

## MINUTES

The Board of Trustees of the Municipal Police Employees' Retirement System held a Regular Meeting on Wednesday, March 17, 2010, at 7722 Office Park Boulevard, Baton Rouge, Louisiana.

The meeting was called to order by Chairman Kelly Gibson at 9:14 a.m.

### Pledge of Allegiance:

Chairman Kelly Gibson led the pledge of allegiance.

### Members Present:

Lt. Kelly Gibson, Chairman (Lafayette)  
Sgt. (Ret.) Larry Reech, Vice Chairman (New Orleans)  
Capt. Henry Dean (New Orleans)  
Chief K.P. Gibson (Crowley)  
Capt. (Ret.) Willie Joe Greene (Shreveport)  
Cpl. Mark Huggins (Monroe)

### Members Absent:

Chief Stephen Caraway (Kenner)  
Chief Dwayne Munch (Westwego)  
Chief Ronald Schleuter (Monroe)  
Representative Joel Robideaux, Ex-officio  
Senator D.A. "Butch" Gautreaux, Ex-officio

### Others Present:

Ms. Kathy Bourque, Director  
Ms. Daphne Rusk, Administrative Assistant  
Mr. Randy Roche, General Counsel  
Mr. Charles Hall, Actuary  
Mr. Mike Gallagher, JPMorgan  
Mr. Jim Percy, Attorney, Jones Walker  
Mr. Ben Chavarria, Olde Oaks Golf Club and Stonebridge Golf Club  
Mr. Guy Cooper, Mercer  
Mr. Jack Liu, Mercer  
Ms. Lauren Bailey, Attorney, Senate Retirement Committee  
Mr. Jeff Yates, CPERS  
Ms. Barbara LeBlanc, CPERS  
Ms. Mary Guy, State Street Global Advisors  
Mr. David Zielinski, State Street Global Advisors  
Mr. Gary Welchel, Energy Opportunities Capital Management  
Mr. Scott Gill, Energy Opportunities Capital Management  
Mr. Charles Roark, Monroe Police Department

### Approval of minutes:

Motion by Mr. Reech seconded by Mr. K.P. Gibson to approve the minutes of the meeting held February 24, 2010 as presented. Without objection the motion carried.

Motion by Mr. Dean seconded by Mr. Greene to authorize the Director to hire a stenographer or transcriptionist to transcribe the minutes of all board meetings verbatim.

Under discussion, Mr. Reech suggested that the Director obtain prices for such services prior to voting on the motion.

Substitute motion by Mr. K.P. Gibson seconded by Mr. Huggins to table the motion until next month's meeting. Without objection the motion carried.

Approval of retirement applications:

Motion by Mr. Reech seconded by Mr. K.P. Gibson to approve the application 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 LeBlanc	Opelousas	01/30/10	27.44	2a

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>
Salvatore Amato	New Orleans	02/12/10	36.80	Max
Thomas Cardwell	Alexandria	02/22/10	34.49	3a
Roland Doucette	New Orleans	02/02/10	24.67	02
Willie Giles, Jr.	Shreveport	04/01/10	24.67	02
James King, Jr.	Hammond	02/26/10	25.00	2a
Robin Snyder	Shreveport	02/12/10	25.00	3a
Daniel Tavlin	Bossier City	02/24/10	28.35	2a

Motion by Mr. Reech seconded by Mr. Caraway 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>
Rodney Adams	Baton Rouge	01/05/10	29.04	Max
Dwane Babin	Kenner	01/11/10	32.11	3a
Daniel Brim	Baton Rouge	01/19/10	28.02	3a
Darrell Ceasrio	Baton Rouge	01/19/10	28.38	Max
Timothy Flynn	Slidell	01/22/10	20.00	02
Anthony Mayfield, Jr.	New Orleans	01/11/10	20.36	2a

Disability Application:

Ms. Bourque advised that Mr. Stanley Brooks (Plaquemine) was unable to attend the meeting because he was in the hospital in Arkansas.

Motion by Mr. Reech seconded by Mr. Dean to table reconsideration of Mr. Stanley Brooks' (Plaquemine) disability application until next month. Without objection the motion carried.

Baton Rouge Merger Adjustments:

Mr. Charles Hall advised that the liability for all known adjustments to service credit and adjustments for benefit overpayments and underpayments which affect the Baton Rouge Merger have been determined. MPERS will establish the service credit and retroactive benefits as of March 31, 2010 and will remit \$138,997.28 to CPERS, followed by additional \$55,333.14 to be refunded as funds are collected from members who received overpayments.

Motion by Mr. Reech seconded by Mr. K.P. Gibson to issue CPERS \$138,997.28 on March 31, 2010 followed by an additional \$55,333.14 as collected from members who received overpayments. Without objection the motion carried.

Boot Ranch Update:

Motion by Mr. Reech seconded by Mr. Huggins to go into executive session at 9:58 a.m. to discuss Boot Ranch Development with attorney Mr. Jim Percy. Without objection the motion carried.

Motion by Mr. Reech seconded by Mr. Huggins to return to regular business at 10:32 a.m. With no objections the motion carried.

Real Estate Update:

Mr. Ben Chavarria presented profit and loss statements for Stonebridge and Olde Oaks Golf Club. Mr. Chavarria advised that the Jonas accounting system which will be used for both clubs would cost \$33,750.00 including training and equipment. If purchased, the implementation date would be July 1, 2010.

Motion by Mr. Reech seconded by Mr. Huggins to allocate \$33,750.00 as a capital improvement for the purchase of the Jonas accounting system for Stonebridge Golf Club and Olde Oaks Golf Club. With Mr. Greene objecting, the motion carried.

Custodian Report by JPMorgan:

Mr. Mike Gallagher represented JPMorgan at the meeting.

	<u>02/28/10</u>	<u>01/31/10</u>
Alliance Capital	\$116,787,800.88	\$113,282,805.44
INTECH	\$ 81,635,213.27	\$ 78,585,796.69
Sterling Capital	\$ 45,692,520.02	\$ 50,633,796.98
LSV Asset Management	\$ 27,128,027.32	\$ 26,126,401.62
Pinnacle Associates Ltd	\$ 48,087,030.32	\$ 45,587,834.63
Harris Inv. Management	\$ 78,324,974.83	\$ 75,571,932.40
Dimensional	\$ 46,151,852.32	\$ 46,592,593.06
Energy Opportunities	<u>\$ 24,365,656.76</u>	<u>\$ 23,240,150.63</u>
Total Equity	\$468,173,075.72	\$459,621,311.45
William Blair	\$138,143,603.09	\$136,836,589.49
Pyrford	\$ 176,942.70	\$ 182,076.13
KBC	\$ 36,291,411.83	\$ 36,498,369.48
Alliance Bernstein	\$ 96,887,196.68	\$ 98,175,840.87
Batterymarch	<u>\$ 23,182,919.77</u>	<u>\$ 23,064,766.73</u>
Total International	\$294,682,074.07	\$294,757,642.70
State Street Bond	\$ 98,461,916.45	\$ 98,095,842.77
Post	\$ 76,584,427.01	\$ 76,524,136.23
Loomis Sayles	<u>\$114,071,492.92</u>	<u>\$113,499,812.22</u>
Total Fixed Income	\$289,117,836.38	\$288,119,791.22
Real Estate	\$ 50,286,590.74	\$ 50,286,590.74
LaSalle Real Estate Mgmt	\$ 22,942,669.23	\$ 22,942,669.23
LaSalle Growth Fund V	\$ 6,509,377.48	\$ 5,795,875.83
Principal Global	\$ 63,555,955.02	\$ 71,813,398.76
Prudential Global	<u>\$ 14,305,922.51</u>	<u>\$ 14,305,922.51</u>
Total Real Estate	\$157,600,514.98	\$165,144,457.07
Hedge Fund	<u>\$ 12,827,536.82</u>	<u>\$ 13,355,507.92</u>
Total Hedge Fund	\$ 12,827,536.82	\$ 13,355,507.92
Cash	<u>\$ 5,185,025.85</u>	<u>\$ 5,575,088.01</u>
Total Cash	\$ 5,185,025.85	\$ 5,575,088.01



Mr. Jack Liu presented a list of six managers that were selected by Mercer to assist MPERS in the evaluation and selection of a U.S. Equity – Large Cap Growth investment manager to replace INTECH. The six investment managers were selected from a large field of investment managers that submitted information to Mercer's proprietary Global Investment Manager Database (GIMD).

The six firms are Eaton Vance, Jennison, T. Rowe, Westfield, WRAM and Winslow.

2010 Legislation:

Mr. Roche advised that deadline for filing legislation has passed and MPERS will not have any board sponsored bills during the 2010 Legislative Session.

Chairman Gibson asked Mr. Mark Huggins to serve as Chairman of the Legislative Committee to keep the board members updated during the 2010 Legislative Session.

Meeting in Shreveport:

Chairman Gibson advised that he would like to move the April meeting to Shreveport/Bossier in order for the board members to conduct due diligence to visit the two golf courses and development.

After discussion, the April 21, 2010 meeting will be held in Baton Rouge as scheduled at 9:00 a.m. and Mercer will conduct the investment education on April 20, 2010 beginning at 1:00 p.m. in Baton Rouge.

Motion by Mr. Dean seconded by Mr. K.P. Gibson to move the May 19, 2010 meeting to Shreveport/Bossier to conduct interviews with potential contractors/management firms for Olde Oaks Development.

Motion withdrawn by Mr. Dean second withdrawn by Mr. K.P. Gibson.

Other Business:

Proposed engagement letter:

Motion by Mr. Reech seconded by Mr. Dean to approve the 2009-2010 audit engagement for quarterly investments as submitted by Duplantier, Hrapmann, Hogan and Maher, CPA's. Without objection the motion carried.

Baton Rouge Merger Adjustment:

Ms. Bourque advised that several retirees monthly benefits will either increase or decrease based on the errors in the data submitted CPERS. Four retiree benefits will decrease retroactive to their retirement date that results in a lump sum overpayment due MPERS.

Motion by Mr. Huggins seconded by Mr. Reech to request an Attorney General's Opinion in reference to recovering the amount of the overpayments from members since the date benefits began. Without objection the motion carried.

Real Estate Invoice:

Motion by Mr. Reech seconded by Mr. Dean to approve payment to Mosley-Rogers Title Company, LLC in the amount of \$22,772.05 for title search and examination to minerals for Olde Oaks Development and Olde Oaks Golf Club properties. With Mr. Kelly Gibson opposing, the motion carried.

Motion by Mr. Reech seconded by Mr. K.P. Gibson to adjourn the meeting at 12:20 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 March 17, 2010.

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Kelly Gibson, Chairman

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Kathy Bourque, Director