

Proposed: March 23, 2017  
Approved: March 23, 2017

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

**February 16, 2017**

The Investment Committee of the Louisiana State Employees' Retirement System met on Thursday, February 16, 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.

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**ROLL CALL**

Members present: Ms. Virginia Burton; \*Judge William Kleinpeter; Ms. Janice Lansing; Ms. Amy Mathews – designee, Louisiana State Treasurer; Mr. Rick McGimsey – designee, Commissioner of Administration; Ms. Lori Pierce; Ms. Kathy Singleton; Ms. Shannon Templet

Members absent: Mr. Thomas Bickham; Ms. Beverly Hodges; 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 Fournierat, Ms. Laney Sanders, Ms. Celeste Funderburk, Ms. Alisa Lacombe, Mr. Jacques Brousseau, Mr. Reeves Pearce and Mr. Preston Galatas

Also present: Mr. David Barnes – NEPC LLC

*\*arrived after roll call*

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

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**REGULAR BUSINESS**

The committee considered the minutes of the January 25, 2017, and January 26, 2017, Investment Committee meeting. **Ms. Lansing moved, seconded by Ms.**

**Burton, to approve the minutes of the January 25, 2017, and January 26, 2017, Investment Committee meeting. With no further discussion, and no objections, the motion carried.**

**NEW BUSINESS**

U.S. Fixed Income – High Yield Portfolio Review:

- Mr. David Crall – CIO and Managing Director, Ms. Nicole Gabona – Head of Client Relationship Management, and Mr. Charlie Youngblood – Institutional Business Development appeared for Nomura Corporate Research and Asset Management.
- Mr. Jim Shanahan – Managing Director, Portfolio Manager, Mr. Marshall Smith – Client Portfolio Manager, and Mr. Michael Edwards – Executive Director appeared for J. P. Morgan Investment Management

U.S. Fixed Income – High Yield Contract Discussion

Mr. Beale and Mr. Barnes advised the committee that the high yield contracts for Nomura and J.P. Morgan expire in June, 2017. Mr. Barnes reviewed the performance of both managers, and stated that NEPC recommends extending the contracts. Mr. Beale stated that he also recommends extending the contracts. **Ms. Pierce moved, seconded by Ms. Lansing, to extend the U.S. Fixed Income – High Yield contracts for J.P. Morgan Investment Management and Nomura Corporate Research and Asset Management for another five years. With no further discussion, and no objections, the motion carried.**

Fourth Quarter 2016 Performance Review

Mr. Beale reviewed the Plan performance for the 4<sup>th</sup> Quarter of 2016. He also reviewed January’s performance, and stated that due to the early meeting date the January Flash Report would not be final until February 17, 2017. He stated once the numbers were final, the report will be emailed to the Trustees.

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**OTHER BUSINESS**

Mr. Beale advised the committee that PAAMCO merged with Prisma, and that staff and NEPC are evaluating the relationship and will have more information at the March meeting. He also advised the committee of fee changes for Rice Hall James and Westwood Global Investments.

With no other business brought before the committee the meeting adjourned at 2:50 p.m.