



# Louisiana State Police Retirement System

## Investment Committee Meeting Minutes

<b>Meeting Title</b>	LSPRS Investment Committee Meeting
<b>Date of Meeting</b>	April 16, 2014
<b>Where</b>	9224 Jefferson Highway, Baton Rouge, LA 70809
<b>Start Time</b>	9:00 a.m.

- 1) Chairperson Amy Mathews called the meeting to order.
- 2) Shelley Sebastian, Administrative Assistant, called roll as follows:

Frank Besson Jr., President, LSTA – PRESENT  
John Kennedy, State Treasurer, Appearing Thru  
Amy Mathews, Chairperson, Designee – PRESENT  
Kevin Marcel, Active Representative – PRESENT  
Kristy Nichols, Commissioner of Administration, Appearing Thru  
Andrea Hubbard, Designee – PRESENT  
Bobby E. Smith, Retiree Representative – PRESENT

The records reflect that the following persons were also present:

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

- 3) Rob Bickham explained to the committee members that we are in the process of readjusting our portfolio. We currently have \$26 million in the cash account, of which \$10 million is committed to real estate (PRISA). The purpose of the meeting today is to hear presentations from our hedge fund and private equity managers. Aberdeen, our international growth manager will also give a presentation to update the committee on their performance and organizational issues.
  - a) Presentation by Helenmarie Rodgers and Daniel Lawee of KKR Prisma (See Exhibit A on file at the LSPRS office).
  - b) Presentation by David Livingston, Brian Schneider and Bruce Kahne of Entrust (See Exhibit B on file at the LSPRS office).

*[Note: Frank Besson and Bobby Smith exited the meeting at approximately 10:00 a.m.]*

- c) Presentation by Michael Kaufman and Tom Harvey of Aberdeen (See Exhibit C on file at the LSPRS office).
  - d) Presentation by Todd Hughes of Portfolio Advisors (See Exhibit D on file at the LSPRS office).
- 4) A **MOTION** was made by Kevin Marcel to reduce the target on timber from 2½% to 2% and raise the target on private equity from 2½% to 3%. The motion was seconded by Andrea Hubbard. No opposition. The motion passed.
  - 5) A **MOTION** was made by Andrea Hubbard to invest an additional \$8M in hedge fund of funds (\$5M to Prisma and \$3M to Entrust); and to invest an additional \$10 million in private equity with Portfolio Advisors to be divided as \$7M to PAPEF VIII's model portfolio and \$3M to the secondary fund. The motion was seconded by Kevin Marcel. No opposition. The motion passed.

Robert Bickham also restated that at a previous meeting the committee made a motion to reduce the target fixed income to 20% with a maximum of 35%; and to increase real estate to a target of 7.5% with a maximum allocation of 10%. These changes will bring the alternative investments to a target of 17.5%.

*[Note: A review of the previous minutes reflected a change in the above restated revisions to the investment policy. A substitute motion was made in which no changes were made. A new motion will need to be made at a future Board meeting to clarify and restate the changes to the investment policy statement]*

- 6) Rob Bickham advised the committee to keep Aberdeen on the watch list. They were put on watch for performance and organizational issues. The watch list will be reviewed at the next meeting.
- 7) Rob Bickham reviewed the Asset Allocation and Market Value and Returns Summary as of March 31, 2014 (See Exhibit E on file at the LSPRS office). As of March 31, 2014 the systems assets totaled \$596,625,578 and the portfolio is up 14.12% fiscal year to date.
- 8) A **MOTION** was made by Andrea Hubbard to adjourn. The motion was seconded by Kevin Marcel. No opposition. The motion passed.

**APPROVED FOR DISTRIBUTION**

**Amy Mathews, Chairperson  
Louisiana State Police Retirement System  
Investment Committee**