

Proposed: June 23, 2016
Approved: June 23, 2016

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

May 19, 2016

The Investment Committee of the Louisiana State Employees' Retirement System met on Thursday, May 19, 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 11:00 a.m. Roll call was conducted by Caye Weaver, recording secretary.

ROLL CALL

Members present: Ms. Beverly Hodges*; Judge William Kleinpeter; Mr. Rick McGimsey – designee, Commissioner of Administration; Ms. Lori Pierce; Ms. Kathy Singleton; Ms. Shannon Templet; Ms. Lorry Trotter

Members absent: Mr. Thomas Bickham; Ms. Virginia Burton; Mr. John Kennedy, State Treasurer; Ms. Janice Lansing; Senator Barrow Peacock; Representative Kevin Pearson

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

Also present: Mr. Rhett Humphreys and Mr. Jeffrey Roberts - NEPC

**arrived after roll call*

The Chair called for Public Comment. Hearing none, and with no quorum present, the Chair called for the next agenda item not requiring a quorum.

NEW BUSINESS

Oaktree European Principal Fund Portfolio Review

Mr. Alexis Otto and Mr. Karim Khairallah reviewed the fund's portfolio with the committee.

Ms. Hodges arrived during the presentation, thereby making a quorum. After the presentation, the Chair called for approval of the minutes, then returned the agenda to regular order.

REGULAR BUSINESS

The committee considered the minutes of the April 21, 2016, Investment Committee meeting. **Judge Kleinpeter moved, seconded by Ms. Templet, to approve the minutes of the April 21, 2016, Investment Committee meeting. With no further discussion, and no objections, the motion carried.**

NEW BUSINESS (continued)

Investment Guidelines Discussion and Recommendation

Mr. Fournerat reviewed the suggested guideline changes with the committee. **After discussion, Ms. Templet moved, seconded by Ms. Pierce, to approve the guideline changes as presented. With no further discussion, and no objections, the motion carried.**

First Quarter 2016 Performance Review

Mr. Beale reviewed the Plan performance for First Quarter 2016, and updated the committee on the April performance.

Distressed/Special Situations Mandate Search Finalists Selection

Ms. Sanders and Mr. Roberts reviewed the candidates for the Distressed/Special Situations Mandate. Ms. Sanders stated that both staff and NEPC believe that up to two managers should be considered for the mandate. She stated that staff and NEPC recommend interviewing Cerberus Capital Management, Gamut Capital Management, Oak Hill Advisors, and Siguler Guff and Company. **After discussion, Judge Kleinpeter moved, seconded by Ms. Hodges, to interview Cerberus Capital Management, Gamut Capital Management, Oak Hill**

Advisors, and Siguler Guff and Company for the Private Equity Distressed/Special Situations mandate. With no further discussion, and no objections, the motion carried.

OTHER BUSINESS

No other business was brought before the committee and the meeting adjourned at 12:00 p.m.