr.	Shreveport	04/01/17	25.90	2a

Investment Consultant's Report:

Mr. David Barnes represented NEPC and provided the First Quarter 2017 Investment Performance Update. He noted that in the prior 3 month period, MPERS is ranked in the 19th percentile against its peers and in the current fiscal year to date period, MPERS is ranked in the 13th percentile.

Mr. Barnes presented the Investment Market Update for the system. The total market value as of April 30, 2017 was \$1,925,757,935 and performance was up 1.1% for the month and up 11.6% for the fiscal year to date. Mr. Barnes recapped the system's activity during the prior month and explained how each sector of the portfolio performed.

Loomis Sayles

Mr. Bob McManama represented Loomis Sayles and presented their annual report to the board. The market value as of April 30, 2017 was \$151,931,086.

Standard Life

Mr. John Grybauskas and Mr. Stuart Peskin represented Standard Life and presented their annual report to the board. The market value as of April 30, 2017 was \$106,742,890.

Actuary's Comments:

Mr. Gary Curran stated there will be a slight increase in the next year's actuarial contract. The contract has been at \$7,235.00 for the past three years and will increase to \$7,400.00. The board will include this item in the operating budget to be adopted at the June 21, 2017 meeting.

Mr. Villere stated that he would like for the board and the actuary to have more discussion on options of how to reduce the system's unfunded accrued liability (UAL) with plan adjustments, such as increasing age requirements or reducing benefits. Mr. Curran stated that similar options have been discussed prior to the passing of Act 55 of 2012 Regular Session which implemented the "hazardous duty" and "non-hazardous duty" plans. Mr. Villere suggested that the board revisit those ideas and requested the actuary to provide additional analysis. Mr. Curran explained that payroll growth and membership increase will help to reduce UAL.

Mr. Burkart asked if there are any other means of revenue or alternative streams of revenue.

Attorney's Comments:

Mr. Roche was asked to explain HB33 in the current legislative session. He advised that HB33 is a correction to the prior year's bill which inadvertently omitted designees of the legislative representatives to attend executive sessions of state and statewide retirement systems. It does not give the designees voting rights.

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.

Ms. Bourque advised that the ballots for Retiree District I were mailed on May 4, 2017 and are due back to the CPA firm on June 12, 2017 for counting on June 14, 2017 at 3:00 p.m. at the CPA firm's office.

Ms. Bourque announced the Insurance Premium Tax funds in the amount of \$19 million were received from the State Treasurer's office on May 5, 2017.

Ms. Bourque provided the board with a copy of the proposed budget for 2017 – 2018 Fiscal Year.

Other Business:

Mr. Ford inquired about updating the MPERS handbooks noting that the last published handbook is dated 2008. It was noted that the incoming Executive Director/General Counsel could address this project.

Motion by Mr. Burkart seconded by Mr. Ford to adjourn the meeting at 11:00 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 May 17, 2017.

Mark Huggins, Chairman

Daphne Rusk, Administrative Assistant