

Louisiana School Employees' Retirement System Investment Committee Meeting

Monday, April 14, 2014

9:00 a.m.

The Louisiana School Employees' Retirement System's Investment Committee Meeting convened in the boardroom (Room 100) of the Louisiana School Employees' Retirement System Building, located at 8660 United Plaza Blvd., Baton Rouge, Louisiana. Mr. Eugene Rester, Jr., Chairman of the Investment Committee, called the meeting to order at 9:03 a.m. The Lord's Prayer and Pledge of Allegiance were recited. Roll was called by Ms. Stark.

Members Present: Mr. Jeffrey Faulk, Sr., Ms. Judith Ann McKee, Mr. Eugene Rester, Jr., Ms. Kathy B. Landry, Ms. Betty Crain, Mr. Henry Yearby, Mr. Philip B. Walther, Mr. Paul Holmes - designee for Ms. Kristy Nichols - Commissioner of Administration

Members Absent: Mr. John Kennedy - State Treasurer, Mr. Tom Schedler - Secretary of State, Representative J. Kevin Pearson - Chairman, House Committee on Retirement, Senator Elbert L. Guillory - Chairman, Senate Committee on Retirement

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

Others Present: Mr. Jeffrey Boucek and Mr. Keith Reynolds - Segal Rogerscasey, Ms. Colleen Barber, Ms. Tootsie Wascom, Mr. Charles Hall - Hall Actuarial Associates

DIRECTOR'S ANNOUNCEMENTS

Mr. Bujol made the following announcements:

- Personal Financial Disclosure Statements must be filed with the Board of Ethics by May 15, 2014. Reminders will be sent out before that date.
- Lunch will be ordered today due to the length of today's meetings.
- A preview of the April 2014 edition of *Crossroads* has been distributed.

- Ms. Colleen Barber was introduced as the new District 2 Active Member representative effective January 1, 2015.
- New energy-saving lighting has been installed in the board room.
- There will be two additional meetings today.

APPROVAL OF AGENDA

The agenda was presented to the Committee for approval.

ON MOTION OF MR. YEARBY, SECONDED BY MS. LANDRY, Mr. Rester, Ms. Landry, Mr. Yearby, Ms. McKee, Mr. Faulk, Mr. Walther, Ms. Crain and Mr. Holmes **voted unanimously** to approve the agenda.

PUBLIC COMMENTS ON ANY ITEM ON THE AGENDA

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

PORTFOLIO PERFORMANCE REVIEW

Mr. Boucek and Mr. Reynolds provided an overview of market conditions and a review of asset changes from January 2014 through February 2014. This included an audio/visual presentation and a handout titled: *Preliminary Investment Performance Review for Period Ending February 28, 2014*. They then addressed questions from the committee.

STAFF REPORTS

Securities Lending, Louisiana Broker and Securities Litigation Reports

Mr. Saik provided the following reports and then addressed questions from the committee:

Securities Lending
Louisiana Broker
Securities Litigation

ON MOTION BY MS. LANDRY, SECONDED BY MS. McKEE AND CARRIED BY UNANIMOUS CONSENT, the Committee approved the Securities Lending, Louisiana Broker and Securities Litigation reports.

Current Case Review

Ms. Bailey provided an overview of current litigation which included a handout titled: *Litigation Report: As of April 10, 2014*. Ms. Bailey addressed questions from the committee.

ON MOTION BY MR. FAULK, SECONDED BY MR. WALTHER AND CARRIED BY UNANIMOUS CONSENT, the Committee approved the current case review.

INVESTMENT MANAGER REPORTS

The following Investment Managers provided their presentations and then addressed questions from the Board, its Investment Consultant, and LSERS administrative staff:

Principal Global Investors

Darren Kleis - Portfolio Manager
Michael Drysdale - Relationship Manager

ON MOTION BY MS. McKEE, SECONDED BY MS. CRAIN AND CARRIED BY UNANIMOUS CONSENT, the Board accepted the *Principal Global Investors* report.

Landmark Real Estate Partners VI

Robert Dombi - Partner

ON MOTION BY MR. YEARBY, SECONDED BY MR. WALTHER AND CARRIED BY UNANIMOUS CONSENT, the Committee accepted the *Landmark Real Estate Partners VI* report.

ON MOTION BY MS. LANDRY, SECONDED BY MS. CRAIN AND CARRIED BY UNANIMOUS CONSENT, the Committee agreed to adjourn at 10:28 a.m.

Meeting Reconvened at 10:51 a.m. (All members present during the 9:03 a.m. roll call were in attendance.)

INVESTMENT MANAGER REPORTS (Continued)

Morgan Stanley Prime Property LLC

Megan Golder - Vice President

ON MOTION BY MR. YEARBY, SECONDED BY MS. CRAIN AND CARRIED BY UNANIMOUS CONSENT, the Committee accepted the *Morgan Stanley Prime Property LLC* report.

ON MOTION BY MR. YEARBY, SECONDED BY MS. LANDRY AND CARRIED BY UNANIMOUS CONSENT, the Committee agreed to adjourn at 11:15 a.m.

Meeting Reconvened at 12:14 p.m. (All members present during the 9:03 a.m. roll call were in attendance, except Mr. Holmes who returned at 12:15 p.m.)

INVESTMENT MANAGER REPORTS (Continued)

Prudential Real Estate Investors

*Joanna Mulford - Managing Director
James T. Murphy - Principal*

ON MOTION BY MS. LANDRY, SECONDED BY MS. McKEE AND CARRIED BY UNANIMOUS CONSENT, the Committee accepted the *Prudential Real Estate Investors* report.

OTHER BUSINESS

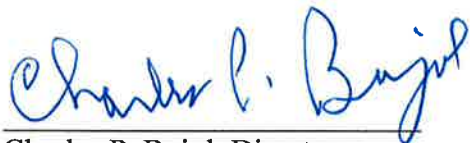
There was no other business to discuss.

PUBLIC COMMENTS

There were no public comments.

ADJOURNMENT

ON MOTION OF MS. McKEE, SECONDED BY MR. FAULK AND CARRIED BY UNANIMOUS CONSENT, the Committee adjourned at 12:39 p.m.



Charles P. Bujol, Director



Eugene Rester, Jr., Chairman