



Louisiana State Police Retirement System (LSPRS)

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Investment Committee Meeting Minutes **(AMENDED)**

Meeting Title	LSPRS Investment Committee Meeting
Date of Meeting	Wednesday, July 28, 2021
Where	4065 Government Street, Baton Rouge, LA 70806
Start Time	2:00 p.m.

- 1) Investment Committee Chairman, Kevin Marcel called the meeting to order.
- 2) Wendy Ingram, Administrative Assistant, called roll as follows:
Frank Besson Jr., Designee for Superintendent – Vice-Chairman – PRESENT
Andrea Hubbard, Designee for Commissioner of Administration – PRESENT
Kevin Marcel, Chairman – PRESENT
Jay O'Quinn, President LSTA – NOT PRESENT
Amy Mathews, Designee for Treasurer – PRESENT

The records reflect that the following persons were also present:

Rob Bickham, UBS Institutional Consulting	Kimberly A. Gann, Assistant Director
Claire Guidry, Retirement Benefits Analyst	Byron Juneau, Board Member
Margaret C. Michel, Assistant Director	Doris Prudhomme, Board Member
Kevin P. Reed, Executive Director	Walter W. Smith, Board Member

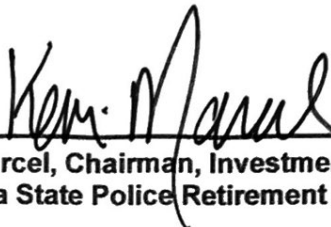
- 3) The Pledge of Allegiance was led by Frank Besson and the prayer was led by Kevin Reed. No public comments.
- 4) Rob Bickham directed the committee to look at the flash report including the Asset Allocation and the Market Value and Returns Summary as of June 30, 2021, noting the numbers have not been completely reconciled and it may take another month or so to get the final numbers on alternative investments and in particular private equity (**See Exhibit A-Attached**). Mr. Bickham noted that LSPRS' portfolio finished the fiscal year strong with total funds of \$1,151,181,248. Total Equities comprised 63.1% (or \$726 million) of the portfolio, which was slightly above the target weighting of 62.5%, while below the maximum equity allocation of 65.0%. Fixed income is well within guidelines at 21.6% (or \$248 million) of the portfolio, as is Alternatives at 12.8% (or \$147 million). The Money Market fund position represented \$28,475,201, or 2.5%.

Rob Bickham focused the committee on the Fiscal Year To Date period of the Returns Summary for the period ending June 30, 2021, noting the importance of the end of the fiscal year total returns. For the fiscal year to date period ending June 30, total equity managers were up 44.96% while domestic equity managers were up 48.56%, international equity managers were up 37.13%. The total fixed income managers were up 5.29%. The total alternative managers were up 15.21%, reflecting preliminary returns. The total fund for the fiscal year to date was up 31.58%.

- 5) Rob Bickham presented information to the committee, as well as board members in attendance, for investment education. Material titled "Private Markets: Cutting Through the Jargon" was provided and Mr. Bickham explained relevant terminology including items such as MOIC, IRR, Vintage Year, Lock-up Period and others. (See Exhibit B-Attached). Kevin P. Reed provided a second handout titled "Finding Opportunity in Secondaries," which was reviewed along with an explanation of Primary vs Secondary Private Equity investments (See Exhibit C-Attached). Mr. Bickham then concluded the training with a UBS House View Presentation focusing on Page 20, reflecting probable economic and financial market outlook, with a most probable outcome being the information depicted under the Central theme (See Exhibit D-Attached).

Mr. Bickham congratulated Kimberly A. Gann, Assistant Director, on her years of work and contribution to the LSPRS, the assistance she has always provided Rob and his team with UBS and wishing her well in her retirement.

- 6) Kevin P. Reed spoke about the potential ability to fund a COLA/PBI given the strong investment returns the portfolio has experienced for the periods ending June 30, 2021. Noting that we will be making the one-time non-reoccurring pension benefit payment at the end of August. With the strong returns, we have been discussion with our actuary as to the feasibility of providing a COLA/PBI sometime this next year, as there may be sufficient funds in the Experience Account to provide for a COLA/PBI. Margaret Michel stated that a COLA/PBI would require the passage of a legislative bill. Walter Smith, Board Member, noted that he would like for staff to explore a non-equal-percentage option for COLAs, as to provide more of the COLA benefit to those members who currently receive a relatively lower retirement income benefit.
- 10) A **MOTION** was made by Amy Mathews to adjourn the meeting. The **MOTION** was seconded by Frank Besson. No opposition. The motion passed.



Kevin Marcel, Chairman, Investment Committee
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