

Proposed: May 19, 2016
Approved: May 19, 2016

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

April 21, 2016

The Investment Committee of the Louisiana State Employees' Retirement System met on Thursday, April 21, 2016, in the fourth floor conference room of the Retirement Systems building, 8401 United Plaza Boulevard, Baton Rouge, Louisiana. Ms. Kathy Singleton, 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. Virginia Burton; Mr. Rick McGimsey* – designee, Commissioner of Administration; Ms. Beverly Hodges; Ms. Kelli Rogers – designee, State Treasurer; Judge William Kleinpeter; Ms. Janice Lansing; Ms. Kathy Singleton; Ms. Shannon Templet; Ms. Lorry Trotter

Members absent: Senator Barrow Peacock; Representative Kevin Pearson; Ms. Lori Pierce

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

Also present: Mr. Rhett Humphreys and Mr. Timothy Fitzgerald - NEPC

**arrived after roll call*

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

REGULAR BUSINESS

The committee considered the minutes of the March 17, 2016, Investment Committee meeting. **Ms. Templet moved, seconded by Ms. Lansing, to approve the minutes of the March 17, 2016, Investment Committee meeting. With no further discussion, and no objections, the motion carried.**

NEW BUSINESS

Due to quorum concerns, the Chair called for the action items to be moved to the front of the agenda. **Ms. Lansing moved, seconded by Ms. Templet, to move agenda items 4 & 5 to the front of the agenda. With no further discussion, and no objections, the motion carried.**

1. Domestic Small Cap Contract Discussion and Recommendation

Mr. Humphreys reviewed performance of the LSV Small Cap portfolio as compared to their benchmark and other managers within that strategy. He stated that the portfolio has done well for the plan and, along with staff, recommended extending the LSV Domestic Small Cap contract for another five years. **After discussion, Ms. Templet moved, seconded by Mr. Bickham, to renew the LSV Domestic Small Cap contract for another five years. With no further discussion, and no objections, the motion carried.**

2. Multi-Sector Global Fixed Income Guidelines Review and Recommendation

Mr. Fournerat reviewed the progress made with the Multi-Sector Global Fixed Income contracts. He reviewed the guidelines for this new asset class with the committee. **After discussion, Ms. Hodges moved, seconded by Ms. Rogers, to approve the Multi-Sector Global Fixed Income guidelines, as presented. With no further discussion, and no objections, the motion carried.**

The Chair then returned the agenda to the regular order.

3. Annual Custodian Review: Bank of New York Mellon

Mr. Eoin Gill and Mr. Raymond Kronz reviewed the custodial process and Securities Lending process with the committee.

4. Annual Self-Directed DROP/Optional Retirement Plan Review

Mr. Timothy Fitzgerald reviewed the Self-Directed DROP and Optional Retirement Plan with the committee.

5. Monthly Performance Review

Mr. Beale reviewed the March performance with the committee. Mr. Humphreys reviewed the Flash Report.

6. Private Equity – Distressed/Special Situations Search and Update

Ms. Sanders reminded the committee of the 2016 Private Equity Strategic Plan approved at the February meeting. She stated the second part of the plan was to search for a Distressed/Special Situation manager. She advised the committee that seventeen managers are included in the search book. She stated that finalists selections will be held at the May Investment Committee meeting.

OTHER BUSINESS

No other business was brought before the committee. With no further business to discuss, the meeting adjourned at 4:01 p.m.