



Louisiana State Police Retirement System

Board Meeting Minutes

Meeting Title	Louisiana State Police Retirement System Board Meeting
Date of Meeting	August 31, 2016
Where	9224 Jefferson Hwy, Baton Rouge, LA 70809
Start Time	1:30 p.m.

- 1) Shelley Sebastian, Administrative Assistant, called roll as follows:

Commissioner Jay Dardenne, Div. Of Administration, Appearing Thru
Andrea Hubbard, Designee for DOA Commissioner, PRESENT
Col. Michael Edmonson, Superintendent, Office of State Police, Appearing Thru
Frank Besson, Designee of Office of State Police, PRESENT
John Kennedy, State Treasurer,
Thomas Enright, Designee for State Treasurer, PRESENT
Stephen Lafargue, Active/Retired Representative, NOT PRESENT
Kevin Marcel, Active Representative, Vice Chairman, PRESENT
Thurman Miller, President, Central State Troopers Coalition, PRESENT
Sen. Barrow Peacock, Senate Retirement Committee, NOT PRESENT
Rep. Kevin Pearson, House Retirement Committee, NOT PRESENT
Marsha Pressburg, Surviving Spouse Representative, PRESENT
Jay O'Quinn, LSTA President, NOT PRESENT
Bobby E. Smith, Retired Representative, NOT PRESENT

The records reflect that the following persons were also present:

Denise Akers, Attorney	Kimberly A. Gann, Assistant Director
Ford duQuesnay, Legislative Auditor's Ofc	Shelley Sebastian, Administrative Assistant
Irwin L. Felps, Jr., Executive Director	Hall Tabb, UBS/Paine Webber

Chairman Frank Besson opened the meeting with the pledge of allegiance. The prayer was led by Irwin Felps, Jr.

- 2) Chairman Besson asked the board for a motion to amend the agenda adding discussion of the revised 2017 budget. A **MOTION** was made by Kevin Marcel to add discussion of the revised budget to the agenda. The **MOTION** was seconded by Thurman Miller. No opposition. The motion passed.

Irwin Felps reviewed the 2017 budget with revisions noting that merit increases have been removed. A **MOTION** was made by Andrea Hubbard to accept the 2017 budget with revisions. The **MOTION** was seconded by Kevin Marcel. No opposition. The motion passed. (**Exhibit A on file at the LSPRS office**)

- 3) Irwin Felps reviewed the Board meeting minutes as of June 15, 2016. Chairman Besson requested the board approve the June 15, 2016 Board meeting minutes. A **MOTION** was made by Thurman Miller to approve the June 15, 2016 minutes. The **MOTION** was seconded by Thomas Enright. No opposition. The motion passed. (**Exhibit B on file at the LSPRS office**)

- 4) Kim Gann updated the board on the disability earnings discussed at the June 20, 2016 Executive Committee meeting. Chairman Besson requested the board to approve the June 20, 2016 Executive Committee minutes. A **MOTION** was made by Thomas Enright to approve the minutes. The **MOTION** was seconded by Marsha Pressburg. No opposition. The motion passed. **(Exhibit C on file at the LSPRS office)**
- 5) Irwin Felps discussed the Investment Committee minutes as of July 20, 2016. Mr. Felps pointed out Item 8 on these minutes and explained the portfolio rebalancing strategy to the board; Add 2% of the total portfolio to the Foreign Developed section, split between Wellington and Templeton, 1% to the emerging market managers, split between Brandes and Vontobel, and 1% to the Fixed Income Portfolio, specifically Loomis Sayles and add an additional \$10M commitment to PAPEF IX (Portfolio Advisors), subject to an agreeable conversation between Irwin Felps, Kimberly Gann, Rob Bickham and Todd Hughes, Portfolio Advisors. Mr. Felps advised the board by approving these minutes they would also be authorizing the staff to be able to execute the portfolio re-balancing **(Exhibit D on file at the LSPRS office)**. A **MOTION** was made by Andrea Hubbard to approve the July 20, 2016 Investment Committee minutes. The **MOTION** was seconded by Kevin Marcel. No opposition. The motion passed.
- 6) Hal Tabb, UBS/Paine Webber discussed with the board the possible impact of the upcoming presidential election would have on the economy. **(Exhibit E on file at the LSPRS office)** Mr. Tabb notified we do not have the numbers in for July due to the recent change in our Custodial bank, but will review the Asset Allocation as of June 30, 2016. **(Exhibit F on file at the LSPRS office)** Mr. Tabb reported as of June 30, 2016, total Equities were at \$389M, which is 58.1% of the portfolio, Fixed Income was \$128M, 19.2% of the portfolio and total alternatives were \$96M, 14.4% of the portfolio. The cash is \$55,008,339 making up 8.2% of the portfolio, noting that \$36M of the cash will be invested during the re-balancing process. The total fund value as of June 30, 2016 was \$669,475,392. Mr. Tabb also reviewed the Market Value and Returns Summary as of June 30, 2016, noting the total Domestic equity managers were up 1.64% calendar year to date and down -2.69% fiscal year to date, the total International equity up 3.00% calendar year to date and down -8.03% fiscal year to date and total Fixed Income managers are up 6.77% calendar year to date and up 4.40% fiscal year to date. Mr. Tabb pointed out the total portfolio is down -1.75% fiscal year to date.

Irwin Felps reviewed the ACT 1004 comparison chart with the board members. **(Exhibit G on file at the LSPRS office)**
- 7) Kimberly Gann presented the check registers for the period of May 1, 2016 to May 31, 2016 and June 1, 2016 to June 30, 2016. Ms. Gann also presented the Statement of Net Position and Budget Summary as of June 30, 2016 **(Exhibit H on file at the LSPRS office)**. A **MOTION** was made by Kevin Marcel to accept the Financial Report, FYE Comparison, and Check Register as of June 30, 2016. The **MOTION** was seconded by Marsha Pressburg. No opposition. The motion passed.
- 8) A **MOTION** was made by Kevin Marcel to go into Executive Session to discuss the late Joseph Fontenot's Survivor benefit. The **MOTION** was seconded by Thomas Enright. No opposition. The motion passed.

A **MOTION** was made by Thurman Miller to return from Executive Session. The **MOTION** was seconded by Thomas Enright. No opposition. The motion passed.

Denise Akers recommended the board interpret the statutory language "living with" for the purpose of granting the surviving spouse benefit to Marjorie Fontenot, spouse of the late Joseph Fontenot, to find that Marjorie Fontenot was "living with" Joseph Fontenot at the time of his death. It was determined that Marjorie Fontenot was registered to vote in Ville Platte, LA, the town Joseph Fontenot resided in at the time of death. It was also determined that Joseph and Marjorie Fontenot

shared joint checking accounts and they also filed joint tax returns. Due to medical issues, Marjorie was not able to visit Joseph Fontenot regularly prior to his death. There was no information brought to our attention that the Fontenot's intended on separating or divorcing. A **MOTION** was made by Frank Besson to award the survivors benefit to Marjorie Fontenot, spouse of the late Joseph Fontenot, due to the reasons listed above. The **MOTION** was seconded by Thurman Miller. No opposition. The motion passed.

- 9) Kimberly Gann reviewed the one year Hall Actuary contract extension (**Exhibit I on file at the LSPRS office**). A **MOTION** was made by Kevin Marcel to approve the Hall Actuary contract extension. The **MOTION** was seconded by Thurman Miller. No opposition. The motion passed.
- 10) A **MOTION** was made by Kevin Marcel to accept the elimination/awarding benefit to spouse/children. The **MOTION** was seconded by Thurman Miller. No opposition. The motion passed. (**Exhibit J on file at the LSPRS office**)
- 11) A **MOTION** was made by Kevin Marcel to adjourn. The **MOTION** was seconded by Thurman Miller. No opposition. The motion passed.



Frank Besson, Chairman
Louisiana State Police Retirement System
Board of Trustees