

MINUTES

The Board of Trustees of the Municipal Police Employees' Retirement System held a Regular Meeting on Wednesday, May 18, 2011, at 7722 Office Park Boulevard, Baton Rouge, Louisiana.

The meeting was called to order by Chairman Kelly Gibson at 9:07 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)
Chief Stephen Caraway (Kenner)
Chief Christopher Elg (West Monroe)
Capt. (Ret.) Willie Joe Greene (Shreveport)
Cpl. Mark Huggins (Monroe)
Chief Dwayne Munch (Westwego)

Members Absent:

Capt. Henry Dean (New Orleans)
Chief K.P. Gibson (Crowley)
Representative Kevin Pearson, 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. Brett Hazen, Segal Advisors
Ms. Angela Boudloche, Houma Police Department
Ms. Brandy Fenton, Shreveport Police Department
Mr. Arthur Barlow, Dimensional
Mr. Kevin Hight, Dimensional
Mr. Kimon Passios, Pinnacle Associates, Ltd.
Mr. Ken Sobolewski, Pinnacle Associates, Ltd.

Public Comment

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

Approval of minutes:

Motion by Mr. Munch seconded by Mr. Reech to approve the minutes of the meeting held April 20, 2011 as presented. Without objection the motion carried.

Approval of retirement applications:

Motion by Mr. Huggins seconded by Mr. Greene 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>
Frederick Greer	Shreveport	04/12/11	21.70	02
Roderick Moore	Shreveport	04/18/11	17.18	Max

Motion by Mr. Reech seconded by Mr. Greene 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 Davis	Baton Rouge	03/14/11	28.97	2a
Frank Bivens	New Orleans	03/25/11	30.01	Max
Michael Field	New Orleans	04/01/11	27.00	2a
Darrell Gordon, Sr.	New Orleans	03/09/11	22.24	2a
Mark Jaudon	Shreveport	03/16/11	27.53	Max
Wayne McInnis	Kenner	03/13/11	30.00	Max
Sandra Murdock	Alexandria	03/08/11	30.36	Max
B.R. Powell	Monroe	04/01/11	26.79	2a
Kevin Wilcox	Slidell	04/01/11	21.21	2a

Motion by Mr. Caraway 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>
Donald Davis, Jr.	New Orleans	05/08/11	25.07	2a
Arthur Kaufman	New Orleans	06/01/11	20.10	02
Floyd Koepp, Jr.	Mandeville	05/04/11	28.32	02
Lionel Haynes	New Orleans	05/31/11	25.02	2a
Barbara Spell	Baton Rouge	05/12/11	29.82	Max
Michael Wheelis	West Monroe	05/14/11	26.62	03
David Whitehurst	Alexandria	04/04/11	40.16	3a

Disability Retirement:

Ms. Angela Boudloche (Houma) attended the board meeting to provide information relative to her application for disability retirement. Chairman Gibson advised Ms. Boudloche that she had the option of having her application discussed in open session or executive session. Ms. Boudloche opted for executive session.

Motion by Mr. Munch seconded by Mr. Huggins to go into executive session at 9:06 a.m. to discuss Ms. Angela Boudloche's disability application. Without objection the motion carried.

Back to regular session at 9:20 a.m.

Motion by Mr. Reech seconded by Mr. Huggins to approve Ms. Angela Boudloche's (Houma) non duty related disability application as submitted. Without objection the motion carried.

Ms. Brandy Fenton (Shreveport) attended the board meeting to provide information relative to her application for disability retirement. Chairman Gibson advised Ms. Fenton that she had the option of having her application discussed in open session or executive session. Ms. Fenton opted for executive session.

Motion by Mr. Reech seconded by Mr. Caraway to go into executive session at 9:22 a.m. to discuss Ms. Brandy Fenton's disability application. Without objection the motion carried.

Back to regular session at 9:28 a.m.

Motion by Mr. Greene seconded by Mr. Huggins to approve Ms. Brandy Fenton's (Shreveport) duty related disability application as submitted. Without objection the motion carried.

Investment Managers Presentation:

Dimensional Fund Advisors:

Mr. Kevin Hight and Mr. Arthur Barlow represented Dimensional Fund Advisors to present their annual report. The portfolio value as of April 30, 2011 was \$61,780,222.

Pinnacle Associates:

Mr. Kimon Passios and Mr. Ken Sobolewski represented Pinnacle Associates, Ltd to present the annual report. The market value of the portfolio was \$71,040,482 as of April 30, 2011.

Review of Touchstone Golf contract:

Mr. Roche advised that the contract between Olde Oaks Golf Club and Stonebridge Golf Club and Touchstone Golf, LLC becomes effective today. Mr. Roche stated that there have been a few changes in the contract. The liquor license process will not transfer to Touchstone Golf, LLC until July 1, 2011 therefore the operation of the food and beverage will remain with the individual golf courses until the liquor license is transferred to Touchstone Golf, LLC.

Motion by Mr. Huggins seconded by Mr. Reech to approve the changes in the contract between Olde Oaks Golf Club and Stonebridge Golf Club and Touchstone Golf, LLC. With Mr. Greene abstaining, the motion carried.

Mr. Roche advised that as of today Stonebridge payables due for payroll and operating capital is in the estimated amount of \$68,347.33. Touchstone is requesting \$50,000.00 to cover payables due for operating capital and payroll. Touchstone did not have a total of payables due at Olde Oaks Development at this time.

Motion by Mr. Reech seconded by Mr. Huggins to authorize MPERS to pay all outstanding payables at Stonebridge Golf Club in the amount of \$68,347.33. Without objection the motion carried.

Custodian Report by JPMorgan:

Ms. Bourque advised that Mr. Richard Hartzell had a family emergency and could not attend the meeting but will be in attendance at the June meeting.

Investment Consultant's Report:

Mr. Brett Hazen represented Segal Advisors at the meeting and presented the analysis of performance for 1st quarter of 2011 ending March 31, 2011. The market value was \$1,391,325,969.

Asset Liability Study: The Asset Liability study is ongoing and should be ready in July or August 2011.

Markets: During the first quarter of 2011, gross domestic product (GDP) increased at an annualized rate of 1.8%, down from the 3.1% pace during the fourth quarter of 2010. The Consumer Price Index (CPI) rose by 0.5% in March 2011, and increased on a year over year basis by 2.7%. The rise in headline CPI can be attributed to the increase in gasoline and food prices, which rose for almost three consecutive quarters. The unemployment rate ended at 8.8% for the first quarter of 2011, down from 9.4% at the end of the fourth quarter of 2010.

2011 Legislation:

Mr. Roche advised that SB 12 was voluntarily deferred by author Senator Gautreaux. HB 332 and HB 377 are scheduled to be heard this week by the House Retirement Committee.

Accept nominations for Non Chief District I:

Ms. Bourque advised that only one nomination was received from incumbent Mark Huggins.

Motion by Mr. Elg seconded by Mr. Reech to accept nomination petition received by Mark Huggins (Monroe). Without objection the motion carried.

Mr. Huggins is elected and will serve a 5 year term beginning July 1, 2011 ending June 30, 2016.

Other Business:

Military Leave:

Chairman Gibson requested that the system send out a survey to all participating municipalities to obtain a total number of active members on military leave for over a year.

Ms. Bourque advised that a survey had previously been sent to all municipalities and could get the total number of members on military leave to Chairman Gibson.

Hiring a CIO and Attorney:

Mr. Roche distributed a list of five Actuaries practicing in Louisiana. Mr. Dal Breithaupt, Mr. Mike Conefry, Mr. Phillip Clessie, Mr. Gary Curran and Ms. Shelley Johnson.

Motion by Mr. Reech seconded by Mr. Munch to invite Mr. Dal Breithaupt and Mr. Gary Curran to be interviewed.

Substitute motion by Mr. Munch seconded by Mr. Reech to interview all five Actuaries listed by Mr. Roche. Without objection the motion carried.

Chairman Gibson instructed Mr. Roche to invite Mr. Dal Breithaupt, Mr. Mike Conefry, Mr. Phillip Clessie, Mr. Gary Curran and Ms. Shelley Johnson to participate in the invitation to bid for actuarial services. Interviews of the interested parties will be done at the end of the June 15, 2011 meeting.

National Police Memorial Week:

Mr. Huggins advised that this week is National Police Memorial Week which is a great way to honor police across our country and around the world. He would like to honor those law enforcement officers that have made the ultimate sacrifice in the line of duty.

Motion by Mr. Huggins seconded by Mr. Reech to have a moment of silence to honor those men and women who have made the ultimate sacrifice. Without objection the motion carried.

Motion by Mr. Reech seconded by Mr. Caraway to adjourn the meeting at 11:35 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 18, 2011.

Kelly Gibson, Chairman

Kathy Bourque, Director