

**Louisiana School Employees' Retirement System  
Special Board Meeting**

**Monday, October 13, 2008  
Held Upon Adjournment of Investment Committee Meeting**

The Board of Trustees of the Louisiana School Employees' Retirement System convened in the Board Room (Room 100) of the Louisiana School Employees' Retirement System Building located at 8660 United Plaza Blvd., Baton Rouge, Louisiana. Mr. Larry Wilmer, Chairman of the Board, called the meeting to order at 1:38 p.m. Roll was called by Ms. Champagne.

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Members Present: Mr. Larry Wilmer, Mr. Philip B. Walther, Ms. Judith Ann McKee, Ms. Kathy B. Landry, Ms. Betty Crain, \*Mr. Jeffrey Faulk, Sr., Mr. Randy Davis - designee for Mr. Jay Dardenne – Secretary of State, Ms. Lauren Bailey - non-voting designee for Senator D. A. “Butch” Gautreaux – Chairman of the Senate Retirement Committee

Members Absent: Mr. Eugene Rester, Jr., Mr. John Kennedy – State Treasurer, Representative Joel C. Robideaux – Chairman of the House Retirement Committee

Staff Present: Mr. Charles P. Bujol – Executive Director, Ms. Debra H. Dudley – Assistant Director, Mr. Warren D. Ponder – Executive Counsel, Mr. Brendan Brosnan – Chief Investment Officer, Mr. Stephen Harris – Investment Officer 1, Ms. Jennifer Champagne – Administrative Assistant 6

Also Present: Mr. Brett Hazen, Segal Advisors

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\*Mr. Jeffrey Faulk, Sr. arrived immediately after roll was called.

## **APPROVAL OF AGENDA**

A corrected agenda dated October 2, 2008, reflecting corrections to Item V, LSERS' Proposed 2009-2010 Budgets, was presented to the Board for approval.

**ON MOTION BY MS. CRAIN, SECONDED BY MR. FAULK**, Mr. Larry Wilmer, Mr. Philip B. Walther, Ms. Judith Ann McKee, Ms. Kathy B. Landry, Ms. Betty Crain, Mr. Jeffrey Faulk, Sr., and Mr. Randy Davis **voted affirmatively** to approve the agenda.

## **ANNUAL REPORTS**

Mr. Wilmer noted that the Audit and Actuarial Reports, which were presented to the Board during the Investment Committee meeting held earlier in the day, required approval by the Board.

### AUDIT REPORT – JUNE 30, 2008

**ON MOTION BY MS. MCKEE, SECONDED BY MS. CRAIN AND CARRIED BY UNANIMOUS CONSENT**, the Board accepted and approved the Audit Report.

### ACTUARIAL REPORT – JUNE 30, 2008

**ON MOTION BY MR. FAULK, SECONDED BY MS. MCKEE AND CARRIED BY UNANIMOUS CONSENT**, the Board approved the Actuarial Report.

## **REPORT/RECOMMENDATIONS OF INVESTMENT COMMITTEE**

Mr. Faulk, Chairman of the Investment Committee, asked Mr. Brosnan to present the recommendations of the Investment Committee.

Mr. Brosnan presented the following recommendations:

### Participation in a “Staged Withdrawal” from the Securities Lending Program.

**ON MOTION BY MR. FAULK, SECONDED BY MR. WALTHER AND CARRIED BY UNANIMOUS CONSENT**, the Board gave staff the authority to participate in a “staged withdrawal” from the Securities Lending Program.

### Approval of Report on Hamilton Lane Fund VI Advisory Board Meeting

**ON MOTION BY MS. LANDRY, SECONDED BY MR. FAULK AND CARRIED BY UNANIMOUS CONSENT**, the Board approved the Report on Hamilton Lane Fund VI Advisory Board meeting.

## Approval of Staff Reports as Presented at the Investment Committee Meeting

**ON MOTION BY MR. FAULK, SECONDED BY MS. CRAIN AND CARRIED BY UNANIMOUS CONSENT**, the Board approved the staff reports as presented at the Investment Committee meeting.

### **REPORT ON LSERS' HURRICANE GUSTAV AFTERMATH**

Mr. Bujol and Ms. Dudley provided the following report on the aftermath of Hurricane Gustav:

The office was closed for one week due to power outages in Baton Rouge. In anticipation of the affects of the storm retiree checks were mailed out prior to their scheduled mailing and DROP/IBRP checks were mailed out as scheduled after the storm. There was no major damage to the building and no major expenditures associated with the storm.

### **DISCUSSION OF TRAVEL POLICY**

#### TRAVEL AUTHORIZATION POLICY

The Travel Authorization Policy, which was discussed during the August 12, 2008 Regular Board meeting, was presented to the Board for consideration on whether specific information on conferences should be reflected in the policy. Discussion was held on the overall policy, number of conferences, associated costs, budget restraints, and fiduciary responsibilities of the Board.

Mr. Faulk made a motion to approve attendance of the National Conference on Public Employee Retirement Systems (NCPERS) Legislative and Annual conferences as the two out-of-state conferences for board members.

After further discussion and a request to clarify his motion, Mr. Faulk rephrased his motion to read "approve attendance of two out-of-state conferences for board members".

Discussion on out-of-state travel for board members and staff continued. Mr. Faulk withdrew his motion due to lack of a second.

Consensus of the Board was to base the number of conferences attended on the amount budgeted each year and make no changes to the Travel Authorization policy.

#### LODGING REIMBURSEMENT POLICY

The Lodging Reimbursement Policy was presented to the Board for consideration on changing the wording for reimbursement of in-state and out-of-state lodging to read "as reflected in Louisiana Travel Guide". It was noted that this would avoid the need for revisions to the policy when hotel prices change.

**ON MOTION BY MS. MCKEE, SECONDED BY MR. WALTHER AND CARRIED BY UNANIMOUS CONSENT**, the Board accepted and approved changes to the Lodging Reimbursement policy as presented.

## **LSERS' PROPOSED 2009-2010 BUDGETS**

### **BUILDING OPERATION**

Mr. McMorris provided a brief review of the proposed operating budget for the building, which included a summary of increases and/or decreases. Mr. Bujol and Mr. McMorris then addressed questions from the Board, which led to a discussion on the current lease, insurance, and utility costs.

**ON MOTION BY MS. LANDRY, SECONDED BY MS. MCKEE AND CARRIED BY UNANIMOUS CONSENT**, the Board accepted and approved LSERS' 2009-2010 Building Operation Budget.

### **ADMINISTRATIVE**

Ms. Dudley provided an overview of adjustments that were made after the budget was mailed out to Board members. An extensive review of the proposed budget followed, which included the actual budget for 2007-2008, the approved budget for 2008-2009 and the requested budget for 2009-2010 with increases and/or decreases noted. An explanation of budget increases and salary schedule of LSERS' employees was also provided.

Mr. Bujol and Ms. Dudley then answered questions from the Board.

**ON MOTION BY MS. LANDRY, SECONDED BY MS. MCKEE AND CARRIED BY UNANIMOUS CONSENT**, the Board accepted and approved LSERS' 2009-2010 Administrative Budget.

## **DISCUSSION OF 2009 BOARD MEETING SCHEDULE**

The 2009 Board meeting schedule was approved during the August 11, 2008 Regular Board meeting. At the request of the Board proposals were presented for consideration in making changes to the meeting dates for August through December that would coincide with the 2009 school year. Discussion was held on two proposed schedules.

**ON MOTION BY MS. CRAIN, SECONDED BY MS. MCKEE AND CARRIED BY UNANIMOUS CONSENT**, the Board accepted and approved proposal #2 with the addition of a September 14, 2009 meeting date.

**ON MOTION BY MS. LANDRY, SECONDED BY MR. WALTHER AND CARRIED BY UNANIMOUS CONSENT**, the Board approved moving the April meeting date on proposal # 2 from April 13, 2009 to April 6, 2009.

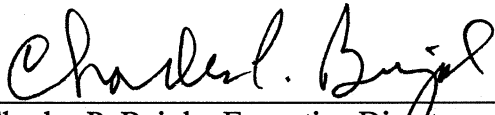
**PUBLIC COMMENT**

There were no public comments.

**OTHER BUSINESS**

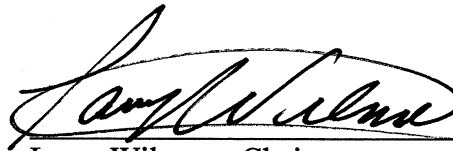
There was no other business to discuss.

**ON MOTION BY MS. CRAIN, SECONDED BY MR. FAULK AND CARRIED BY UNANIMOUS CONSENT, the Board adjourned at 2:47 p.m.**



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Charles P. Bujol – Executive Director



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Larry Wilmer – Chairman