

MINUTES

The Board of Trustees of the Municipal Police Employees' Retirement System held a Regular Meeting on Wednesday, June 21, 2017, at 7722 Office Park Boulevard, Baton Rouge, Louisiana.

The meeting was called to order by Chairman Mark Huggins at 9:06 a.m.

Pledge of Allegiance:

Chairman Huggins led the pledge of allegiance.

Members Present:

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

Members Absent:

Chief Carl Dabadie, Jr.
Sgt. Chad King
Mayor Gerard Landry
Chief Dwayne Munch
Senator Barrow Peacock
Sgt. (Ret.) Larry Reech

Others Present:

Ms. Kathy Bourque, Director
Ms. Daphne Rusk, Administrative Assistant
Mr. Randy Roche, General Counsel
Mr. David Barnes, NEPC
Mr. Greg Curran, Actuary
Mr. Bryan Bernard, Marksville Police Dept.
Mr. Bill Grayson, Principal Global Advisors
Mr. John Berg, Principal Global Advisors
Ms. L. A. Huggins, Monroe Police Dept.

Public Comment:

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

Approval of minutes:

Motion by Mr. Greene seconded by Mr. Ford to approve the minutes of the meeting held May 17, 2017. Without objection, the motion carried.

Approval of retirement applications:

Motion by Mr. Burkart seconded by Mr. Suchanek 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>
Dawn Armer	Alexandria	04/11/17	25.00	Max
Steve Bezet	Plaquemine	04/11/17	26.16	2a
Patricia Evans	Shreveport	05/01/17	20.05	Max
Darren Hartman	New Orleans	04/16/17	21.01	2a
Edward Johnson	Oakdale	04/21/17	20.21	02
Emmett Mapps, Jr.	Monroe	05/01/17	20.00	2a
Eugene Smothers	New Orleans	04/23/17	21.18	3a

Motion by Mr. Greene 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>
Eric Darling	Lake Charles	06/30/17	30.00	Max
Robert Gann, Sr.	Baton Rouge	06/28/17	23.44	2a
Belva Graham	West Monroe	06/27/17	23.43	Max
Kevin Imbraguglio	New Orleans	06/11/17	21.17	Max
Todd Weishar	Baton Rouge	06/16/17	29.23	02

Motion by Mr. Suchanek seconded by Mr. Ford 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>
Vincent Baurichter	Shreveport	06/01/17	20.04	Max
Jamey Hebert	Houma	04/08/17	25.00	2a
Angela Holmes	Bogalusa	05/08/17	20.19	Max
Gregory Jones	Shreveport	05/01/17	25.07	2a
Donald Malray	Homer	05/05/17	27.53	Max

Disability Retirement:

Mr. Bryan Bernard (Marksville) attended the board meeting to provide information relative to his duty related disability application. Chairman Huggins advised Mr. Bernard that he could have his application discussed in an open forum or in executive session. Mr. Bernard opted for executive session.

Motion by Mr. Villere seconded by Mr. Ford to enter into executive session at 9:10 a.m. Without objection, the motion carried.

Mr. Rick McGimsey entered the meeting at 9:11 a.m.

Back in regular session at 9:29 a.m.

Motion by Mr. Bacala seconded by Mr. Greene to have Mr. Bernard examined in person by potentially three doctors chosen by the board for determination of disability status. These doctor examination fees will be paid by MPERS. Without objection, the motion carried.

Ms. Stacey Cockrell (Bogalusa) submitted an application for duty related disability consideration. Ms. Cockrell was not in attendance.

Motion by Mr. Greene seconded by Mr. Villere to have Ms. Cockrell examined in person by a doctor selected by the MPERS board for determination of disability status. The doctor examination fees will be paid by MPERS. Without objection, the motion carried.

Investment Consultant's Report:

Mr. David Barnes represented NEPC and presented the Investment Market Update for the system. The total market value as of May 31, 2017 was \$1,925,818,734 and performance was up 1.3% for the month and up 13.2% 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.

Mr. Barnes reminded the board that Loomis Sayles presented their annual report at the May 17, 2017 meeting and requested that MPERS approve a change to the portfolio guidelines. The current guidelines state that the MPERS separate account managed by Loomis "may not hold more than 10% of the market value in securities rated Ba1/BB+/BB+ and B3/B-/B- by Moody's, S&P, or Fitch at the time of purchase". Loomis has requested the guidelines be loosened to allow to hold no more than 15% in the above described "below investment grade" securities. NEPC recommends this change.

Motion by Mr. Greene seconded by Mr. Burkart to approve the portfolio guidelines change requested by Loomis Sayles as recommended by NEPC. Without objection, the motion carried.

Principal Global Investors

Mr. Bill Grayson and Mr. John Berg represented Principal Global Investors and presented their annual report to the board. The market value as of May 31, 2017 was \$146,561,738.

Summit Partners

Summit Partners will reschedule their annual presentation because of weather delays to their flights.

Approval of Audit Services with DHHM for FY 2017 – 2018:

Motion by Mr. Ford seconded by Mr. Suchanek to approve the following audit services with Duplaniter, Hrapmann, Hogan & Maher for FY 2017 – 2018:

- Financial Statement Audit
- AUP – Engagement for Statewide Procedures
- AUP – Census Data Testing
- GASB 68 Audit

Without objection, the motion carried.

Actuary's Comments:

Motion by Mr. Ford seconded by Mr. Greene to approve the 2017 – 2018 contract with G. S. Curran and Company as presented for actuarial services. Without objection, the motion carried.

Approval of the 2017 – 2018 Operating Budget and Building Budget:

Motion by Mr. Ford seconded by Mr. Greene to approve the 2017 – 2018 Operating and Building budgets as presented. Without objection, the motion carried.

Accept ballot count for Retiree District I:

The results of the Retiree District I Trustee election as certified by Hawthorn, Wymouth & Carroll, LLP are as follows:

- Willie Joe Greene (Shreveport) 215
- Ronald E. Schleuter (Monroe) 168
- Henry Sims (Westlake) 43

Motion by Mr. Ford seconded by Mr. Suchanek to accept the ballot count for Retiree District I. Mr. Greene will be sworn in at the July 19, 2017 board meeting for another five year term. Without objection, the motion carried.

Actuary's Comments:

Mr. Greg Curran with G. S. Curran and Company stated that he would like to meet with Mr. Ben Huxen, Executive Director and General Counsel and Ms. Kathy Bourque, Assistant Director during the next couple months to discuss the impact of Act 43 of 2015 which requires employers who partially terminate participation in MPERS to pay the portion of the system's unfunded accrued liability attributable to the employers' participation in the system.

Attorney's Comments:

It was stated that this is Mr. Roche's last meeting as General Counsel with MPERS. Mr. Suchanek thanked Mr. Roche for his service to the system and Chairman Huggins expressed his pleasure working with Mr. Roche.

Motion by Mr. Greene seconded by Mr. Burkart to prepare and present a plaque to Mr. Roche for his service to MPERS since December 1990. 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.

Terms of employment for Executive Director and General Counsel:

***Resolution of the Board of Trustees of the
Municipal Police Employees' Retirement System***

BE IT RESOLVED that, effective July 1, 2017, Benjamin A. Huxen II, Executive Director for the Municipal Police Employees' Retirement System (MPERS), is hereby authorized and empowered for and on behalf of, and in the name of MPERS, to act for and on behalf of the Board in all financial matters.

BE IT FURTHER RESOLVED that, effective July 1, 2017, Mr. Huxen is further authorized to execute any documents as shall, in his sole discretion and judgment, be appropriate and desirable to accomplish the foregoing.

BE IT FURTHER RESOLVED that, effective July 1, 2017, Mr. Huxen is authorized to take necessary action and sign necessary documentation with regard to all personnel matters and all day-to-day operations of the system, including but not limited to ensuring the accurate and timely delivery of benefits to members and beneficiaries.

BE IT FURTHER RESOLVED that this authority remains valid and in full force and effect until modified or rescinded.

Adopted by this Board this 21st day of June, 2017, Baton Rouge, Louisiana.

Motion by Mr. Suchanek seconded by Mr. Ford to approve the Delegation of Authority Resolution to Executive Director. Without objection, the motion carried.

Motion by Mr. Ford seconded by Mr. Villere to pay Mr. Huxen's bar association dues for the fiscal year 2017 – 2018. Without objection, the motion carried.

Motion by Mr. Ford seconded by Mr. Suchanek to adjourn the meeting at 10:01 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 21, 2017.

Mark Huggins, Chairman

Daphne Rusk, Administrative Assistant