



# Louisiana State Police Retirement System

## Investment Committee Meeting Minutes

<b>Meeting Title</b>	LSPRS Investment Committee Meeting
<b>Date of Meeting</b>	May 24, 2017
<b>Where</b>	9224 Jefferson Highway, Baton Rouge, LA 70809
<b>Start Time</b>	9:00 a.m.

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

Frank Besson Jr., President – NOT PRESENT  
Jay Dardenne, Commissioner of Administration, Appearing Thru  
Andrea Hubbard, Designee – PRESENT  
Ron Henson, Treasurer, Appearing Thru  
Amy Mathews - PRESENT  
Kevin Marcel, Active Representative – PRESENT  
Jay O'Quinn, President, LSTA – ARRIVED AFTER ROLL CALL

The records reflect that the following persons were also present:

Robert Bickham, UBS/PaineWebber  
Kimberly Gann, Assistant Director  
Shelley Sebastian, Administrative Assistant

The pledge and prayer was led by Kevin Marcel.

Let the records reflect the following committee members joined the meeting;

- Jay O'Quinn joined the meeting at 9:15 a.m.

- 3) Rob Bickham advised the committee that the main purposes of today's meeting are as follows:
  - a. Presentation from two of LSPRS Hedge fund manager, Entrust Permal, KKR Prisma and Private Equity manager, Portfolio Advisors.
  - b. Asset Allocation Study with an additional Option
  - c. Asset Allocation
  - d. Manager Analysis
  - e. Watch List

- 4) Rob Bickham reviewed the UBS Asset Allocation Study from the March 22, 2017 Investment Committee meeting with an additional Option as requested by Committee members. Mr. Bickham stated the object is to reach the 7% Return with minimal amount of risk. Mr. Bickham explained the Option 3 as follows; The Fixed Income would remain at 20%, the US Core equity would remain at 40% and increase the International Equity Core by 2.5% to try and pick up the higher return. The

Emerging market core would remain at 7.5%. Also, increase Private equity from 3% to 5%, reduce

cash from 2.5% to 2%, reduce Hedge fund from 5% to 2% and decrease Timber from 2% to 1%.

Ultimately this would result in a 7.07% return. (Exhibit A on file at the LSPRS office)

A **MOTION** was made by Amy Mathews to select Option 3 for Asset Allocation. The **MOTION** was seconded by Andrea Hubbard. No opposition. The motion passed.

- 5) Amy Mathews discussed investing \$10M into the S&P 500. Mr. Bickham's recommendation was to invest the \$10M into MSCI, All Country World index (ACWI).

A **MOTION** was made by Amy Mathews to invest \$10M into MSCI ACWI. The **MOTION** was seconded by Andrea Hubbard. No opposition. The motion passed.

- Jay O'Quinn exited after the Motions passed

- 6) Rob Bickham reviewed the Asset Allocation, Market Value and Returns Summary as of April 30, 2017. The system's breakdown of assets are as follows; Total equities are \$481M make up 63.3% of the portfolio. Fixed income is at \$138M, which is 18.2% of the portfolio and Alternatives were at \$102M making up 13.4% of the portfolio. The total portfolio was up to \$761M, which is a new high for the system. Value and Returns summary; total Domestic equity managers are up 7.77% year to date and 19.82% fiscal year to date. The total International equity managers are up 13.06% year to date and up 14.29% fiscal year to date; The total for the Equity Managers are up 9.36% year to date and up 18.07% fiscal year to date and the total for the Fixed Income managers are 3.25% year to date and 2.35% fiscal year to date. The total fund is up 6.89% year to date and up 11.98% fiscal year to date. (Exhibit B on file at the LSPRS office)

- 7) Entrust Permal presentation given by Paul Rosenberg, Sr. Vice President, Gregg Hymowitz, Chairman/CEO and Dave Livingston., CFA, CMT Investment Director and Randall Mayer, Relationship Manager (Exhibit C on file at the LSPRS office)

- 8) KKR Prisma phone conference given by Helenmarie Rodgers, Managing Director and Girish Reddy, CEO. (Exhibit D on file at the LSPRS office)

- Amy Mathews exited during the KKR Prisma presentation
- Irwin L. Felps, Jr. joined the meeting

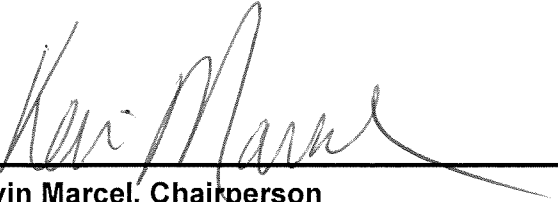
- 9) Portfolio Advisors presentation given by Todd Hughes. (Exhibit E on file at the LSPRS office)

- 10) Rob Bickham advised the committee of the managers that are currently on the "watch list";

- 1) Aronson, Johnson, Ortiz
- 2) Fisher Investments
- 3) Iridian
- 4) Wellington International
- 5) The Campbell Group

- 11) Legislative Update; Mr. Felps updated the committee regarding SB7. This bill provides benefits for survivors of troopers killed in the line of duty by an intentional act of violence. The bill did pass the House Retirement Committee today, and it is awaiting final passage on the House floor.

12) A **MOTION** was made by Andrea Hubbard to adjourn. The **MOTION** was seconded by Kevin Marcel.  
No opposition. The motion passed.

A handwritten signature in cursive script, appearing to read "Kevin Marcel", written over a solid horizontal line.

**Kevin Marcel, Chairperson  
Louisiana State Police Retirement System  
Investment Committee**