

Proposed: September 21, 2017
Approved: September 21, 2017

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

August 24, 2017

The Investment Committee of the Louisiana State Employees' Retirement System met on Thursday, August 24, 2017, in the fourth floor Board 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; Ms. Janice Lansing; Ms. Amy Mathews, designee – Louisiana State Treasurer; Mr. Rick McGimsey, designee – Commissioner of Administration; Representative Kevin Pearson; Ms. Kathy Singleton; Ms. Shannon Templet; Ms. Lorry Trotter

Members absent: Judge William Kleinpeter; Senator Barrow Peacock; Ms. Lori Pierce

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 Fournierat, Ms. Laney Sanders, Ms. Celeste Funderburk, Ms. Alisa Lacombe, Mr. Jacques Brousseau, and Mr. Reeves Pearce

Also present: Mr. Rhett Humphreys and Ms. Melissa Mendenhall – 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 July 27, 2017, Investment Committee meeting. **Mr. Bickham moved, seconded by Ms. Lansing, to**

approve the minutes of the July 27, 2017, Investment Committee meeting. With no further discussion, and no objections, the motion carried.

NEW BUSINESS

Overview of Private Markets – Growth Buyout/Technology Candidates

Ms. Sanders explained why Frontier Capital was not appearing for an interview. She and Ms. Mendenhall then reviewed the due diligence trips they took to review the candidates.

Private Markets-Growth Buyout/Technology Search Finalists Interviews

Apax Partners

Mr. Dan O’Keefe – Managing Partner, Apax Digital, Mr. Marcelo Gigliani – Managing Partner, Apax Digital, and Mr. Mike Lynch – Principal, Apax Partners, appeared before the committee for an interview.

Insight Venture Partners

Mr. Jeff Horing, Co-Founder, and Ms. Hilary Goshier, Managing Director, appeared before the committee for an interview.

Mandate Selection of Private Markets-Growth Buyout/Technology Manager

After the manager interviews, Ms. Sanders, Mr. Pearce and Ms. Mendenhall reviewed their thoughts for each manager. Ms. Sanders stated that staff and NEPC recommend hiring Insight Venture Partners for the mandate. **After discussion, Mr. Bickham moved, seconded by Ms. Hodges, to award the Private Markets Growth Buyout/Technology mandate to Insight Venture Partners, with a \$50 million dollar commitment. With no further discussion, and no objections, the motion carried.**

**Representative Pearson left the meeting*

Hedge Fund Portfolio Discussion and Recommendation

Mr. Fournerat reviewed the current Prisma contract with the committee. He stated that language in the contract limits the investment vehicle and recommended allowing more flexibility. **After discussion, Ms. Mathews moved, seconded by Mr. Bickham, to amend the Prisma contract language to allow greater flexibility in investment vehicles within the partnership. With no further discussion, and no objections, the motion carried.**

Mr. Fournerat then reviewed the EnTrust contract with the committee. He covered the current fee structure and recommended amending that structure. **After discussion, Mr. Bickham moved, seconded by Ms. Mathews, to amend the**

Entrust partnership agreement to reflect more advantageous fee structures. With no further discussion, and no objections, the motion carried.

Second Quarter 2017 Performance Review

Mr. Beale reviewed the final Fiscal-Year-End return with the committee, and stated that after all figures were reported, the return increased to 15.8%, which is the second best return in the nation. He then reviewed July performance, and updated the committee on August performance to date.

Actuarial Science

Ms. Shelley Johnson, Foster and Foster, gave an educational presentation on Actuarial Science.

OTHER BUSINESS

With no other business brought before the committee the meeting adjourned at 4:02 p.m.