



# Louisiana State Police Retirement System

## Investment Committee Meeting Minutes

<b>Meeting Title</b>	LSPRS Investment Committee Meeting
<b>Date of Meeting</b>	June 16, 2014
<b>Where</b>	9224 Jefferson Highway, Baton Rouge, LA 70809
<b>Start Time</b>	9:30 a.m.

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

Frank Besson Jr., President, LSTA – NOT PRESENT  
John Kennedy, State Treasurer, Appearing Thru  
Ron Henson, Designee – PRESENT  
Kevin Marcel, Active Representative – PRESENT  
Kristy Nichols, Commissioner of Administration, Appearing Thru  
Andrea Hubbard, Designee – PRESENT  
Bobby E. Smith, Retiree Representative – NOT PRESENT

- Board Chairman Frank Besson joined the meeting at 10:30 a.m.

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) Robert Bickham explained to the committee members that today we will be hearing from two of LSPRS' money managers, Fisher and Brandywine. There are no major issues with these managers. We are simply hearing from Fisher due to a slight style drift and from Brandywine due to a large amount of cash held in the portfolio.
  - a) Conference call led by Roman Knysh of Fisher (See Exhibit A on file at the LSPRS office).
  - b) Conference call led by Nedra Hadley and Jack McIntyre, of Brandywine.
- 4) Rob Bickham reviewed the Asset Allocation and Market Value and Returns Summary as of May 31, 2014 (See Exhibit B on file at the LSPRS office). Rob pointed out that the systems assets totaled \$606,204,767 as of May 31, 2014. This is the first time in our system's history that our assets have finished a month end valuation above \$600,000,000.00. As a comparison, we began this fiscal year on July 1, 2013 at \$518,000,000.00. With one month left in this fiscal year, our assets have increased thus far by 15.51%. On our asset allocation, our equities are now at 63.3%, which is above our targeted allocation but less than our maximum allocation of 65%. Given this level of equities in the portfolio, Irwin Felps recommended that further rebalancing of the portfolio be studied. Mr. Felps suggested that Rob Bickham, Amy Mathews and Kim Gann review this matter with him to present a recommendation to this committee at its August 20<sup>th</sup> meeting. The committee agreed with this recommendation.

- 5) Robert Bickham reminded the committee that LSPRS is currently undergoing previously approved changes to the asset allocation. We have dedicated an additional \$8M to the current hedge fund managers, \$10M to Portfolio Advisors, and \$10M to Prudential. There will be slight adjustments made to the equity portion of our portfolio. However, the funds for the above stated allocations will be taken from the cash account.
  
- 6) Other Business
  - a) Irwin Felps updated the Committee on an issue with The Campbell Group, one of our timber managers. LSPRS is currently invested in two separate portfolios with the group. One of those funds, the Crowne Pine Timber fund, has recently developed a steering committee consisting of some of the limited partners of the fund. The steering committee will work with the Campbell Group in determining the best course of action for the Crown Pine portfolio. Mr. Felps will update the committee as the steering committee meets and new information is available.
  
- 7) A **MOTION** was made by Andrea Hubbard to adjourn. The motion was seconded by Ron Henson. No opposition. The motion passed.

**APPROVED FOR DISTRIBUTION**

**Kevin Marcel, Board Vice Chairman and  
Active Investment Committee Board  
Louisiana State Police Retirement System  
Investment Committee**