

Proposed: January 26, 2017
Approved: January 26, 2017

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

December 15, 2016

The Investment Committee of the Louisiana State Employees' Retirement System met on Thursday, December 15, 2016, in the fourth floor conference room of the Retirement Systems building, 8401 United Plaza Boulevard, Baton Rouge, Louisiana. Ms. Kathy Singleton, 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; Ms. Janice Lansing; Ms. Lori Pierce; Ms. Kathy Singleton; Ms. Lorry Trotter

Members absent: Mr. Jay Dardenne, Commissioner of Administration; Mr. John Kennedy, State Treasurer; Judge William Kleinpeter; Senator Barrow Peacock; Representative Kevin Pearson; Ms. Shannon Templet

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 and Mr. Reeves Pearce

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 November 17, 2016, Investment Committee meeting. **Mr. Bickham moved, seconded by Ms. Hodges, to approve the minutes of the November 17, 2016, Investment Committee meeting. With no further discussion, and no objections, the motion carried.**

NEW BUSINESS

Private Equity 2017 Strategic Plan Recommendation

Ms. Sanders reviewed the 2017 Private Equity Strategic Plan. **After discussion, Mr. Bickham moved, seconded by Ms. Lansing, to approve the 2017 Private Equity Strategic Plan, as presented. With no further discussion, and no objections, the motion carried.**

Domestic Equity – Large Cap Value Contract Discussion

Mr. Beale reviewed the contract with AJO Partners and advised the committee that the contract will expire on March 31, 2017. He reviewed the AJO performance and reminded the committee of Mr. Aronson's portfolio review at the November Investment Committee meeting. **After discussion, Mr. Bickham moved, seconded by Ms. Lansing, to extend the Domestic Equity – Large Cap Value contract with AJO Partners for another five years, with the new fee structure. With no further discussion, and no objections, the motion carried.**

Monthly Performance Review

Mr. Beale presented the preliminary Plan performance update. He stated that November numbers were not final due to the early meeting date, but would be emailed to the Trustees once finalized.

Investment Division Annual Report

Mr. Beale presented the 2016 Annual Investment Report. He stated that LASERS members were encouraged to submit photographs to LASERS for use in their publications, and that the Annual Investment Report included some of those submissions. He commended Ms. Funderburk and Ms. Lacombe for their work on the report.

OTHER BUSINESS

Ms. LeBlanc advised the committee that Ms. Sanders husband was hired by a subsidiary of Bernhard Capital Partners, and as to avoid the appearance of a conflict of interest, Bobby Beale and Darren Fournierat would handle management of the Bernhard Capital Partners relationship.

Ms. Sanders advised the committee that included in the Handout Book was an update of the Self-Directed Plan/Optional Retirement Plan accounts at Empowerment Retirement. Ms. Rougeou stated that she recently discovered that only approximately 9,000 State Employees participate in the Deferred Comp program and that she would be taking steps to better educate the employees about this plan.

With no other business brought before the committee the meeting adjourned at 1:35 p.m.