



Louisiana State Police Retirement System

Board Meeting Minutes

Meeting Title	Louisiana State Police Retirement System Board Meeting
Date of Meeting	October 25, 2017
Where	9224 Jefferson Hwy, Baton Rouge, LA 70809
Start Time	1:30 p.m.

- 1) Shelley Sebastian, Administrative Assistant, called roll as follows:

Commissioner Jay Dardenne, Div. Of Administration, Appearing Thru
Andrea Hubbard, Designee for DOA Commissioner, PRESENT
Col. Kevin Reeves, Superintendent, Office of State Police, Appearing Thru
Frank Besson, Designee for Superintendent, NOT PRESENT
Ron Henson, State Treasurer, Appearing Thru
Thomas Enright, Designee for State Treasurer, PRESENT
Kevin Marcel, Active Representative, Vice Chairman, PRESENT
Thurman Miller, President, Central State Troopers Coalition, PRESENT
Sen. Barrow Peacock, Senate Retirement Committee, NOT PRESENT
Rep. Kevin Pearson, House Retirement Committee, NOT PRESENT
Doris Prudhomme, Surviving Spouse Representative, PRESENT
Jay O'Quinn, LSTA President, NOT PRESENT
Baxter Welch, Retiree Representative, PRESENT
Hackley Willis, Jr., Active/Retired Representative, PRESENT

The records reflect that the following persons were also present:

Denise Akers, Attorney, Akers & Wisbar	Chris Kershaw, La. Clerks Retirement System
Margaret Corley, Senate Retirement Comm.	Robin Landa, UBS
Irwin L. Felps, Jr., Executive Director	Shelley Sebastian, Admin. Assistant
Kimberly Gann, Assistant Director	Annie Smith, House Retirement Comm.

Vice-Chairman Kevin Marcel opened the meeting with the pledge of allegiance. The prayer was led by Irwin L. Felps, Jr. There were no public comments at this time.

- 2) A **MOTION** was made by Baxter Welch to deviate from the original agenda and begin the meeting with item # eight, Actuarial Evaluation Report. The **MOTION** was seconded by Thurman Miller. No opposition. The motion passed.

* **Rep. Sam Jones joined the meeting at 1:35 p.m.**

Greg Curran with G.S. Curran & Company, LTD., Actuarial Services presented the Actuarial Valuation as of June 30, 2017 (**Exhibit A on file at the LSPRS office**)

* **Chairman Frank Besson joined the meeting at 1:50 p.m.**

A **MOTION** was made by Kevin Marcel to approve the Actuarial Valuation as of June 30, 2017 which contained employer contribution rate of 43.1% for FYE 2019 and DROP rate of 7.73%. The **MOTION** was seconded by Baxter Welch. No opposition. The motion passed.

- 3) Presentation of the Financial Statement Audit for the year ended June 30, 2017. The presentation was given by Anthony Macaluso with Hienz & Macaluso LLC. to discuss the results of our financial and compliance audit. Hienz & Macaluso's audit opinion was unqualified; that is, in their opinion, the financial statements present fairly, in all material respects, the fiduciary net position and changes in fiduciary net position of the System in accordance with accounting principles generally accepted in the United States of America. Hienz & Macaluso also noted that no matters involving internal control that are required to be reported. The results of their tests of compliance disclosed no instances of noncompliance that is required to be reported herein under Government Auditing Standards. The disclosures in the financial statements are neutral, consistent and clear. **(Exhibit B on file at the LSPRS office)**

A **MOTION** was made by Kevin Marcel to approve the audit report as of June 30, 2017. The **MOTION** was seconded by Baxter Welch. No opposition. The motion passed.

- 4) Presentation given on Cybersecurity by Kyle Rogers and Cody Jones, CMA Technology Solutions **(Exhibit C on file at the LSPRS office)**
- 5) A **MOTION** was made by Baxter Welch to return to the regular agenda. The **MOTION** was seconded by Thurman Miller. No opposition. The motion passed.
- 6) Irwin L. Felps, Jr. reviewed the August 23, 2017 Board minutes. A **MOTION** was made by Baxter Welch to approve the August 23, 2017 Board meeting minutes. The **MOTION** was seconded by Hackley Willis. No opposition. The motion passed. **(Exhibit D on file at the LSPRS office)**
- 7) Kimberly Gann updated the board on the 2018 retirement report. The previous report indicated 93 troopers requested estimates and out of the 93, 36 indicated that they will retire next year. The current report indicated 93 estimates remained the same but currently 39 troopers have indicated they will retire next year.
- 8) Kevin Marcel reviewed the September 27, 2017 Investment Committee minutes. A **MOTION** was made by Andrea Hubbard to approve the September 27, 2017 Investment Committee minutes. The **MOTION** was seconded by Doris Prudhomme. No opposition. The motion passed. **(Exhibit E on file at the LSPRS office)**
- 9) Robin Landa reviewed the Asset Allocation as of September 30, 2017, the breakdown is as follows: Total equities \$533M, 65.7% of the portfolio, total fixed income \$142M, 17.6% of the portfolio and total alternatives \$103M, 12.7% of the portfolio. The total fund value as of September 30, 2017, is \$812,156,933. The Market value and Returns Summary as of September 30, 2017, are as follows: Total Domestic equity managers up 16.13% calendar year to date and up 4.89% fiscal year to date; total International equity up 24.68% calendar year to date and up 6.25% fiscal year to date; Total for the Equity Managers are up 18.68% calendar year to date and up 5.31% fiscal year to date. The Fixed Income managers are up 6.60% calendar year to date and up 1.63% fiscal year to date. The total fund is up 13.50% calendar year to date and up 3.76% fiscal year to date. **(Exhibit F on file at the LSPRS office)**
- 10) Irwin L. Felps, Jr., presented the check registers for the months ending August 31, 2017 and September 30, 2017, along with the Statement of Net Position and Budget Summary as of September 30, 2017. **(Exhibit G on file at the LSPRS office).**

A **MOTION** was made by Kevin Marcel to accept the financials as of August 31, 2017 and September 30, 2017. The **MOTION** was seconded by Thurman Miller. No opposition. The motion passed.

- 11) A **MOTION** was made by Baxter Welch to accept the Benefit Change Report, Retirement/DROP approvals and the elimination/awarding benefit to spouse/children. The **MOTION** was seconded by Doris Prudhomme. No opposition. The motion passed. (**Exhibit H on file at the LSPRS office**)
- 12) A **MOTION** was made to modify the agenda to add Discussion of Disability Request. The **MOTION** was seconded by Baxter Welch. No opposition. The motion passed.

A **MOTION** was made by Baxter Welch to enter Executive Session to discuss the service connected disability request of Joseph K. Dier. The **MOTION** was seconded by Hackley Willis. No opposition. The motion passed.

A **MOTION** was made by Baxter Welch to come out of Executive Session. The **MOTION** was seconded by Kevin Marcel. The motion passed.

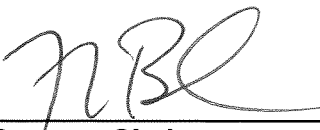
A **MOTION** was made by Thurman Miller to approve the service connected disability for Joseph K. Dier, effective close of business, October 25, 2017. The approval is dependent upon receipt of the letter from the system's doctor who has given the Board his verbal confirmation. The **MOTION** was seconded by Kevin Marcel. No opposition. The motion passed.

Kimberly Gann notified the board that she has received the certification from our Physician and the disability would be effective close of business today, October 25, 2017.

13) **Other Business:**

Irwin Felts, Jr. notified the board that he had been advised by a retiree of his concern for the wording in the statutes requiring a spouse to be living with the retired trooper when the trooper passes away. Given that people are living longer and nursing home stays are becoming more normal, it is recommended that the wording in the statutes of our old retirement system, troopers hired before January 1, 2011, be changed to say that the surviving spouse must have been married to the trooper for at least two years prior to death. This wording will be consistent with the wording in the new system eliminating the "living together" provision. The board agreed with this recommendation and authorized Mr. Felts to proceed with seeking the legislative change.

- 14) A **MOTION** was made by Thurman Miller to adjourn. The **MOTION** was seconded by Kevin Marcel. No opposition. The motion passed.



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