



Louisiana State Police Retirement System (LSPRS)

9224 Jefferson Highway, Baton Rouge, LA 70809

(225) 295-8400 or (800) 256-5210

Fax: (225) 295-8408, info@lsprs.org

Board Meeting Minutes

Meeting Title	LSPRS Board Meeting
Date of Meeting	April 28, 2021 (Wednesday)
Where	9224 Jefferson Hwy, Baton Rouge, LA (Dr. Bobby E. Smith Boardroom)
Start Time	1:30 p.m.

1) Chairman, Frank Besson opened the meeting with the Pledge of Allegiance followed by a prayer led by Byron Juneau. No public comments.

2) Birney Malbrough, Administrative Assistant, called roll as follows:

Colonel Lamar Davis, Superintendent, Office of State Police, Appearing Through Frank Besson, Designee for Superintendent, PRESENT
Commissioner Jay Dardenne, Division of Administration, Appearing Through Andrea Hubbard, Designee for DOA Commissioner, PRESENT
Representative Lance Harris, NOT PRESENT
Byron Juneau, President, Central State Troopers Coalition, PRESENT
Kevin Marcel, Active Representative, Vice-Chairman, PRESENT
Senator Ed Price, Chairman, Senate Retirement Committee, NOT PRESENT
Doris Prudhomme, Surviving Spouse Representative, PRESENT
Jay O'Quinn, LSTA President, NOT PRESENT
Treasurer John Schroder Appearing Through Amy Mathews, Designee for State Treasurer, PRESENT
Walter W. Smith, Retiree Representative, PRESENT
Hackley Willis, Jr., Active/Retired Representative, NOT PRESENT

The records reflect that the following persons were also present:

Denise Akers, General Counsel, Akers & Wisbar	Bonnie Bennett, Griffin & Co., LLC
Greg Curran, Actuary, GS Curran & Assoc	Kimberly A. Gann, Assistant Director
Stephen Griffin, Griffin & Co., LLC	Claire Guidry, Retirement Benefits Analyst
Birney Malbrough, Administrative Assistant	Margaret C. Michel, Assistant Director
Kevin P. Reed, Executive Director	

3) A **MOTION** was made by Kevin Marcel to approve the Board Minutes from the February 24, 2021 Board Meeting. The motion was seconded by Amy Mathews. No opposition. The motion passed (**See Exhibit A-Attached**).

A **MOTION** was made by Andrea Hubbard to approve the Investment Committee Minutes from the March 24, 2021 Investment Committee Meeting inclusive of all recommendations contained therein. The motion was seconded by Doris Prudhomme. No opposition. The motion passed (**See Exhibit B-Attached**).

A **MOTION** was made by Byron Juneau to approve the Executive Committee Meeting Minutes from the March 24, 2021 Executive Committee Meeting inclusive of all recommendations contained

therein. The motion was seconded by Kevin Marcel. No opposition. The motion passed (**See Exhibit C-Attached**).

- 4) Rob Bickham, UBS/PaineWebber, presented the Board with the Asset Allocation and Markets Value and Returns Summary as of March 31, 2021 (**See Exhibit D-Attached**). Mr. Bickham reported a total fund value of \$1,096,532,225. Equities continue to report strong returns at 36.27% Fiscal YTD with Fixed Income at 2.92% Fiscal YTD. The total portfolio had a strong 24.77% return for the Fiscal YTD period ending March 31, 2021.

At this time Mr. Bickham provided a synopsis of UBS' central scenario regarding the economy, stating that economic growth remains strong with economists expecting GDP growth to return to pre-pandemic levels in Quarter 4 of 2021. Currently, supply chain constraints are adding to some higher prices, especially in metals, rare earth commodities, computer chips and lumber. These spikes in prices are expected to somewhat abate, and the longer-term estimate of inflation is 2.5% over the next two to three years. (**See Exhibit E-Attached**).

Kevin P. Reed directed the committee to the Super-Flash Report (**See Exhibit F-Attached**). This report provides a snapshot of the portfolio as of April 20, 2021, noting that it is inclusive of the recent movement within the portfolio due to rebalancing previously approved by the Investment Committee and Board. A substantial portion of the buy/sell (rebalancing) was completed in April and was not reflected on the UBS Flash Report ending March 31, 2021. Mr. Reed noted, that while we have continued to trim the portfolio's equity positions, with the ongoing bull market in stocks, we will need to further shave our positions in equities, allocating the sale proceeds temporarily to cash & equivalents and more permanently in the fixed income and alternative investment sectors of our portfolio.

- 5) Bonnie Bennett, Griffin & Co., LLC reviewed the Cash Disbursements for the months ending February 28, 2021 and March 31, 2021. Cash disbursements for February totaled \$63,395.18 and March totaled \$69,556.02. Ms. Bennett noted no unusual disbursements for these two months. Ms. Bennett then presented the Statement of Fiduciary Net Position, the Statement of Changes in Fiduciary Net Position, and Budget Summary noting nothing unusual and confirming reconciliation with the investment reports. Ms. Bennett noted an ending balance of \$1,096,318,130.10 (**See Exhibit G-Attached**). A **MOTION** was made by Kevin Marcel to accept the financial report. The motion was seconded by Walter Smith. No opposition. The motion passed.

- 6) Kevin P. Reed presented a summary (**see Exhibit H-attached**) of contracts recently executed as follows:

- Audit Contract – The previous audit contract was with Heinz & Macaluso, with Mike Caparotta as the lead auditor. Due to changes within the firm, they have elected not to continue with auditing work. In conjunction with the Louisiana Legislative Auditor, LSPRS has contracted with Ericksen Krentel, LLP to provide audit services for the next two years, retaining Mike Caparotta as the lead auditor.
- Actuarial Contract – This is a renewal of the actuarial contract with Greg Curran. The term is one year at \$3,950 per month, along with minor additional charges as noted in the contract.
- Copy Machine/Multi-Function Printer(s) - Contract between LSPRS and Gulf Coast Office Products, with a sub-agreement with U.S. Bank Equipment Leasing with a cost of \$462 per month for a term of five years. This provides two copiers at a lower rate than the previous contract.
- Griffin & Furman, Accounting Contract – This is a renewal of the current contract with a term through June 30, 2022, for a term of 2.5 years, January 1, 2021, to June 30, 2023 at a cost of \$5,000 per month. Mr. Reed noted that there is an increase in responsibilities delegated to Griffin &

Furman such as their providing LSPRS with financials on a monthly basis as well as performing biweekly payroll processing and associated taxes.

- EXIGO Technology Services (SOW) Statement of Work - Mr. Reed noted that LSPRS has addressed programming issues outstanding with Exigo. The LSPRS staff have worked with Exigo on old outstanding items and new requests. Mr. Reed reported that the fee provided within EXIGO's Statement of Work is not to exceed \$3,750.

A **MOTION** to approve the contracts (inclusive of EXIGO SOW) was made by Amy Mathews. The motion was seconded by Byron Juneau. No opposition. The motion passed.

- 7) Kimberly A. Gann reminded the trustees that the Annual Personal Financial Disclosure Statements are due on or before May 15, 2021. The forms are included in their binders as well as on the Ethics website. **(See Exhibit I-Attached)**.
- 8) Kevin P. Reed discussed the LSPRS Policy Updates. The updated Estimate Request Policy has been modified to include two proposed retirement dates for the troopers. Mr. Reed explained to the committee that no more than two retirement benefit estimate requests can be submitted within a rolling 12-month period. Mr. Reed also presented the updated Return of Contribution policy noting that this update included a definition of the types of Return of Contributions available. A **MOTION** was made by Byron Juneau to approve the policy updates, in globo. The motion was seconded by Walter Smith. No opposition. The motion passed **(See Exhibits J & K-Attached)**.
- 9) Kimberly A. Gann reminded the trustees of their requirements for educational training. Mrs. Gann advised the trustees that credits can be obtained from several locations as noted in the information sheet provided to them. After discussion it was agreed that the LSPRS will provide educational opportunities at upcoming meetings and will notify the trustees of such.

Mrs. Gann announced that the LAPERS Conference will be held on September 12-14, 2021, at the Marriott on Canal Street in New Orleans. She reminded trustees that the credits earned at this conference will be included in the next reporting year (reporting year from September 1st through August 31st). Mrs. Gann requested that members notify LSPRS of their request to attend by the first week of June so that the registration can be completed.

- 10) A **MOTION** was made by Kevin Marcel to approve the Benefits Change Report, in globo. The motion was seconded by Amy Mathews. No opposition. The motion passed **(See Exhibit L-Attached)**.
- 11) Margaret C. Michel provided an update on legislation affecting LSPRS during the 2021 Regular Session **(See Exhibit M-Attached)**. Mrs. Michel advised the trustees that the proposed legislation has been received favorably and is moving quickly with no problems to date.
- 12) In other business, Kimberly A. Gann noted that Legislative staff has been reviewing LSPRS' budget. There have been minor changes in both format and numbers as we work toward reconciliation. There will also be minor budget adjustments to the 20/21 Budget mostly related to double encumbering the Assistant Director position. Mrs. Gann asked counsel if the Trustees can grant authority to the Executive Director to make these changes since there may be limited time to bring the updates to the Board for approval prior to the Joint Budget meeting at the Capital, including in the motion that the staff will report all changes at the next board meeting. A **MOTION** was made by Amy Mathews to approve granting authority to the LSPRS Executive Director to approve fluctuations in the budget up to one percent, and for Mr. Reed to report these changes to the Board at the next meeting. The motion was seconded by Kevin Marcel. No opposition. The motion passed.

- 13) Kevin P. Reed discussed the intent and reasoning for removing trees on the LSPRS property located at 9224 Jefferson Highway, Baton Rouge, Louisiana. Mr. Reed noted that two trees have fallen in a four-month period and, due to liability reasons, as well as the approaching arrival of the 2021 Hurricane Season, it may be best to remove some trees, especially those that abut our neighbors' property, are unhealthy, or are dying. The board approved.
- 14) A **MOTION** was made by Amy Mathews to adjourn the meeting. The motion was seconded by Byron Juneau. No opposition. The motion passed.

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