

Proposed: May 21, 2015
Approved: May 21, 2015

**Louisiana State Employees' Retirement System
Investment Committee Meeting**

April 23, 2015

The Investment Committee of the Louisiana State Employees' Retirement System met on Thursday, April 23, 2015, in the Fourth floor Conference Room of the Retirement Systems building, 8401 United Plaza Boulevard, Baton Rouge, Louisiana. Ms. Carlton, Committee Chair, called the meeting to order at 1:00 p.m. Roll call was conducted by Caye Weaver, recording secretary.

ROLL CALL

Members present: Mr. Thomas Bickham; Ms. Connie Carlton; Ms. Beverly Hodges; Judge William Kleinpeter; Ms. Janice Lansing; Ms. Amy Mathews, designee – Louisiana State Treasurer; Ms. Barbara McManus; Ms. Lori Pierce; Ms. Kathy Singleton; Ms. Shannon Templet

Members absent: Senator Elbert Guillory; Commissioner of Administration Kristy Nichols; Representative Kevin Pearson

Staff present: Ms. Cynthia Rougeou, Executive Director; Ms. Maris LeBlanc, Deputy Director; Mr. Trey Boudreaux, Assistant Director; Mr. Bobby Beale, Chief Investment Officer; Ms. Tina Grant, Executive Counsel; Investment Staff: Mr. Darren Fournerat, Ms. Celeste Funderburk, Ms. Alisa Lacombe, Ms. Laney Sanders, Mr. Jacques Brousseau, Mr. Reeves Pearce, and Mr. Blake Steger

Also present: Mr. David Barnes - NEPC

A quorum was declared present and the meeting opened for business. The Chair called for Public Comment. Hearing none, the Chair moved on to the next agenda item.

REGULAR BUSINESS

The committee considered the minutes of the March 26 2015, Investment Committee meeting. **Ms. Templet moved, seconded by Ms. Hodges, to approve the minutes of the March 26, 2015, Investment Committee meeting. With no further discussion, and no objections, the motion carried.**

NEW BUSINESS

J. P. Morgan Portfolio Review

Mr. William J. Morgan, Portfolio Manager, presented a review of the portfolio with J.P. Morgan.

Nomura Asset Management Portfolio Review

Mr. David Crall, Managing Director and Mr. Charlie Youngblood, Vice President of Institutional Business Development, presented a review of the portfolio with Nomura.

EnTrust Discussion and Recommendation

Mr. Fournerat reviewed the EnTrust Magnolia fund with the committee. He stated that staff is pleased with the fund and would like to make an additional \$50 million commitment. He stated that in negotiating the additional commitment with EnTrust, staff would like to make changes to the contract. He reviewed the amendment with the committee. Mr. Barnes stated that NEPC agreed with both the commitment amount and the amendment. **After discussion, Ms. McManus moved, seconded by Ms. Templet, to commit an additional \$50 million to the EnTrust Magnolia Fund. With no objections, and no further discussion, the motion carried.**

Ms. McManus then moved, seconded by Mr. Bickham, to approve the amendment to the EnTrust contract. With no further discussion, and no objections, the motion carried.

Asset Allocation Review

Mr. David Barnes, NEPC, presented the 2015 Market Observations, Actions and Asset Class Assumptions. He stated that Mr. Humphreys will present the Asset Allocation recommendations at the June Investment Committee meeting.

Monthly Performance Review

Mr. Beale reviewed the Fund performance with the committee. He stated that Fiscal-Year-to-Date, the Fund is 0.9%. He stated that April was a better month.

Private Equity Finalists Selection

Ms. Sanders reviewed the managers in the Private Equity – Energy search book. She stated that staff recommends hiring one manager for the mandate. She stated that she recommends interviewing three managers - ArcLight Capital

Partners, Kayne Anderson Capital Advisors, and Riverstone Holdings. Mr. Barnes stated that NEPC also recommends interviewing those same managers. Ms. Sanders stated that the manager interviews will be conducted in May.

After discussion, Mr. Bickham moved, seconded by Ms. Templet, to hire one manager for the Private Equity – Energy mandate. With no further discussion, and no objections, the motion carried.

Ms. Templet then moved, seconded by Mr. Bickham, to interview three managers for the Private Equity – Energy mandate – ArcLight Capital Partners, Kayne Anderson Capital Advisors, and Riverstone Holdings. With no further discussion, and no objections, the motion carried.

OTHER BUSINESS

Ms. Sanders reviewed the memo concerning CCMP Capital Investors in the NEPC April Meeting Materials book.

With no further business to discuss, the meeting adjourned at 4:10 p.m.