

Proposed: January 24, 2018
Approved: January 24, 2018

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

December 14, 2017

The Investment Committee of the Louisiana State Employees' Retirement System met on Thursday, December 14, 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; Mr. James Mack, Designee – Louisiana State Treasurer; Senator Barrow Peacock; Representative Kevin Pearson; Ms. Lori Pierce; Ms. Kathy Singleton; Ms. Shannon Templet; Ms. Lorry Trotter

Members absent: Mr. Jay Dardenne – Commissioner of Administration; Ms. Janice Lansing

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, and Mr. Reeves Pearce

Also present: Mr. David Barnes – NEPC LLC; Ms. Margaret Corley – Senate Retirement Committee

The Chair called for public comment. Ms. Rougeou introduced Mr. James Mack, the State Treasurer designee, and welcomed him. Ms. Templet reminded the Committee that the LATEC sign-up sheet was available. With no further comments, the Chair called for the next agenda item.

REGULAR BUSINESS

The committee considered the minutes of the November 17, 2017, Investment Committee meeting. **Judge Kleinpeter moved, seconded by Mr. Bickham, to**

approve the minutes of the November 17, 2017, Investment Committee meeting. With no further discussion, and no objections, the motion carried.

NEW BUSINESS

Empower Presentation

Ms. Connie Stevens, State Director, gave a presentation outlining the services Empower Retirement provides for the Self-Directed Drop Plan and the Optional Retirement Plan.

Empower Contract Discussion and Recommendation

Ms. Sanders reviewed the Empower Retirement contract proposal with the Committee. She stated that staff and NEPC recommend signing the contract for five (5) years, with a renewal option for another five (5) years at the end of the contract. **After discussion, Mr. Bickham moved, seconded by Judge Kleinpeter, to enter into a new contract with Empower Retirement for five years, at the fee presented, with an option to renew for another five years. With no further discussion, and no objections, the motion carried.**

Rice Hall James Discussion and Recommendation

Mr. Beale advised the Committee that he, staff and NEPC had many due diligence meetings with Rice Hall James staff, and that LASERS staff proposed a new fee structure for the contract. He stated that Rice Hall James accepted the new fee structure. **After further discussion, Ms. Hodges moved, seconded by Mr. Bickham, to approve the Rice Hall James fee proposal, as presented. With no further discussion, and no objections, the motion carried.**

Monthly Performance Review

Mr. Beale presented the October Plan performance review, as the November numbers were not available due to the early meeting date. He stated that once the November numbers were final, a flash report would be emailed to the Committee members. He also stated that, so far, December numbers were flat.

International Equity Guidelines Discussion and Recommendation

Mr. Beale presented the International Equity Guideline changes. **After discussion, Ms. Pierce moved, seconded by Judge Kleinpeter, to approve the International Equity guidelines, as presented. With no further discussion, and no objections, the motion carried.**

Investment Division Annual Report

Mr. Beale presented the 2017 Investment Division Annual Report, for the Fiscal Year 2016-2017. He congratulated Ms. Funderburk and Ms. Lacombe for doing an excellent job preparing the report.

NEPC Contract Discussion

Mr. Beale advised the Committee that the NEPC contract for Plan consulting services, and Self-Directed Drop Plan/Optional Retirement Plan consulting services will expire in June, 2018. He stated that staff will come back in early 2018 with discussion and recommendations.

OTHER BUSINESS

With no other business brought before the committee the meeting adjourned at 1:54 p.m.