

Proposed: June 26, 2014
Approved: June 26, 2014

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

May 22, 2014

The Investment Committee of the Louisiana State Employees' Retirement System met on Thursday, May 22, 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 Abby Roshto, recording secretary.

ROLL CALL

Members present: Ms. Connie Carlton; Ms. Beverly Hodges; Judge William Kleinpeter; Ms. Janice Lansing; Ms. Amy Mathews, (designee for State Treasurer); Ms. Barbara McManus; Ms. Lori Pierce; Ms. Kathy Singleton; Ms. Shannon Templet

Members absent: Mr. Thomas Bickham; Senator Elbert Guillory; Mr. Ben Huxen, (designee for Commissioner of Administration); Representative Kevin Pearson

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 Grant, Executive Counsel; Mr. Troy Searles, Deputy Chief Investment Officer; Investment Staff: Mr. Jacques Brousseau, Mr. Darren Fournier, Ms. Celeste Funderburk, Ms. Alisa Lacombe, Ms. Laney Sanders

Also present: Mr. Rhett Humphreys and Mr. Timothy Fitzgerald - NEPC

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

NEW BUSINESS

EIG (Private Equity) Portfolio Review

Mr. Randall Wade, Managing Director of EIG, presented a review of the EIG portfolios.

Annual SDP/ORP Consultant Review

Mr. Troy Searles, and Mr. Timothy P. Fitzgerald reviewed the Self-Directed Plan and the Optional Retirement Plan with the committee. Mr. Fitzgerald stated that NEPC is not recommending any changes at this time and there were no issues with Great West.

Private Advisors (Private Equity) Commitment Discussion and Recommendation

Ms. Laney Sanders and Mr. Rhett Humphreys reviewed the 2014 Private Equity Strategic Plan and stated that a \$40 million commitment to Private Advisors Small Company Buyout Fund VI was part of the 2014 vintage year commitments. After discussion, **Ms. McManus moved, seconded by Ms. Templet, to commit \$40 million to the Private Advisors Small Company Buyout Fund VI. With no further discussion, and no objections, the motion carried.**

City of London, LSV, and Westwood Global Emerging Market Contracts Discussion and Recommendation

Mr. Beale advised the committee that the emerging market contracts expire this fall. He stated he is very happy with the current managers, they have performed well and their organizations are stable. Mr. Humphreys reviewed the managers in the emerging market universe. He stated that NEPC agrees with staff's recommendation to not make any changes and stay with the current managers. After discussion, **Ms. Pierce moved, seconded by Ms. McManus, to extend the City of London, LSV Emerging Markets and Westwood Global contracts for five years. With no further discussion, and no objections, the motion carried.**

1st Quarter 2014 Performance Review

Mr. Beale reviewed the performance of the Plan and stated that Fiscal-Year-to-Date the return as of March 31, 2014, is 13.5%. He also informed the Board that as of April 30th, the Fiscal-Year-to-Date return was 14.3%. Mr. Humphreys reviewed the Flash Report.

OTHER BUSINESS

Mr. Beale advised the committee that the Investment Annual Report for Fiscal Year 2012-2013 won a platinum award in the 2014 Hermes Creative competition. The platinum award is the highest honor given in the category of publications/annual reports. Recognition goes to Celeste Funderburk and Alisa Lacombe for the hard work they put into each annual report.

With no further business to discuss, the meeting adjourned at 4:02 p.m.