

**Municipal Police Employee's Retirement System**  
**Minutes of the Meeting of the Board of Trustees**  
**May 15, 2024**

The Board of Trustees of the Municipal Police Employees' Retirement System held a regular meeting on Wednesday, May 15, 2024 at the system's office at 7722 Office Park Boulevard in Baton Rouge, Louisiana.

**A. Call to Order**

The meeting was called to order by Lt. (Retired) Chad King at 9:56 a.m.

**B. Pledge of Allegiance**

Chief Wilrye led the Pledge of Allegiance.

**C. Roll Call**

**Members Present**

Chief Edwin Bergeron, Jr.  
Major Raymond Burkart, Jr.  
Asst. Chief Jason DiMarco  
Lt. (Retired) Chad King (Chairman)  
Mr. Julius Roberson, State Treasurer Designee  
Lt. Tyrone Warren  
Chief Beth Westlake  
Chief Christopher Wilrye (Vice Chairman)  
Chief David Addison (virtual)  
Major (Retired) Kelly Gibson (virtual)  
Mr. Craig Cassagne, Commissioner of Administration Designee (virtual)  
*\*Mr. Cassagne did not participate in roll call votes during this meeting*

**Members Absent**

Mayor Rick Allen  
Rep. Tony Bacala  
Mayor Greg Cromer  
Senator Bob Hensgens

**Others Present**

Mr. Benjamin Huxen II, MPERS Executive Director and General Counsel  
Ms. Taylor Camp, MPERS, Chief Financial Officer  
Ms. Emily Thurston, MPERS, Accountant  
Ms. Melissa Frazier, MPERS, Benefits Administrator  
Mr. Greg Curran, Curran Actuarial Consulting, Consulting Actuary  
Mr. David Barnes, NEPC, Investment Consultant (virtual)  
Ms. Sheri Morris, Daigle, Fisse, & Kessenich  
Mr. Kenny Brewer, Retired BRPD

Mr. Joey David, LA House of Representatives (virtual)  
Ms. Laura Gail Sullivan, Attorney (virtual)  
Ms. Ashlee McKneely, MPERS (virtual)  
Ms. Elizabeth Bourgeois, Internal Auditor (Office of State Treasurer) (virtual)  
Mr. Kenny Herbold, LLA (virtual)  
Mr. Shinji Hain, LLA (virtual)  
Mr. Joe Ebisa, WithIntelligence (virtual)  
Mr. Samuel Starkey, Schroders (virtual)  
Ms. Brooke LeBoeuf (virtual)  
Ms. Christie Ziadeh, MPERS (virtual)

**D. Public Comment**

Chairman King asked if there were any public comments. There were no public comments.

**E. Approval of the April 3, 2024 Board Meeting Minutes**

**Motion by Chief Christopher Wilrye and second by Chief Edwin Bergeron Jr. to approve the minutes of the meeting held April 3, 2024. After a roll call vote and without objection, the motion passed unanimously.**

**F. Reports of Committees**

1. Discussion and Action Regarding Report and Recommendations of the Human Resources and Governance Committee

Mr. Huxen reviewed the Human Resources and Governance Committee meeting held on May 8, 2024. He reviewed the document posted on BoardPaq.

Chief Wilrye asked if the compensation review from GGA had been received yet. The board was reminded that they discussed having the committee approve the compensation review when completed. Asst. Chief DiMarco stated that he was fine with empowering the committee to approve it if the report was provided to the Board.

**A motion was made by Chief Christopher Wilrye to accept the report/recommendations of the Human Resources and Governance Committee held on May 8, 2024. After a roll call vote and without objection, the motion passed unanimously.**

2. Discussion and Action Regarding Report and Recommendations of the Audit, Finance, and Risk Management Committee

Mr. Huxen presented the report and recommendations of the Audit, Finance, and Risk Management Committee from their meeting held on May 15, 2024. The committee approved minutes for their March 20, 2024 meeting and the

Fiscal 2025 Operating Budget at \$3,029,785.03 and Capital Budget at \$707,000.

**A motion was made by Chief Edwin Bergeron Jr. to adopt the report/recommendations from the Audit, Finance, and Risk Management Meeting held on May 15, 2024. After a roll call vote and without objection, the motion passed unanimously.**

3. Discussion and Action Regarding Report and Recommendations of the Legislative Committee

Mr. Huxen presented the report and recommendations of the Legislative Committee from their May 15, 2024 meeting. The committee approved the minutes of their April meeting and received an update on the 2024 legislative session along with a list of bills that staff was following. Mr. Huxen noted that there was a letter from Ice Miller regarding House Bill 42 in the materials for the legislative committee meeting on BoardPaq.

**Motion by Major Raymond Burkart, Jr. to adopt the report and recommendations from the Legislative Committee meeting held on May 15, 2024. After a roll call vote and without objection, the motion passed unanimously.**

**G. New Business**

1. Discussion and Action Regarding the Acceptance of the Nomination for the Non-chief District III Position

Mr. Huxen stated that Major Raymond Burkart, Jr. was the only nomination for Non-chief District III Position, and that they were happy to have him back.

**Motion by Asst. Chief Jason DiMarco and second by Chief Christopher Wilrye to accept Major Raymond Burkart Jr. to a new term in the position of Non-chief District III. After a roll call vote and without objection, the motion passed unanimously.**

2. NEPC Report on Investments (Qualifies as Investment Training)

Mr. Barnes reviewed the flash report that can be found in BoardPaq. He stated that the market expected six rate cuts in 2024, but based on the latest reports, Mr. Barnes noted that they could expect one or two. Mr. Barnes stated that there was a big pullback in expectations in both the stock and bond markets. Mr. Barnes noted that this was due to an expectation of a longer, higher interest rate environment. Mr. Barnes mentioned that there were some weaknesses starting in manufacturing and housing. Mr. Barnes also noted that the bank loans produced positive returns because they have adjustable interest rates.

Mr. Barnes then referenced page 4 and reviewed that the assets at the end of April totaled \$2,661,662,034. He stated that the investment losses were 2.5%

for the month. Mr. Barnes stated that the FYTD return was at 6.2%. Mr. Barnes let the Board know that nearly all those losses have been recouped in May with meaningful positive return so far.

Mr. Barnes stated that the Small Cap market was down 7%, managers were down 6.5%, and had preserved value on the downside.

Mr. Barnes pointed out that one area of the portfolio that underperformed was driven by William Blair at 0.3% versus the larger market. He stated that the US Market favored value stocks and that the growth manager had underperformed.

Mr. Barnes explained that the Emerging Market Equities composite was up 0.4%. He stated that the portfolio was up 1.2% and was driven by Acadian, the active manager in the value space. Mr. Barnes mentioned that it was up 20.5% for 1 year when the market was up 9.9%. He explained that it had been underperforming when value was out of favor.

Mr. Barnes stated that the Fixed Income was in line with the Global Bond Market and outperformed the US Investment Grade Bond Market. He went on to explain that the Hedge Funds were a piece of the portfolio that was being unwound. Mr. Barnes stated that it was at \$83 million at its peak, but the last piece was now at \$932,000. He stated that they are waiting for them to find a buyer at a reasonable value.

Mr. Barnes ended his review on the monthly performance update by stating that the good news was that through May 14, 2024, market losses in April have largely been recouped.

After there were no questions regarding the monthly performance update, Mr. Barnes moved on to his update on Asset Allocation. He stated that the new asset class, International Small Cap, was approved due to its growth in size. He stated that NEPC had initiated a search, building a report of NEPC's highest rated managers in that space, that make sense for the portfolio. Mr. Barnes stated that they also sent out a Request for Information from two index managers that could provide a low-cost option. Mr. Barnes stated that in July they will bring a list of six active managers and two passive managers, along with a recommendation for which should be interviewed.

Mr. Barnes then explained that another item for July is moving from Core Real Estate to a board-approved asset class, Private Real Assets/Infrastructure. NEPC believes this move will provide inflation protection with better return prospects. He stated that NEPC has reached out and sent a request for information and a proposal to HarbourVest. He stated they just received their response back and have a meeting scheduled with them to present to the Investment Committee. Mr. Barnes noted that July will be a busy month for the Investment Committee.

Mr. Roberson asked Mr. Barnes about managers to be interviewed for the search for International Small Cap asset class.

Mr. Barnes answered and stated they would recommend two to three managers to interview. He stated it would possibly be split between two different managers given the \$80 million allocation. Mr. Barnes noted they could have two complimentary active managers, or one active and one passive to keep costs down. Mr. Barnes stated it would be structured based on the Board's risk tolerance.

3. Actuarial Comments, Including but Not Limited to Discussion and Action Regarding FY 2024 Contract for Actuarial and Administrative Services With Curran Actuarial Consulting, Ltd.

Mr. Curran referenced the updated proposed contracts that could be found in BoardPaq, along with a letter about the contracts. He explained that he was asked a few years ago by Mr. Huxen to start doing the minutes for meetings and stated that at the time he did not know what to charge for something like that. After a few years of preparing minutes and tracking the time it took, he was recommending an increase in the administrative contract. Mr. Curran also noted that, under the administrative contract, his office also tracks the semi-annual legislative reporting and the education tracking for board members. Mr. Curran stated that since the original administrative contract was signed MPERS has had more committee meetings. Given the extra meetings and recent inflation of 5.7% to take into consideration, the actuarial contract would also have an increase.

Mr. Curran explained that the work he and his staff complete is specialized. He stated that he keeps his hourly rates cheaper than national firms, but at the same time he must attract and maintain qualified staff. Mr. Curran stated that with the 2024 legislative session there were more detailed discussions and that was documented in extreme detail in the minutes. The long length of the minutes was to be fair to all parties given the issues being discussed. Mr. Curran stated that after this session is over, he would like to simplify the minutes to make them not as long, while keeping them within legal limits of minutes. Mr. Curran stated he would do what MPERS wants but wanted to give them his thoughts on going forward.

Chief Bergeron asked Mr. Curran what he thought a court reporter would cost as a different avenue for minutes. Mr. Curran stated that he honestly did not know but had concerns about the understanding of topics from a court reporters' perspective. He stated a court reporter would have to produce verbatim minutes based on the recordings and warned that sometimes the recordings do not pick up everything said. Mr. Curran let the board know that if they wanted to explore other avenues for contracting this work out, he was certainly okay with that.

**Motion by Major Raymond Burkart, Jr and second by Lt. Tyrone Warren to approve the proposed contracts for actuarial and administrative services with Curran Actuarial consulting, Ltd. After a roll call vote and without objection, the motion carried.**

4. Executive Director & General Counsel Comments

a. Update on Delinquent Municipalities/Employers

Mr. Huxen reviewed the municipalities and their delinquencies, which can be found in BoardPaq. LMA has been notified of such. Mr. Huxen noted the following:

Arcadia, Baskin, and Cullen owe for January through last month.

Ferriday and Fenton owe March and April.

New Orleans and Shreveport are working on members that they didn't enroll timely. This is an ongoing thing.

Springfield, St. Francisville, and Vivian owe March and April.

Wisner owes February through April.

Mr. Huxen added that none of these towns are included in any of the lawsuits and MPERS has been in contact with these agencies.

5. Executive Session (Under the Provisions of R.S. 42:17(A)(10) To Facilitate Privileged Communications Under La. Code Evid. Art. 506) Regarding the Following:

a. Legal Strategy Regarding Noncompliant Employers

b. Consideration of Proposed Settlement Agreements

Ms. Morris stated that they had been in a standstill position with the lawsuits pending legislation. She also clarified that Ferriday, Baskin (which was settled) and Springfield were involved in lawsuits. She added that some municipalities were under the impression that because of the legislation they did not need to pay. Ms. Morris stated that many municipalities that had long-term officers and officers that are no longer on their books were not going to be able to pay the amount that would be due on the resolution settlement based on their financial means. She stated that she had looked at those with system staff. If they pay the 25%, they will not be able to afford to catch-up their officers. Therefore, she stated that she and Mr. Huxen would like to have some authority to negotiate lower amounts for the past due for the municipalities that have their permanent officers enrolled and have long-term officers so that they can use their money to negotiate for the service of their officers. This would only be for municipalities that are cooperating with MPERS.

Mr. Burkart questioned the possibility of lawsuits from officers who may lose their service credit. Ms. Morris stated that one of the negative

consequences of the legislation currently being discussed is that it limits the credit that officers can receive. Mr. Burkart stated that they were being told of officers being told to sign or else. Ms. Morris stated that she received five affidavits that morning from employees who were never properly enrolled as required by law.

Mr. Burkart stated that the Board had a fiduciary duty to the officers, and he felt they should be told what they're giving up by signing the affidavit. Ms. Camp described all the measures that staff takes to provide officers information on what they are giving up.

Mr. Burkart expressed concern about giving officers notice of the compromises in the new legislation. Ms. Morris explained that MPERS has done everything it can do to make officers aware of what they are giving up. Mr. Burkart stated they need to make that perfectly clear and stated he wanted a letter they could point to notifying the police officers. Ms. Morris responded by stating they don't know who the officers are because they were not enrolled.

The Board discussed getting information from POST to find officers. Chief Westlake also asked about the allowance to pay 25% of the principal amount of employer contributions for a 10-year period for former employees. She noted that a couple of municipalities did enroll current officers during that period. Chief Westlake asked if there was authority to negotiate with those who enrolled current officers and stated that she wanted to take care of the current employees first.

Ms. Morris stated that they were working with 4-year payment plans and that legislation will change that to 15 years. Ms. Morris said it would shift the application of money from past employees to help current officers who are willing to pay their portion. The board discussed the fact that current officers had to sign off on the deals and pay their portion.

Mr. Burkart voiced concerns that young officers who are not worried about retirement will see it differently after 10 years. He stated that the system needed to let these officers know what was going on. Ms. Morris stated that it would be only when a municipality has enrolled their officers, provided the records, and has been paying for a period of time.

Chief Wilrye asked about a Board member being appointed to oversee the alteration of these agreements. Ms. Morris answered that it could be the Chairman, or they could move the July meeting to June, and then send all the information to the full Board. Asst. Chief DiMarco stated that if the Board was going to give the Executive Director the authority, they didn't need a board member to approve.

**Motion by Asst. Chief Jason DiMarco and second by Major Raymond Burkart, Jr. to give Mr. Ben Huxen or Ms. Sheri Morris the authority to**

**lower the 25% portion for those municipalities that have enrolled officers where the municipalities have budgets that cannot support the 25% portion. Mr. Gibson abstained. After a roll call vote, the motion carried.**

Mr. Huxen reminded the board of the Baskin Settlement and stated they have a current agreement with Baskin, but the village is asking for an adjustment to the plan. The mayor has stated that revenue has been reduced by 68% due to lane closures on their main highway. Mr. Huxen stated that Baskin has two certificates of deposit coming due in June. The Baskin city council has asked MPERS to lower their payment from \$4,270 per month to \$2,000 per month until they can get it paid off. Ms. Camp stated that they have been easy to work with and have been paying.

**Motion by Chief Christopher Wilrye and second by Asst. Chief Jason DiMarco to grant the Village of Baskin an adjustment to their payment plan reducing the payment to \$2,000 per month. After a roll call vote, the motion carried with Major (Retired) Kelly Gibson not present and Mr. Julius Roberson abstaining.**

Mr. Huxen then provided information on payments from Securities Litigation and stated they received close to \$300,000 back from foreign tax collections. Mr. Huxen explained that because MPERS is tax-exempt, we can get the taxes back. Mr. Huxen stated they have contracted with a company to get that money back.

Mr. DiMarco circled back to the previous conversation between Ms. Morris and Mr. Burkart about how to get information to the officers, and suggested they go to the Secretary of State for commissions to check for the officers' information.

**Motion by Major Raymond Burkart, Jr. and second by Asst. Chief DiMarco to get information from Secretary of State on commissioned officers. After a roll call vote, the motion carried with Major (Retired) Kelly Gibson not present.**

#### **H. Other Business**

Chief Bergeron stated the letter sent by Ms. Camp was great. Chief Bergeron went on to say that if we are going to be expected to educate the mayors on their responsibilities, we need to educate the officers as well. Chief Bergeron said they should also continue to go to Chief's Association and LMA meetings. Chief Bergeron then thanked the staff for what they do.


#### **I. Adjourn**

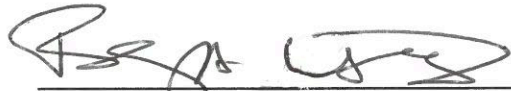


**Motion by Chief Edwin Bergeron, Jr. and second by Major Raymond Burkart, Jr. to adjourn the meeting at 11:17 am. Without a vote, the chairman recognized the meeting adjourned.**

Next Meeting Date: August 21, 2024. Baton Rouge, Louisiana.

To the best of my knowledge, the foregoing minutes accurately represent the actions taken at the meeting held on May 15, 2024.

  
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Lt. (Retired) Chad King, Chairman

  
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Ben Huxen,  
Executive Director and General Counsel