



Louisiana State Police Retirement System

Board Meeting Minutes

Meeting Title	Louisiana State Police Retirement System Board Meeting
Date of Meeting	December 16, 2015
Where	9224 Jefferson Hwy, Baton Rouge, LA 70809
Start Time	1:30 p.m.

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

Col. Michael Edmonson, Superintendent, Office of State Police, Appearing Thru
Frank Besson, Designee of Office of State Police, NOT PRESENT
Sen. Elbert Guillory, Senate Retirement Committee, NOT PRESENT
John Kennedy, State Treasurer,
Amy Mathews, Designee for State Treasurer, PRESENT
Stephen Lafargue, President, Interim LSTA President, NOT PRESENT
Kevin Marcel, Active Representative, Vice Chairman, PRESENT
Thurman Miller, President, Central State Troopers Coalition, PRESENT
Commissioner Stafford Palmieri, Div. Of Administration, Appearing Thru
Andrea Hubbard, Designee for DOA Commissioner, PRESENT
Rep. Kevin Pearson, House Retirement Committee, NOT PRESENT
Marsha Pressburg, Surviving Spouse Representative, PRESENT
Bobby E. Smith, Retired Representative, PRESENT
TEMPORARILY VACANT, Retired/Active Representative,

The records reflect that the following persons were also present:

Denise Akers, Attorney	Robin Landa, UBS/Paine Webber
John L. Daniel, JP Morgan	Kristin Leto, Griffin & Co., System Accountant
Irwin L. Felts, Jr., Executive Director	Shelley Sebastian, Administrative Assistant
Kimberly A. Gann, Assistant Director	Connie Stevens, Empower
Amy Heyel, Empower	

Note: See attached Visitor Sign in Sheet and Public Comment Request cards (Exhibit A on file at the LSPRS office)

Vice Chairman Kevin Marcel opened the meeting with the pledge of allegiance. The prayer was led by Bobby Smith. At this time Irwin Felts announced that Chairman Frank Besson is unable to attend due to the death of his mother. He asked that everyone keep Mr. Besson and his family in their prayers.

- 2) A **MOTION** was made by Bobby Smith to amend the agenda to add an item requesting approval of the October 21, 2015 Board meeting minutes. The **MOTION** was seconded by Thurman Miller. No opposition. The motion passed.
- 3) Vice Chairman Marcel requested the board approve the October 28, 2015 Executive Committee minutes. A **MOTION** was made by Amy Mathews to approve the minutes. The **MOTION** was seconded by Bobby Smith. No opposition. The motion passed. (Exhibit B on file at the LSPRS office)
- 4) Amy Mathews gave a summary of the Investment Committee meeting on December 2nd noting that the Investment committee will be hearing four presentations from the finalists in the international

equity search at the January 20, 2016 meeting. Ms. Mathews also advised that the committee along with Irwin Felps and Kimberly Gann have completed the annual review of managers. Ms. Mathews asked that the scorecard summary be distributed to all trustees. A **MOTION** was made by Amy Mathews to approve the Investment Committee minutes of December 2, 2015. The **MOTION** was seconded by Andrea Hubbard. No opposition. The motion passed. **(Exhibit C on file at the LSPRS office)**

5) Vice Chairman Marcel requested the board approve the October 21, 2015 Board Meeting minutes. A **MOTION** was made by Amy Mathews to approve the October 21, 2015 minutes. The **MOTION** was seconded by Thurman Miller. No opposition. The motion passed. **(Exhibit D on file at the LSPRS office)**

6) John L. Daniel, JP Morgan, addressed the board regarding recent events related to the custodial services. He noted that his relationship with the system is on the banking side but he wanted to come in person to explain to the Board the recent events because he values the long relationship he has had with LSPRS. LSPRS currently uses the SEI platform through JPMorgan for custodial services. JPMorgan has decided not to renew the contract with SEI after December 31, 2016. LSPRS will need to make a decision with regard to its custodial services although he would like to continue the commercial banking relationship if the Board so chooses. All assets must be moved no later than October 31, 2016.

Irwin Felps asked the board to approve the drafting of a RFP (Request for Proposal). Mr. Felps stated the goal would be to have an RFP to present to the Investment Committee at the January 20, 2016 meeting. We would issue the RFP in February, gather responses and be able to make a decision no later than mid-year 2016. This would allow us to have our assets removed from JP Morgan by October 31, 2016.

A **MOTION** was made by Amy Mathews to authorize the Investment Committee to work with Rob Bickham, UBS, on the drafting of the RFP. The **MOTION** was seconded by Andrea Hubbard. No opposition. The motion passed.

7) Connie Stevens, Empower (formerly Great West), presented to the board, an Empower Organizational Chart and also advised the board of the new address for the office. **(Exhibit E on file at the LSPRS office)**

8) Robin Landa, UBS/Paine Webber, presented the monthly asset allocation and the market value and returns summary as of November 30, 2015. **(Exhibit F on file at the LSPRS office)**

Ms. Landa reported as of November 30, 2015, total Equities were \$397M, Fixed Income was \$121M, and total alternatives were \$98M. The total fund value as of November 30, 2015 was \$652,971,655. Ms. Landa also reviewed the Market Value and Returns Summary as of November 30, 2015, noting the total Domestic equity managers were down -0.64% fiscal year to date, total International equity managers down -8.45% fiscal year to date, resulting in total equity managers down -3.01% and total Fixed Income managers down -1.30% fiscal year to date. Ms. Landa pointed out the total Portfolio is down -1.86% fiscal year to date.

9) Kristin Leto presented the check registers for the period of October 1, 2015 to October 31, 2015 and November 1, 2015 to November 30, 2015. Ms. Leto also presented the Statement of Net Position and Budget Summary and the JPMorgan Balance Report as of November 30, 2015. **(Exhibit G on file at the LSPRS office)**

10) Denise Akers addressed the board regarding the 2016 Legislation.

- Ms. Akers advised the board she has been in contact with Margaret Corley regarding the bill to direct funding of the Administrative expenses through the systems normal cost. Ms. Corley will draft the legislation and has already submitted the advertisement.
- Ms. Akers also advised the board of a technical correction needed in statute 11. The term "partial disability" is used and LSPRS does not offer a partial disability. Ms. Akers recommends a technical correction so the statute does not refer to "partial disability".
- Vice-Chairman Marcel asked Kimberly Gann about legislation regarding a membership "loophole" that the system has recently been made aware by a request to transfer service from LASERS to LSPRS. After discussion it was agreed that Denise Akers and Kimberly Gann will research the issue and the best way to proceed and make a recommendation to the Board.

A **MOTION** was made by Bobby Smith to proceed with the three bulleted items above. The **MOTION** was seconded by Thurman Miller. No opposition. The motion passed.

- 11) A **MOTION** was made by Bobby Smith to approve the Retirement requests and elimination/awarding benefits to spouse/children. The **MOTION** was seconded by Thurman Miller. No opposition. The motion passed. **(Exhibit H on file at the LSPRS office)**
- 12) A **MOTION** was made by Amy Mathews to adjourn. The **MOTION** was seconded by Bobby Smith. No opposition. The motion passed.



Kevin Marcel, Vice Chairman
Louisiana State Police Retirement System
Board of Trustees