

Proposed: September 25, 2014
Approved: September 25, 2014

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

August 21, 2014

The Investment Committee of the Louisiana State Employees' Retirement System met on Thursday, August 21, 2014, in the fourth floor conference room of the Retirement Systems Building located at 8401 United Plaza Boulevard, Baton Rouge, Louisiana. Ms. Janice Lansing, 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. Beverly Hodges; *Mr. Ben Huxen, (designee for Commissioner of Administration); Judge William Kleinpeter; Ms. Janice Lansing; Ms. Amy Mathews, (designee for State Treasurer); Ms. Lori Pierce
Ms. Kathy Singleton

Members absent: Ms. Connie Carlton; Senator Elbert Guillory; Ms. Barbara McManus; Representative Kevin Pearson; Ms. Shannon Templet

Staff present: Ms. Cynthia Rougeou, Executive Director; Ms. Maris LeBlanc, Deputy Director; Mr. Trey Boudreaux, Assistant Director; Mr. Bobby Beale, Chief Investment Officer; Ms. Tina Vicari Grant, Executive Counsel; Investment Staff: Mr. Jacques Brousseau, Mr. Darren Fournerat, Ms. Celeste Funderburk, Ms. Alisa Lacombe, Ms. Laney Sanders

Also present: Mr. Rhett Humphreys – NEPC; Mr. Paul Richmond – Legislative Auditor

**arrived after roll call*

A quorum was declared present and the meeting opened for business. The Chair called for Public Comment. No one appeared before the Committee for public comment.

REGULAR BUSINESS

The committee considered the minutes of the July 24, 2014, Investment Committee meeting. **Ms. Hodges moved, seconded by Judge Kleinpeter, to approve the minutes of the July 24, 2014, Investment Committee meeting. With no further discussion, and no objections, the motion carried.**

NEW BUSINESS

Private Equity Portfolio Reviews:

Mr. Behzad Khosrowshahi, President and CEO, and Ms. Andrea Sotak, Managing Director and COO of DRI Capital, Inc., appeared before the committee to give a portfolio review.

Mr. Ryan Fedronich, Vice President of Mesirow Financial, appeared before the committee to give a portfolio review.

Absolute Return Risk Monitoring Report

Mr. Humphreys presented the Quarterly Hedge Fund Performance and Portfolio Summary Report. Mr. Fournerat reviewed the current Hedge Fund managers.

Investment Guidelines Discussion: Loomis Sayles and Company

Mr. Beale explained that Loomis Sayles and Company asked to have the ability to invest in Senior Bank loans. He stated both staff and NEPC were okay with the request and asked the committee to approve the change to the Investment Guidelines. **After discussion, Mr. Bickham moved, seconded by Judge Kleinpeter, to approve Loomis Sayles and Company guideline changes. With no further discussion, and no objections, the motion passed.**

Gresham Investments Discussion - TIAA-CREF Acquisition

Mr. Beale advised the committee of ownership changes at Gresham Investments. He stated that Board approval was required to consent to the assignment of the Advisory agreement allowing the ownership change. **After discussion, Ms. Pierce moved, seconded by Judge Kleinpeter, to consent to the assignment of the Gresham Advisory Agreement. With no further discussion, and no objections, the motion carried.**

Second Quarter 2014 Performance Review

Mr. Beale stated that the final 2013-2014 Fiscal-Year-End numbers were in and that LASERS Plan had an 18.8% return. He then reviewed the last quarter of the

2013-2014 Fiscal Year. Mr. Beale also reviewed the new Fiscal Year returns up to August 21. Mr. Humphreys reviewed the Flash Report.

OTHER BUSINESS

There was no other business to bring before the committee.

With no further business to discuss, the meeting adjourned at 4:03 p.m.