

MINUTES

The Board of Trustees of the Municipal Police Employees' Retirement System held a Regular Meeting on Wednesday, July 19, 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.

Oath of Office:

Mr. Ben Huxen administered the Oath of Office to Retired Captain Willie Joe Greene to serve as the regular retiree Trustee retired from the Chiefs District I for a 5-year term from July 1, 2017 to June 30, 2022.

Mr. Ben Huxen administered the Oath of Office to Retired Sergeant Larry Reech to serve as the regular retiree Trustee retired from Chiefs District II for a 5-year term from July 1, 2017 to June 30, 2022.

Members Present:

Sgt. Mark Huggins, Chairman
Rep. Tony Bacala
Maj. Raymond Burkart, Jr.
Chief Carl Dabadie, Jr.
Capt. (Ret.) Willie Joe Greene
Sgt. Chad King
Mayor Gerard Landry
Mr. Rick McGimsey, Div. of Administration Designee
Ms. Amy Mathews, State Treasurer Designee
Senator Barrow Peacock
Sgt. (Ret.) Larry Reech
Chief Michael Suchanek
Mayor Donald Villere

Members Absent:

Chief Scott Ford, Vice Chairman
Chief Dwayne Munch

Others Present:

Mr. Benjamin A. Huxen II, Executive Director & General Counsel
Ms. Kathy Bourque, Assistant Director
Ms. Daphne Rusk, Administrative Assistant
Mr. Randy Roche, Retired General Counsel
Mr. David Barnes, NEPC
Mr. Gary Curran, Actuary
Mr. Carlton "Trey" Jones, MPERS' Attorney
Ms. Kristen Jackson, Dimensional Fund Advisors
Mr. Horacio Carias, Dimensional Fund Advisors
Mr. Jim Klapman, Acadian Asset Management
Mr. Scott Brymer, Acadian Asset Management
Ms. L. A. Huggins, ULM 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. Burkart to approve the minutes of the meeting held June 21, 2017. Without objection, the motion carried.

Approval of retirement applications:

Motion by Mr. Reech seconded by Mr. King 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>
James Cutrer	Baton Rouge	05/30/17	28.98	03
Dennis Gibliant	New Orleans	05/02/17	25.03	Max
Valentino Grayman	New Orleans	05/26/17	20.13	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>
Harold Chambliss	New Orleans	05/14/17	33.53	2a
James Gremillion	Pineville	07/01/17	34.25	02
L. A. Huggins	Monroe	07/17/17	25.00	2a
Lisa Marie	New Orleans	07/01/17	33.94	Max
Michael Rachal	Lake Charles	07/01/17	26.22	2a
William Tarver	Monroe	07/17/17	30.00	3a
Donnie Watson	New Orleans	06/03/17	21.67	03
Timothy Wilkinson	Baton Rouge	07/27/17	27.29	03
Jacqueline Willis	Shreveport	07/01/17	30.19	2a

Motion by Mr. Suchanek seconded by Mr. King 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>
David Bean	New Orleans	07/01/17	20.02	Max
Larry Cunningham	Shreveport	07/01/17	32.38	2a
Michael Foster	Amite	07/01/17	16.24	2a
Annette Martin	St. Gabriel	06/05/17	17.50	Max
Timothy Richards	Lake Charles	06/30/17	25.02	02
Warren Vedros, Sr.	Lockport	06/23/17	19.49	2a
Charles Welch	Kinder	07/01/17	23.56	2a

Motion by Mr. Reech seconded by Mr. Burkart to approve the applications for Early 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>
Michael McCleary	Baton Rouge	07/01/17	20.00	2a
Steven C. Stewart	Baton Rouge	07/14/17	20.03	Max

Discussion of Jeff M. Bailes vs MPERS 19th JDC, Number 644,057, Sec “26” disability update:

Motion by Mr. King seconded by Mr. Greene to enter into executive session under the provisions of R.S. 42:17(2) at 9:12 a.m. Without objection, the motion carried.

Back in regular session at 9:27 a.m.

Chairman Huggins explained that the Board received an update from outside counsel, Mr. Carlton “Trey” Jones regarding the Jeff Bailes vs. MPERS case.

Disability Retirement:

Mr. Huxen explained that Mr. Stephen Lentz (New Orleans) submitted a request to be classified as disabled under the provisions of R.S. 11:2221(M).

Motion by Mr. King seconded by Mr. Greene to enter into executive session at 9:31 a.m. to discuss Mr. Stephen Lentz’s disability status. With Mr. Burkart recusing himself, the motion carried.

Senator Peacock left the meeting.

Back in regular session at 10:03 a.m.

Motion by Ms. Mathews seconded by Mr. Landry to take no action on Mr. Stephen Lentz’s disability status. With Mr. Reech opposing, and Mr. Burkart recusing himself, 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 June 30, 2017 was \$1,959,684,254 and performance was up 0.3% for the month and up 13.5% for the fiscal year to date.

Mr. Barnes announced that Energy Opportunities would like to attend the August 16, 2017 meeting to discuss performance and their outlook for the future.

Private Equity Program Review & 2017 Strategic Investment Plan:

Mr. Barnes reviewed the process of investing in private equities and the need for annual commitments. He explained how strategies that provide a combination of capital appreciations as well as near-term income or distribution can provide a balanced approach for maintaining private equity exposure while also providing some liquidity.

After explaining the varieties of private equities, Mr. Barnes disclosed the recommendation by NEPC to consider a \$30 million allocation to growth/buyouts for vintage year 2017 funds.

Motion by Ms. Mathews seconded by Mr. Dabadie to commit \$30 million to buyout/growth private equities for the vintage year 2017 funds, as recommended by NEPC. Without objection, the motion carried.

Mr. Barnes will bring in NEPC’s private equity consultant to the August 16, 2017 board meeting to profile five to seven growth/buyouts managers in order for the board to select which managers to interview.

Chairman Huggins recognized Mr. Randy Roche and presented him with a plaque in appreciation for his service as General Counsel for MPERS from December 1990 through June 2017 and wished him well in his retirement.

Acadian Asset Management:

Mr. Jim Klapman and Mr. Scott Brymer represented Acadian Asset Management and presented their annual report to the board. The market value as of June 30, 2017 was \$111,274,361.

Dimensional Fund Advisors

Ms. Kristen Jackson and Mr. Horacio Carias represented Dimensional Fund Advisors and presented their annual report to the board. The market value as of June 30, 2017 was \$71,524,403.

Update on disability retirement procedures:

Mr. Huxen explained that disability application procedures are being updated and should be ready to discuss at the next board meeting.

Actuary's Comments:

Mr. Gary Curran attended the meeting to provide any information needed. He stated that Mr. Greg Curran will be speaking at the LAPERS conference in September 2017 and also advised that an actuarial webinar is available from his office to any board members needing additional actuarial education training credit.

Mr. Bacala left the meeting at 11:07 a.m.

Executive Director and General Counsel's Report:

Mr. Huxen thanked the board for the opportunity to serve as Executive Director and General Counsel and stated that he is happy to be here and thanked the staff for their help and guidance in the transition. He also stated that Mr. Mike Sands, an HR consultant is currently meeting with the MPERS staff to review job descriptions and pay ranges.

Mr. Huxen 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.

Chairman Huggins stated that he would like a quarterly or semiannual status update on MPERS' security litigation files.

Other Business:

Mr. Suchanek expressed concerns over receiving disability information through the mail and Ms. Mathews stated much of the applications should be redacted.

Motion by Mr. King seconded by Mr. Greene to adjourn the meeting at 11:13 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 July 19, 2017.

Mark Huggins, Chairman

Daphne Rusk, Administrative Assistant