

**Louisiana School Employees' Retirement System**  
**Quarterly Board Meeting**  
*Tuesday, December 3, 2013*  
8:30 a.m.

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. Jeffrey Faulk, Sr., Chairman of the Board, called the meeting to order at 8:36 a.m. The Lord's Prayer and Pledge of Allegiance were recited. Roll was called by Ms. Stark.

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**Members Present:** Mr. Philip B. Walther, Mr. Eugene Rester, Jr., Ms. Judith Ann McKee, Ms. Kathy B. Landry, Ms. Betty Crain, Mr. Jeffrey Faulk, Sr., Mr. Henry Yearby, Ms. Amy Mathews – designee for Mr. John Kennedy – State Treasurer, Mr. Joe Salter – designee for Mr. Tom Schedler – Secretary of State, Ms. Margaret Corley – representative for Senator Elbert L. Guillory – Chairman, Senate Committee on Retirement, \*Mr. Paul Holmes – representative for Ms. Kristy Nichols - Commissioner of Administration

**Members Absent:** Representative J. Kevin Pearson - Chairman of the House Committee on Retirement

**Staff Present:** Mr. Charles P. Bujol – Executive Director, Ms. Carolyn Forbes - Assistant Director, Ms. Lauren Bailey - Executive Counsel, Mr. Christopher Saik - Investment Officer, Ms. Laurie Stark - Administrative Assistant, Ms. Alison Kessler - Executive Staff Officer

**Other Staff Present:** Ms. Larisa Ellard – Internal Auditor 2, Ms. Liz Guidry - Human Resources Specialist, Ms. Melinda Carson - Accountant Administrator, Ms. Heidi Rowland - Retirement Benefits Assistant Administrator, Mr. Jack Allen - IT Director 2

**Others Present:** \*Mr. Charles Hall - Hall Actuarial Associates

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\*Mr. Holmes arrived at 8:56 a.m.  
Mr. Hall arrived at 9:28 a.m.

**PUBLIC COMMENT ON ANY ITEM ON AGENDA**

Mr. Faulk called for public comment on any item on the agenda. There were no comments.

**APPROVAL OF MINUTES****August 19, 2013 - Quarterly Board Meeting**

**ON MOTION BY MR. RESTER, SECONDED BY MR. WALTHER AND CARRIED BY UNANIMOUS CONSENT**, the Board approved the minutes of the August 19, 2013 Quarterly Board meeting.

**August 20, 2013 – Quarterly Board Meeting**

**ON MOTION BY MS. LANDRY, SECONDED BY MS. CRAIN AND CARRIED BY UNANIMOUS CONSENT**, the Board approved the minutes of the August 20, 2013 Quarterly Board meeting.

**September 23, 2013 - Investment Committee Meeting**

**ON MOTION BY MR. WALTHER, SECONDED BY MR. RESTER AND CARRIED BY UNANIMOUS CONSENT**, the Board approved the minutes of the September 23, 2013 Investment Committee meeting.

**October 28, 2013 – Investment Committee Meeting**

**ON MOTION BY MR. RESTER, SECONDED BY MS. CRAIN AND CARRIED BY UNANIMOUS CONSENT**, the Board approved the minutes of the October 28, 2013 Investment Committee meeting.

**October 28, 2013 - Special Board Meeting**

**ON MOTION BY MS. CRAIN, SECONDED BY MR. WALTHER AND CARRIED BY UNANIMOUS CONSENT**, the Board approved the minutes of the July 22, 2013 Investment Committee meeting.

**ADMINISTRATION****Reports (July 1, 2013 - September 30, 2013)**

Ms. Forbes provided a review of the following reports that occurred during the reporting period and then addressed questions from the Board.

Human Resources Actions Report  
Travel Expenses Reports (Year-to-Date and Staff)  
Overtime Report

**ON MOTION BY MR. WALTHER, SECONDED BY MR. RESTER AND CARRIED BY UNANIMOUS CONSENT**, the Board approved the reports.

## **AUDIT**

### **Jefferson Parish School Board Audit Report**

Ms. Ellard provided a review of the Jefferson Parish School Board Audit report and then addressed questions from the Board and LSERS administrative staff.

**ON MOTION BY MR. RESTER, SECONDED BY MS. CRAIN AND CARRIED BY UNANIMOUS CONSENT**, the Board approved the Jefferson Parish School Board Audit report.

### **Audit Plan**

Ms. Ellard provided a review of the Audit Plan, which covers January 1, 2014 through December 31, 2014. She then addressed questions from the Board and LSERS administrative staff.

**ON MOTION BY MR. RESTER, SECONDED BY MR. YEARBY AND CARRIED BY UNANIMOUS CONSENT**, the Board approved and adopted the Audit Plan for 2014.

## **LEGAL**

### **Litigation**

Ms. Bailey provided a review of the *Litigation Report as of November 26, 2013*, which was provided as a handout, and then addressed questions from the Board.

**ON MOTION BY MR. YEARBY, SECONDED BY MS. LANDRY AND CARRIED BY UNANIMOUS CONSENT**, the Board approved the Litigation Report.

### **Collections**

Ms. Bailey provided a report on collections during the last quarter and then addressed questions from the Board.

**ON MOTION BY MS. LANDRY, SECONDED BY MR. YEARBY AND CARRIED BY UNANIMOUS CONSENT**, the Board approved the Collections Report.

\*Mr. Holmes arrived at 8:56 a.m.

**Elections Update and Policy Revision**

Ms. Bailey provided an update on the upcoming elections and requested a revision to be made to the current elections policy to be adopted by the board. A copy of the elections policy along with a "proposed" revised elections policy was provided as a handout. The current elections policy combines both procedure and policy. Ms. Bailey recommended that the procedures should be a separate document from the policy. The current elections procedures document and a copy of the "proposed" election procedures was also provided as a handout. Ms. Bailey recommended that members nominating a candidate for seat on LSERS Board of Trustees should no longer be required to put their social security number and home address on the nominating petition, but instead put their date of birth. Other recommendations were to allow staff the option to hire an outside agency to handle board elections and the mailing of ballots to members that would give them a choice to either vote online, via telephone or via U.S. Mail.

**ON MOTION BY MS. LANDRY, SECONDED BY MR. RESTER AND CARRIED BY UNANIMOUS CONSENT**, the Board agreed to adopt the recommended revision to the elections policy to include "a member who resides out of state must be employed in the district represented" and a separate paragraph that states "an active member shall be an actively employed or a vested member who is no longer employed by an LSERS agency; however, a member who is no longer employed by an LSERS' agency can vote in an active member election, but cannot be a candidate for election to the board of trustees".

**ON MOTION BY MS. LANDRY, SECONDED BY MR. WALTHER AND CARRIED BY UNANIMOUS CONSENT**, the Board agreed to adopt the recommended revisions to the election procedures including: 1) removing the requirement that a nominating member put their social security number and their home address on the nominating petition, but instead provide their date of birth; 2) the option to hire an outside agency to handle elections; and 3) allowing members the option to vote online, via telephone or via U.S. mail.

**Other Business**

There was no other legal business to discuss.

\*Mr. Hall arrived at 9:28 a.m.

**POTENTIAL LEGISLATION**

Ms. Bailey provided an overview of the items for potential legislation for the 2014 Legislative Session. Mr. Hall provided a handout showing the corrected figures to his annual Actuarial Valuation of Assets and Liabilities that he had previously presented during the October 28, 2013. He also provided a presentation showing why the amortization schedule needs to provide for more level payments. Mr. Hall discussed the issue of granting of a COLA to certain retirees.

**ON MOTION BY MS. LANDRY, SECONDED BY MS. MCKEE AND CARRIED BY UNANIMOUS CONSENT**, the Board agreed to allow for the advertisement of the intent to file bills regarding a "clean-up" for disability retirement, an amendment to the amortization schedules, the granting of an "across the board" COLA to retirees, and general technical corrections.

**ON MOTION BY MR. RESTER, SECONDED BY MR. YEARBY AND CARRIED BY UNANIMOUS CONSENT**, the Board authorized staff to meet with representatives of the Louisiana School Board Association to get their input regarding the change in the amortization schedule.

**ON MOTION BY MS. LANDRY, SECONDED BY MR. YEARBY AND CARRIED BY UNANIMOUS CONSENT**, the Board approved the corrected projected employer contribution rate of 33%.

**ON MOTION BY MS. LANDRY, SECONDED BY MR. YEARBY AND CARRIED BY UNANIMOUS CONSENT**, the Board agreed that legislation is to be drafted to grant a 1% to 2% "across the board" Cost-of-Living Adjustment (COLA) to eligible retirees.

#### **PRESENTATION OF 2013 ACCOMPLISHMENTS BY DEPARTMENT MANAGERS**

Mr. Bujol and Ms. Forbes provided a brief introduction and overview of the 2013 accomplishments slide presentation. The following managers provided their department presentations and addressed questions from the Board:

*Accounting (Melinda Carson)*  
*Audit (Larisa Ellard)*  
*Building (Charles Bujol on behalf of Fred Seekins)*  
*Human Resources (Liz Guidry)*  
*Information Technology (Jack Allen)*  
*Investments (Christopher Saik)*  
*Legal (Lauren Bailey)*  
*Retirement (Heidi Rowland)*

#### **OTHER BUSINESS**


There was no other business to discuss.


#### **PUBLIC COMMENT**

There were no public comments.

**ADJOURNMENT**

**ON MOTION BY MR. RESTER, SECONDED BY MR. WALTHER AND CARRIED BY UNANIMOUS CONSENT, the Board adjourned at 11:11 a.m.**

  
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Charles P. Bujol – Executive Director

  
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Jeffrey Faulk, Sr. – Chairman