



Louisiana State Police Retirement System

Board Meeting Minutes

Meeting Title	Louisiana State Police Retirement System Board Meeting
Date of Meeting	September 17, 2014
Where	9224 Jefferson Hwy, Baton Rouge, LA 70809
Start Time	1:30 p.m.

- 1) Kimberly A. Gann, Assistant Director, called roll as follows:

Frank Besson, Jr., President, LSTA, Chairman, PRESENT
Surviving Spouse Representative, VACANT
Stephen Lafargue, Retired/Active Representative, NOT PRESENT
Col. Michael Edmonson, Superintendent, Office of State Police, Appearing Thru
 Jason Starnes, Designee for Office of State Police, PRESENT
Sen. Elbert Guillory, Senate Retirement Committee, NOT PRESENT
John Kennedy, State Treasurer, NOT PRESENT
 Amy Matthews, Designee for State Treasurer, PRESENT
Kevin Marcel, Active Representative, Vice Chairman, NOT PRESENT
Rep. Kevin Pearson, House Retirement Committee, PRESENT
Thurman Miller, President, Central State Troopers Coalition, PRESENT
Commissioner Kristy Nichols, Div. Of Administration, Appearing Thru
 Andrea Hubbard, Designee for DOA Commissioner, PRESENT
Bobby E. Smith, Retired Representative, NOT PRESENT

The records reflect that the following persons were also present:

Denise Akers, Attorney	Kristin Leto, Griffin & Co., System Accountant
Rob Bickham, UBS/Paine Webber	Byron Juneau, Trooper
Irwin L. Felts, Jr., Executive Director	Henry Reed, Retired
Kimberly A. Gann, Assistant Director	

- 2) Chairman Frank Besson opened the meeting with the pledge of allegiance. The prayer was led by Byron Juneau.
- 3) Chairman Frank Besson asked for general public comment. The record reflects that there were no public comments.
- 4) Rob Bickham advised the board that at the last Investment Committee meeting the committee heard from Templeton. The Committee also formalized the watch list procedures as noted in the minutes and discussed the portfolio rebalancing. A **MOTION** was made by Amy Matthews to approve the Investment Committee minutes of August 20, 2014. The **MOTION** was seconded by Andrea Hubbard. No opposition. The motion passed.
- 5) A **MOTION** was made by Amy Matthews to approve the Special Board minutes of September 4, 2014. Irwin Felts noted that the Board will hear an update on Act 859 later in the meeting, more particularly what transpired at the hearing yesterday. The **MOTION** was seconded by Thurman Miller. No opposition. The motion passed.
- 6) Rob Bickham presented the board with a revised monthly asset allocation and the market value and

returns summary as of June 30, 2014 (**See Exhibit A on file at LSPR office**). Mr. Bickham noted that the fiscal year to date return has been updated to reflect 18.06%. He also noted that we may have additional alternative managers reporting which will update the return further. Mr. Bickham also presented the monthly asset allocation and market value and returns summary for August 31, 2014. Assets total \$626,153,057 with a fiscal year to date return of .74%. The portfolio was negative in July but the August numbers were positive. The since inception return is 7.88%.

- 7) Kristin Leto presented the check registers for the period from July 1, 2014 to July 31, 2014 and August 1, 2014 to August 31, 2014, the Budget Summary, and the JPMorgan Balance Summary as of August 31, 2014 (**See Exhibit B on file at LSPRS office**). Ms. Leto advised the Board that the financials are not in the packet since we continue to wait for JPMorgan to issue the revised statements for June, which will change July and August numbers. We have been told by JPMorgan that those statements should be issued at any moment. She noted that we will have the financials for the next meeting. A **MOTION** was made by Amy Matthews to accept the report by Kristin Leto. The **MOTION** was seconded by Andrea Hubbard. No opposition. The motion passed.
- 8) A **MOTION** was made by Amy Matthews to revise the proposed Public Commentary at Public Meeting Policy and Procedure to reflect a 30 minute comment period with a limit of 3 minutes per person and reflecting that the Board Chairman has the discretion to extend the limits in special circumstances. The Board reviewed the changes with Denise Akers, General Counsel, and agreed that it is never their intention to limit public comment, only to manage the meeting effectively. All present agreed that the Board Chairman should have authority to extend the time period. The motion was seconded by Thurman Miller. No opposition. The motion passed.
- 9) A **MOTION** was made by Amy Matthews to enter into Executive Session to discuss unclassified evaluations. The motion was seconded by Andrea Hubbard. No opposition. The motion passed.

A **MOTION** was made by Amy Matthews to return from Executive Session. The motion was seconded by Andrea Hubbard. No opposition. The motion passed.

A **MOTION** was made by Amy Matthews to accept the unclassified evaluation of the Assistant Director, Kimberly Gann and to grant a salary increase of 4%, and to authorize a job study. The motion was seconded by Thurman Miller. No opposition. The motion passed.
- 10) Ms. Denise Akers updated the Board on the progression of litigation regarding Act 859. A hearing was held yesterday, September 16, 2014, with Judge Janice Clark presiding. All parties were represented at the hearing. Judge Clark ruled the Act unconstitutional and issued a permanent injunction. Judge Clark also ruled that all parties will divide court cost which we estimate to be no more approximately \$350 each. We did argue that LSPRS should not be included in the court cost since the retirement system had no fault in this act. However, Jude Clark has ordered all parties to split the costs.
- 11) A **MOTION** was made by Amy Mathews to approve the election schedule for both the active position and the surviving spouse position. The surviving spouse election will cover the unexpired term from January through June of 2015 and the next term beginning July 1, 2015. The motion was seconded by Thurman Miller. No opposition. The motion passed.
- 12) A **MOTION** was made by Amy Mathews to approve the Louisiana Compliance Questionnaire and to authorize Irwin Felps to execute the Questionnaire and forward the original to the auditors. The motion was seconded by Thurman Miller. No opposition. The motion passed.

- 13) A **MOTION** was made by Amy Mathews to approve the following retirement/DROP Approvals and elimination of benefits to survivors(s) noting that all paperwork is in order. The **MOTION** was seconded by Thurman Miller. No opposition. The motion passed. (See Exhibit C on file at LSPRS office).

Retirement/DROP Approvals:

- | | | | |
|----|---------------|----|-----------------------|
| A. | James D. Fail | C. | Frederick Stevens, II |
| B. | Wayne Richard | | |

Approval of elimination/awarding benefits to spouse/survivor:

- | | | | |
|----|----------------------|----|------------------|
| A. | Glenn A. Alford, Jr. | D. | William G. Lamay |
| B. | Robert V. Bolton | E. | Allen Peters |
| C. | Shirley Bourg | | |

Added to Agenda After Publishing:

- A. George Etie

Irwin Felps questioned whether Allen Peters does have a surviving spouse as no surviving spouse was noted. Kimberly Gann will update the Board at the next meeting.

- 14) Any Other Business:

- A. Revision of 2014 Schedule: Irwin Felps announced to the Board the he has been advised by Charles Hall, System Actuary, that the PERSAC will begin meeting in November of each year so that the actuarial reports can be approved sooner. This will mean that we must allow Mr. Hall to present the report to the Board for approval prior to November. In light of this change we find it necessary to revise the 2014 schedule and to change annual schedules going forward. We propose switching the Investment Committee and Board meeting dates. This will mean we will have a Board meeting on October 15th, Investment Committee on November 19th, and Board on December 17th. Kimberly Gann may then develop the 2015 schedule accordingly. A **MOTION** was made by Amy Matthew to revise the 2014 schedule as noted above. The motion was seconded by Andrea Hubbard. No opposition. The motion passed.
- B. Lead Plaintiff Request: Irwin Felps advised the Board that he has received a request from Treasurer Kennedy to become the lead plaintiff in a lawsuit. As the Board is aware we employ Labaton Sucharow LLP to monitor and advise the system on any possible litigious issues regarding investments. Accordingly, Vocera Communications was purchased at a loss which could range from \$100,000 to \$200,000. Irwin Felps asked for the Board's approval for him to investigate further whether it would be beneficial for LSPRS to act as lead plaintiff in this matter. Amy Mathews advised the Board and Mr. Felps that the lead plaintiff role is extremely time consuming. There are numerous depositions, visits, and possible travel to give depositions. Ms. Mathews sits on several Boards and has noted the large quantities of time invested as lead plaintiff. Irwin Felps acknowledged this stating that this system is small with four employees. A large time investment would be a potential problem. Mr. Felps stated that he will investigate all of these issues and advise the Board at the next meeting.

- 15) A **MOTION** was made by Amy Matthews to adjourn. The motion was seconded by Thurman Miller. No opposition. The motion passed.

Approved For Distribution

Frank Besson, Chairman
Louisiana State Police Retirement System
Board of Trustees