



# Louisiana State Police Retirement System

## Board Meeting Minutes

<b>Meeting Title</b>	Louisiana State Police Retirement System Board Meeting
<b>Date of Meeting</b>	October 19, 2016
<b>Where</b>	9224 Jefferson Hwy, Baton Rouge, LA 70809
<b>Start Time</b>	1:30 p.m.

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

Commissioner Jay Dardenne, Div. Of Administration, Appearing Thru  
Andrea Hubbard, Designee for DOA Commissioner, PRESENT  
Col. Michael Edmonson, Superintendent, Office of State Police, Appearing Thru  
Frank Besson, Designee of Office of State Police, PRESENT  
John Kennedy, State Treasurer, Appearing Thru  
Thomas Enright, Designee for State Treasurer, PRESENT  
Stephen Lafargue, Active/Retired Representative, NOT PRESENT  
Kevin Marcel, Active Representative, Vice Chairman, PRESENT  
Thurman Miller, President, Central State Troopers Coalition, NOT PRESENT  
Sen. Barrow Peacock, Senate Retirement Committee, PRESENT  
Rep. Kevin Pearson, House Retirement Committee, NOT PRESENT  
Marsha Pressburg, Surviving Spouse Representative, PRESENT  
Jay O'Quinn, LSTA President, PRESENT  
Retiree Representative, VACANT

The records reflect that the following persons were also present:

Denise Akers, Attorney	Kimberly A. Gann, Assistant Director
Margaret Corley, Atty, SRC	Tony Gelderman, BLB&G
Irwin L. Felps, Jr., Executive Director	Shelley Sebastian, Administrative Assistant

Chairman Frank Besson opened the meeting with the pledge of allegiance. The prayer was led by Irwin Felps, Jr.

- 2) Irwin Felps reviewed the Board meeting minutes as of August 31, 2016. Chairman Besson requested the board approve the minutes. A **MOTION** was made by Kevin Marcel to approve the August 31, 2016 minutes. The **MOTION** was seconded by Andrea Hubbard. No opposition. The motion passed. (**Exhibit A on file at the LSPRS office**)
- 3) Kevin Marcel, Investment Committee Chairman, reviewed the Investment Committee minutes from September 28, 2016 (**Exhibit B on file at the LSPRS office**). Mr. Marcel reviewed the latest portfolio rebalancing with the board members as follows: an additional \$10M was committed to PAPEF IX (Portfolio Advisors), 1% to Fixed income, which is \$6.5M to Loomis Sayles, 1% to Foreign emerging markets, Brandes and Vontobel, \$3.25M each, 2% to Foreign Developed markets, which is \$6.5M each to Wellington and Templeton. Irwin Felps, Jr. stated that the total fund is \$692M, and the cash is increasing approximately \$3M a month from higher employee contributions at 8.5%/9.5% and the higher employer contributions. The employer contributions have increased in absolute dollars, despite the fact that the employer contribution rate has decreased, due to DPS being able to hire more troopers and the corresponding increase in the total salary expense. Mr. Felps advised

the board that the Investment Committee also approved for LSPRS to enter into a Securities Lending program with US Bank, utilizing the Prime Fund. Irwin Felps also reviewed the "watch list" with the board members. Watch list as follows: Aronson, Johnson, Ortiz – Performance Issues; Campbell Timber – Performance Issues; Vontobel – Organizational changes; Waddell & Reed – Organizational changes. Mr. Felps advised the board members he had received a Letter of Intent from CALPERS (CA Public Employee Retirement System) offering to buy LSPRS out of our interest in the Campbell Opportunity Timber Fund VI, L.P. with Campbell Timber at the price that was available as of June 30, 2016. Based on Rob Bickham's recommendation, the Investment Committee declined the CALPERS offer. Mr. Felps reviewed the changes to the Investment Policy guidelines, at the request of Waddell & Reed in regards to small cap investment policy and Orleans Capital, in regards to the fixed income investment policy (**Exhibit C on file at the LSPRS office**). A **MOTION** was made by Jay O'Quinn to approve the September 28, 2016 Investment Committee minutes. The **MOTION** was seconded by Marsha Pressburg. No opposition. The motion passed.

- 4) Robin Landa, UBS/Paine Webber reported as of September 30, 2016. Ms. Landa pointed out the total fund is \$697,571,720 but September was a flat month. The total domestic equity managers were at 5.80% fiscal year to date, total international equity managers were at 5.79% and the Total equity managers were at 5.82% fiscal year to date and total fixed income managers at 1.70% fiscal year to date. The total fund is up 0.61% current month and up 3.79% fiscal year to date.
- 5) Stephen Griffin presented the check registers for the period of July 1, 2016 to July 31, 2016 and August 1, 2016 to August 31, 2016. Mr. Griffin also presented the Statement of Net Position and Budget Summary as of August 31, 2016 (**Exhibit D on file at the LSPRS office**). A **MOTION** was made by Kevin Marcel to accept the Financial Report, FYE Comparison, and Check Register as of August 31, 2016. The **MOTION** was seconded by Jay O'Quinn. No opposition. The motion passed.
- 6) Portfolio monitoring presentation – Tony Gelderman, Bernstein, Litowitz, Berger & Grossman (**Exhibit E on file at the LSPRS office**)
- 7) Kimberly Gann advised the board of the special election to fill the vacant retiree seat. This position will be voted on by retirees or their survivors only. The schedule is posted as Exhibit F. (**Exhibit F on file at the LSPRS office**)
- 8) Kimberly Gann presented the 2017 Meeting schedule to the board for approval. Ms. Gann advised that the meetings will be on the 4<sup>th</sup> Wednesday of each month, allowing the Custodial Bank and UBS more time to prepare the financials for the meetings. Tom Enright, Designee, suggested moving the December 27, 2017 Board meeting. Ms. Gann will reschedule the December meeting to the 3<sup>rd</sup> Wednesday, December 20, 2017 (**See Exhibit G on file at the LSPRS office**). A **MOTION** was by Jay O'Quinn to approve the 2017 Meeting Schedule. The **MOTION** was seconded by Kevin Marcel. No opposition. The motion passed.
- 9) A **MOTION** was made by Kevin Marcel to accept the Benefit Change Report, Retirement/DROP approvals and the elimination/awarding benefit to spouse/children. The **MOTION** was seconded by Tom Enright. No opposition. The motion passed. (**See Exhibit H on file at the LSPRS office**)
- 10) A **MOTION** was made by Kevin Marcel to adjourn. The **MOTION** was seconded by Jay O'Quinn. No opposition. The motion passed.



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Frank Besson, Chairman  
Louisiana State Police Retirement System  
Board of Trustees