

Proposed: April 27, 2017
Approved: April 27, 2017

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

March 23, 2017

The Investment Committee of the Louisiana State Employees' Retirement System met on Thursday, March 23, 2017, in the fourth floor conference room of the Retirement Systems building, 8401 United Plaza Boulevard, Baton Rouge, Louisiana. Ms. Shannon Templet, 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. Virginia Burton; Ms. Beverly Hodges; Judge William Kleinpeter; Ms. Janice Lansing; Ms. Amy Mathews – designee, Louisiana State Treasurer; Ms. Lori Pierce; Ms. Kathy Singleton; Ms. Shannon Templet

Members absent: Commissioner Jay Dardenne; Senator Barrow Peacock; Representative Kevin Pearson; Ms. Lorry Trotter

Staff present: Ms. Cindy Rougeou, Executive Director; Ms. Maris LeBlanc, Deputy Director & Chief Operating Officer; Mr. Trey Boudreaux, Chief Administrative Officer; Mr. Bobby Beale, Chief Investment Officer; Ms. Tina Vicari Grant, Executive Counsel; Investment Staff: Mr. Darren Fournerat, Ms. Laney Sanders, Ms. Celeste Funderburk, Ms. Alisa Lacombe, Mr. Jacques Brousseau, Mr. Reeves Pearce and Mr. Preston Galatas

Also present: Mr. Rhett Humphreys – NEPC LLC

The Chair called for public comment. Hearing none, the Chair called for the next agenda item.

REGULAR BUSINESS

The committee considered the minutes of the February 16, 2017, Investment Committee meeting. **Judge Kleinpeter moved, seconded by Mr. Bickham, to**

approve the minutes of the February 16, 2017, Investment Committee meeting. With no further discussion, and no objections, the motion carried.

NEW BUSINESS

Review of 2017 Private Equity Strategic Plan and Recommendation

Ms. Sanders reviewed the 2017 Private Equity Strategic Plan. She recommended committing to the Apollo Investment Fund IX to fulfill the Special Situations allocation previously approved. Ms. Sanders stated she participated in a due diligence session, and Mr. Beale visited the offices in preparation for the recommendation. **After further discussion, Mr. Bickham moved, seconded by Judge Kleinpeter, to commit \$100 million to the Apollo Investment Fund IX. With no further discussion, and no objections, the motion carried.**

Monthly Performance Review

Mr. Beale reviewed the Plan performance up to February, 2017, and stated the Plan Fiscal-Year-to-Date return is 10.4%. He also reviewed March performance.

Asset Allocation Discussion

Mr. Humphreys and Mr. Fournerat reviewed the current asset allocation structure. Mr. Humphreys stated that NEPC and staff believe a few subtle changes should be made. He stated that NEPC and staff would be working in the coming months to reassess the Investment Structure and review current opportunities to take advantage of medium-term opportunities.

Mr. Fournerat reviewed the recent updates to the Hedge Fund portfolio. He also reviewed the Risk Parity/Global Asset Allocation strategy. He stated that staff and NEPC has had conversations over time about changes to the strategy. He stated NEPC will prepare a review book to show what options are available, and a review will be discussed at the April Investment Committee meeting.

Annual Consultant Review

Mr. Humphreys and the Investment Committee discussed the annual consultant review.

OTHER BUSINESS

With no other business brought before the committee the meeting adjourned at 3:22 p.m.