

**Louisiana School Employees' Retirement System  
Investment Committee Meeting**

*Monday, April 13, 2015*

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 9:05 a.m. The Committee recited the Lord's Prayer and the Pledge of Allegiance. Roll was then called by Ms. Stark.

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**Members Present:** Mr. Jeffrey Faulk, Sr., Mr. Eugene Rester, Jr., Ms. Kathy B. Landry, Ms. Judith Ann McKee, Ms. Colleen Barber, Mr. Henry Yearby, Mr. Philip B. Walther

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

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

**Others Present:** Mr. Jeffrey Boucek and Mr. Keith Reynolds - Segal Rogerscasey

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**DIRECTOR'S ANNOUNCEMENTS**

Mr. Bujol made the following announcements:

- The 2015 Legislative Session begins today at 12:00 p.m. and will end on June 11, 2015 at 6:00 p.m.
- The 2015 PAR (Public Affairs Research Council) Guides have been distributed to all board members.
- The annual Tier 2.1 Personal Financial Disclosure Statements are due to the Louisiana Board of Ethics by May 15, 2015.

- LSERS has received a commendation from the Louisiana Civil Service for its outstanding Human Resources program report.
- SBS' (Strategic Business Solutions) audit of the Information Technology Department has resulted in one employees' resignation and the pending retirement of another.
- The new board picture was revealed.

## **APPROVAL OF AGENDA**

The agenda was presented to the Committee for approval.

**ON MOTION BY MS. McKEE, SECONDED BY MR. YEARBY AND CARRIED BY UNANIMOUS CONSENT** the Committee approved 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 performance during February 2015. This included an audio/visual presentation and a handout titled: *Preliminary Investment Performance Review for Period Ending February 28, 2015*. They then addressed questions from the committee.

**ON MOTION BY MS. LANDRY, SECONDED BY MS. BARBER AND CARRIED BY UNANIMOUS CONSENT**, the Committee approved the Portfolio Performance Review.

**ON MOTION BY MS. LANDRY, SECONDED BY MR. YEARBY AND CARRIED BY UNANIMOUS CONSENT** the Committee agreed to discuss Item #5 before Item #2.

## **REVISED FIXED INCOME STRUCTURE**

Mr. Boucek and Mr. Reynolds provided an overview of the proposed revision of the fixed income structure. This included an audio/visual presentation and a handout titled: *Fixed Income Structure Update*. They then addressed questions from the committee and staff.

**ON MOTION BY MR. FAULK, SECONDED BY MS. BARBER AND CARRIED BY UNANIMOUS CONSENT** the Committee agreed to discuss Item #3 before Item #2.

**INTERNATIONAL EQUITY MANAGER INTERVIEWS**

Interviews were conducted with the following international equity managers:

**Franklin Templeton Institutional**

*Matthew R. Nagle, CFA, CPA - Senior Vice President/Portfolio Manager/Research Analyst*  
*Joel Brous - Vice President - Institutional Sales*

**Todd Asset Management LLC**

*Curtiss M. Scott, Jr., CFA - President/CIO*  
*John J. White, CFA - Senior Portfolio Manager*  
*Eddie B. Vandiver - Director - Public Funds Marketing*

**\*\*Dodge & Cox**

\*\*This portfolio manager was not in attendance, but was considered a candidate.

**SELECTION OF INTERNATIONAL EQUITY MANAGER**

Mr. Faulk offered for discussion his recommendation to hire Todd Asset Management, LLC to manage approximately eighty million dollars in international equity.

**ON MOTION BY MR. FAULK, SECONDED BY MR. YEARBY AND CARRIED BY MAJORITY CONSENT**, the Committee agreed to hire Todd Asset Management, LLC to manage approximately eighty million dollars in international equity market funds. **It was noted that there was one nay vote by Ms. Landry.**

**STAFF REPORTS**

Mr. Saik provided the following reports:

Securities Lending  
Louisiana Broker  
Securities Litigation

**ON MOTION BY MS. LANDRY, SECONDED BY MR. YEARBY AND CARRIED BY UNANIMOUS CONSENT**, the Committee approved the reports.

**Current Case Review**

Ms. Bailey provided an overview of current litigation which included a handout titled: *Litigation Report: As of April 9, 2015*. She then addressed questions from the Committee.

**ON MOTION BY MR. WALTHER, SECONDED BY MR. FAULK AND CARRIED BY UNANIMOUS CONSENT**, the Committee approved the Current Case review.

#### **REVISED FIXED INCOME STRUCTURE**

After lengthy discussion, it was decided that the revision of the fixed income structure agenda item should be tabled.

**ON MOTION BY MR. WALTHER, SECONDED BY MS. McKEE AND CARRIED BY UNANIMOUS CONSENT**, the Committee agreed to table the discussion of revising the fixed income structure.

#### **OTHER BUSINESS**

There was no other business to discuss.

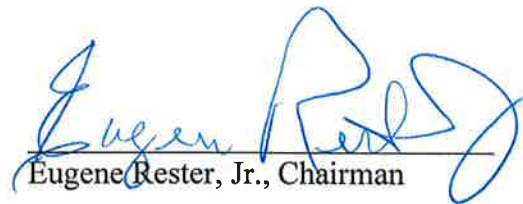
#### **PUBLIC COMMENTS**

There were no public comments.

#### **ADJOURNMENT**

**ON MOTION OF MR. FAULK, SECONDED BY MS. LANDRY AND CARRIED BY UNANIMOUS CONSENT**, the Committee adjourned at 12:40 p.m.

  
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Charles P. Bujol, Director

  
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Eugene Rester, Jr., Chairman