

Louisiana School Employees' Retirement System
Quarterly Board Meeting
Tuesday, February 4, 2014
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 8:32 a.m. The Lord's Prayer and Pledge of Allegiance were recited. Roll was called by Ms. Stark.

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, *Mr. Ron Henson – designee for Mr. John Kennedy – State Treasurer, Mr. Joe Salter – designee for Mr. Tom Schedler – Secretary of State

Members Absent: Representative J. Kevin Pearson - Chairman of the House Committee on Retirement, Senator Elbert L. Guillory – Chairman, Senate Committee on Retirement, Ms. Kristy Nichols - Commissioner of Administration

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

Other Staff Present: Ms. Larisa Ellard – Internal Auditor 2

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

*Mr. Henson arrived at 8:37 a.m.
Mr. Hall arrived at 9:20 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**December 2, 2013 - Quarterly Board Meeting**

ON MOTION BY MR. RESTER, SECONDED BY MR. YEARBY AND CARRIED BY UNANIMOUS CONSENT, the Board approved the minutes of the December 2, 2013 Quarterly Board meeting.

December 3, 2013 – Quarterly Board Meeting

ON MOTION BY MS. LANDRY, SECONDED BY MR. WALTHER AND CARRIED BY UNANIMOUS CONSENT, the Board approved the minutes of the December 3, 2013 Quarterly Board meeting.

January 6, 2014 - Investment Committee Meeting

ON MOTION BY MR. RESTER, SECONDED BY MS. CRAIN AND CARRIED BY UNANIMOUS CONSENT, the Board approved the minutes of the January 6, 2014 Investment Committee meeting.

January 6, 2014 – Special Board Meeting

ON MOTION BY MR. WALTHER, SECONDED BY MS. LANDRY AND CARRIED BY UNANIMOUS CONSENT, the Board approved the minutes of the January 6, 2014 Special Board meeting.

ADMINISTRATION**Reports (October 1, 2013 - December 31, 2013)****Human Resources Actions Report**

Ms. Forbes provided a review of the Human Resources Actions report that occurred during the reporting period and then addressed questions from the Board.

ON MOTION BY MR. RESTER, SECONDED BY MS. McKEE AND CARRIED BY UNANIMOUS CONSENT, the Board approved the Human Resources Actions report.

Travel Expenses Reports (Year-to-Date and Staff)

Ms. Forbes provided a review of the Travel Expenses Report for Staff and Year-to-Date reports that occurred during the reporting period and then addressed questions from the Board.

ON MOTION BY MR. WALTHER, SECONDED BY MR. YEARBY AND CARRIED BY UNANIMOUS CONSENT, the Board approved the Travel Expenses for Staff and Year-to-Date reports.

Overtime Report

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

ON MOTION BY MR. RESTER, SECONDED BY MS. McKEE AND CARRIED BY UNANIMOUS CONSENT, the Board approved the Overtime report.

Discuss and Consider Action Regarding Performance Pay Adjustments for LSERS Effective October 1, 2013

Mr. Bujol and Mr. Forbes noted that funds are available in the current and next fiscal year's budgets to grant a 4% performance pay adjustment for all eligible current employees at an annual cost of \$100,636.00. He and Ms. Forbes made the recommendation and then addressed questions from the board.

ON MOTION BY MR. HENSON, SECONDED BY MR. WALTHER AND CARRIED BY UNANIMOUS CONSENT, the Board approved the recommendation to grant a 4% Performance Pay Adjustment for LSERS current eligible classified and unclassified employees effective October 1, 2013.

AUDIT**Natchitoches Parish School Board - Audit for Compliance with Privatization Report**

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

ON MOTION BY MR. YEARBY, SECONDED BY MS. McKEE AND CARRIED BY UNANIMOUS CONSENT, the Board approved the Natchitoches Parish School Board Audit report.

LEGISLATION**Discuss and Consider Board Positions**

A handout titled *2014 Regular Legislative Session* was distributed. The Board was asked to provide its position on each bill as it was presented for discussion.

ON MOTION BY MS. LANDRY, SECONDED BY MS. McKEE AND CARRIED BY UNANIMOUS CONSENT, the Board remained neutral on **HB 35**. (It was noted that there was one vote in opposition to the motion by Mr. Eugene Rester, Jr.)

ON MOTION BY MS. LANDRY, SECONDED BY MS. McKEE AND CARRIED BY UNANIMOUS CONSENT, the Board remained neutral on **HB 38**.

ON MOTION BY MS. LANDRY, SECONDED BY MR. HENSON AND CARRIED BY UNANIMOUS CONSENT, the Board remained neutral on **HB 42**. (It was noted that there was one vote in opposition to the motion by Mr. Eugene Rester, Jr.)

*Mr. Hall arrived at 9:30 a.m.

ON MOTION BY MS. LANDRY, SECONDED BY MS. McKEE AND CARRIED BY UNANIMOUS CONSENT, the Board remained neutral on **HB 80**.

ON MOTION BY MR. RESTER, SECONDED BY MS. McKEE AND CARRIED BY UNANIMOUS CONSENT, the Board remained neutral on **SB 26**.

ON MOTION BY MR. RESTER, SECONDED BY MR. YEARBY AND CARRIED BY UNANIMOUS CONSENT, the Board opposed **HB 86**.

ON MOTION BY MR. RESTER, SECONDED BY MR. WALTHER AND CARRIED BY UNANIMOUS CONSENT, the Board supported **HB 89**.

ON MOTION BY MR. YEARBY, SECONDED BY MS. McKEE AND CARRIED BY UNANIMOUS CONSENT, the Board supported **SB 14**.

ON MOTION BY MR. YEARBY, SECONDED BY MR. RESTER AND CARRIED BY UNANIMOUS CONSENT, the Board supported **SB 19**.

ON MOTION BY MR. RESTER, SECONDED BY MR. YEARBY AND CARRIED BY UNANIMOUS CONSENT, the Board supported **SB 25**.

ON MOTION BY MR. RESTER, SECONDED BY MR. WALTHER AND CARRIED BY UNANIMOUS CONSENT, the Board supported **SB 3**.

ON MOTION BY MR. YEARBY, SECONDED BY MS. McKEE AND CARRIED BY UNANIMOUS CONSENT, the Board supported **HB 26** and **HB 33**.

LEGAL

Litigation

Ms. Bailey provided a review of the *Litigation Report as of January 31, 2014*, which was provided as a handout. She 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. RESTER AND CARRIED BY UNANIMOUS CONSENT, the Board approved the Collections report.

Selection of Election Vendor

Ms. Bailey provided an overview of two companies that would provide the election services for the two elections that will be held in 2014. The companies are: Election-America, Inc. and VR Election Services. It was recommended that VR Election Services be chosen. They have been used by both Louisiana State Employees' Retirement System and Teachers' Retirement System of Louisiana.

ON MOTION BY MS. LANDRY, SECONDED BY MR. RESTER AND CARRIED BY UNANIMOUS CONSENT, the Board agreed to hire VR Election Services as the vendor to provide election services for the 2014 board elections.

OTHER BUSINESS

Mr. Walther provided an overview of the 2014 NCPERS Legislative Conference and the meetings with representatives of the Louisiana Congressional delegation in Washington D.C. He also took the opportunity to thank staff for their handling of the travel arrangements.

There was no other business to discuss.

PUBLIC COMMENT

There were no public comments.

ADJOURNMENT

ON MOTION BY MR. RESTER, SECONDED BY MS. CRAIN AND CARRIED BY UNANIMOUS CONSENT, the Board adjourned at 10:22 a.m.



Charles P. Bujol – Executive Director



Jeffrey Faulk, Sr. – Chairman

