



Louisiana State Police Retirement System

Investment Committee Meeting Minutes

Meeting Title	LSPRS Investment Committee Meeting
Date of Meeting	July 26, 2017
Where	9224 Jefferson Highway, Baton Rouge, LA 70809
Start Time	9:00 a.m.

- 1) Chairman, Kevin Marcel called the meeting to order.
- 2) Shelley Sebastian, Administrative Assistant, called roll as follows:

Frank Besson Jr., President – NOT PRESENT
Jay Dardenne, Commissioner of Administration, Appearing Thru
Andrea Hubbard, Designee – PRESENT
Ron Henson, Treasurer, Appearing Thru
Thomas Enright – NOT PRESENT
Kevin Marcel, Active Representative – PRESENT
Jay O'Quinn, President, LSTA – PRESENT

The records reflect that the following persons were also present:

Robert Bickham, UBS/PaineWebber
Irwin L. Felts, Jr., Executive Director
Kimberly Gann, Assistant Director
Shelley Sebastian, Administrative Assistant

The pledge was led by Kevin Marcel and the prayer led by Irwin Felts.

- 3) Rob Bickham advised the committee that the main purposes of today's meeting are as follows:
 - a. Asset Allocation
 - b. Watch List
 - c. Asset Allocation policy change
 - d. Private Equity Discussion
 - e. Fixed Income; Bank Loans and Private Credit
 - f. Direction and focus of the next 6 months in terms of investments
- 4) Rob Bickham reviewed the Asset Allocation, Market Value and Returns Summary as of June 30, 2017. The system's breakdown of assets are as follows; Total equities are \$496M make up 63.7% of the portfolio. Fixed income is at \$140M, which is 18.0% of the portfolio and Alternatives were at \$102M making up 13.1% of the portfolio. The total portfolio was up to \$780M. Value and Returns summary; total Domestic equity managers are up 10.72% year to date and 23.09% fiscal year to date. The total International equity managers are up 17.34% year to date and up 18.62% fiscal year to date; The total for the Equity Managers are up 12.70% year to date and up 21.68% fiscal year to date and the total for the Fixed Income managers are 4.89% year to date and 3.98% fiscal year to

date. The total fund performance is up to 14.49% fiscal year to date. (Exhibit A on file at the LSPRS office)

- 5) Rob Bickham reviewed the “watch list”. Mr. Bickham stated that T. Rowe and Vontobel are on the “watch list” due to organizational changes, and Aronson, Iridian, Fisher and Campbell Group are on the “watch list” due to under performance. At this time, Mr. Bickham recommends removing T.Rowe from the “watch list” and all others would remain on the list.

A **MOTION** was made by Andrea Hubbard to remove T. Rowe from the “Watch List”. The **MOTION** was seconded by Jay O’Quinn. No opposition. The motion passed.

- 6) Mr. Bickham presented the LSPRS’ Investment Policy and reviewed the changes, with the Investment Committee, based on the Board’s recommendation: Total Equities target amount will go up from 60.0% to 62.5%, the Foreign Equities (Developed) will go up from 12.5% to 15.0%, Hedge Funds will drop from a 5.0% target to a 2.0% target, Timber will drop from 2.0% target to 1.0% target and Private Equity will be raised from 3.0% target to 5.0% target. Also, the Cash will drop from a 2.5% target to a 2.0% target. (Exhibit B on file at the LSPRS office)

A **MOTION** was made by Andrea Hubbard to approve the investment policy changes. The **MOTION** was seconded by Jay O’Quinn. No opposition. The motion passed.

- 7) Rob Bickham gave each committee member a Private Equity (Education Series) handout. The handout was to educate the committee on Private equity, such as; the differences in Private and Public, the characteristics of Private equity funds and Investment requirements. (Exhibit C on file at the LSPRS office)

- 8) Mr. Bickham presented a LSPRS Private Equity Sample Portfolio. The sample consist of assumptions and sample execution. (Exhibit D on file at the LSPRS office)

Mr. Bickham recommends inviting 2 or 3 Private Equity managers to the September Investment Committee meeting for presentations.

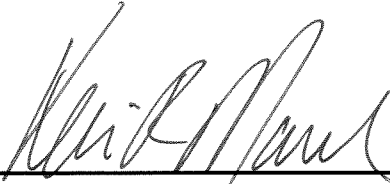
A **MOTION** was made by Jay O’Quinn to invite Private Equity managers to the September 27, 2017 Investment Committee meeting. The **MOTION** was seconded by Andrea Hubbard. No opposition. The motion passed.

- Jay O’Quinn exited the meeting at 10:00 a.m.

- 9) Rob Bickham presented the Fixed Income Manager information to the committee. (Exhibit E on file at the LSPRS office)

- 10) Other Business: Irwin Felps informed the committee that he has spoken with representatives of US Bank and they assured him that all reports for the audit will be available timely.

11) A **MOTION** was made by Andrea Hubbard to adjourn. The **MOTION** was seconded by Kevin Marcel.
No opposition. The motion passed.

A handwritten signature in black ink, appearing to read "Kevin Marcel", written over a horizontal line.

Kevin Marcel, Chairperson
Louisiana State Police Retirement System
Investment Committee