

Louisiana School Employees' Retirement System
Quarterly Board Meeting

Tuesday, February 16, 2016

8:30 a.m.

The Louisiana School Employees' Retirement System's Quarterly Board 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. Jeffrey Faulk, Sr., Chairman of Board, called the meeting to order at 8:30 a.m. The Board recited the Lord's Prayer and the Pledge of Allegiance. Roll was then called by Ms. Stark.

Members Present: Mr. Jeffrey Faulk, Sr., Mr. Eugene Rester, Jr., Ms. Kathy B. Landry, Ms. Colleen Barber, Mr. Henry Yearby, Mr. Philip B. Walther, *Ms. Amy Mathews – designee for Mr. John Kennedy – State Treasurer, *Mr. Randy Davis – designee for Mr. Jay Dardenne – Commissioner of Administration, *Mr. Joe Salter – designee for Mr. Tom Schedler – Secretary of State

Members Absent: Representative J. Kevin Pearson – Chairman, House Committee on Retirement, Senator Barrow Peacock – Chairman, Senate Committee on Retirement, Ms. Judith Ann McKee

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 V

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

*Mr. Boucek and Mr. Reynolds arrived at 8:37 a.m.

APPROVAL OF AGENDA

The agenda was presented to the Board for approval.

ON MOTION BY MS. BARBER, SECONDED BY MS. LANDRY AND CARRIED BY UNANIMOUS CONSENT the Board approved the agenda.

PUBLIC COMMENTS ON ANY ITEM ON THE AGENDA

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

APPROVAL OF MINUTES**December 7, 2015 - Quarterly Board Meeting**

ON MOTION BY MR. YEARBY, SECONDED BY MR. WALTHER AND CARRIED BY UNANIMOUS CONSENT, the Board approved the minutes of the December 7, 2015 Quarterly Board meeting.

December 8, 2015 – Quarterly Board Meeting

ON MOTION BY MS. BARBER, SECONDED BY MS. LANDRY AND CARRIED BY UNANIMOUS CONSENT, the Board approved the minutes of the December 8, 2015 Quarterly Board meeting.

January 4, 2016 – Investment Committee Meeting

ON MOTION BY MS. LANDRY, SECONDED BY MR. YEARBY AND CARRIED BY UNANIMOUS CONSENT, the Board approved the minutes of the January 4, 2016 Investment Committee meeting.

ADMINISTRATION**Reports**

Ms. Forbes provided a review of the following reports 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. YEARBY AND CARRIED BY UNANIMOUS CONSENT, the Board approved the Human Resources Actions, Travel Expenses (Year-to-Date and Staff) and Overtime reports.

*Mr. Boucek and Mr. Reynolds arrived at 8:37 a.m.

DISCUSS & CONSIDER EMERGING MARKET DEBT CANDIDATES

Mr. Boucek and Mr. Reynolds provided an overview of three candidates to be considered for the position of emerging market debt manager. This included an audio/visual presentation and handout titled: *Emerging Markets Debt*. The candidates were: Blue Bay Asset Management, Schroder Investment Management, and Stone Harbor Investment Partners, L.P. After reviewing the information presented, Ms. Mathews recommended Segal Rogerscsey return with more candidates to be considered for interview during the March 14, 2016 Investment Committee meeting.

ON MOTION BY MS. MATHEWS, SECONDED BY MS. BARBER AND CARRIED BY UNANIMOUS CONSENT, the Board requested that Segal Rogerscsey return with a set of five candidates to be considered for interview for the position of emerging market debt manager.

*Greg Curran arrived at 8:42 a.m.

2016 REGULAR LEGISLATIVE SESSION: DISCUSS & CONSIDER BOARD POSITIONS

Ms. Bailey provided an overview of 2016 legislation that would impact LSERS. The Board took positions on board requested and COLA legislation only as presented for discussion.

ON MOTION BY MR. RESTER, SECONDED BY MS. LANDRY AND CARRIED BY UNANIMOUS CONSENT, the Board agreed to support **HB 16**.

ON MOTION BY MR. RESTER, SECONDED BY MS. BARBER AND CARRIED BY UNANIMOUS CONSENT, the Board agreed to support **HB 32**.

ON MOTION BY MR. RESTER, SECONDED BY MR. WALTHER AND CARRIED BY UNANIMOUS CONSENT, the Board agreed to support **SB 2**.

ON MOTION BY MR. RESTER, SECONDED BY MR. WALTHER AND CARRIED BY UNANIMOUS CONSENT, the Board agreed to support **SB 6**.

ON MOTION BY MS. LANDRY, SECONDED BY MS. BARBER AND CARRIED BY UNANIMOUS CONSENT, the Board agreed to support **SB 7**.

ON MOTION BY MR. RESTER, SECONDED BY MR. WALTHER AND CARRIED BY UNANIMOUS CONSENT, the Board agreed to support **SB 8**.

ON MOTION BY MR. WALTHER, SECONDED BY MR. RESTER AND CARRIED BY UNANIMOUS CONSENT, the Board agreed to support **SB 9**.

2015 CONSULTANT EVALUATION

Mr. Bujol provided an overview of the results of the 2015 performance of the agency's consultants, Segal Rogerscasey.

ON MOTION BY MR. YEARBY, SECONDED BY MR. WALTHER AND CARRIED BY UNANIMOUS CONSENT, the Board approved the results of the 2015 Consultant Evaluation.

AUDIT

Ms. Ellard provided a review of the Internal Audit of the ACCT – DROP Withdrawal – 10 months without withdrawing. She then addressed questions from the Board and LSERS administrative staff.

ON MOTION BY MS. BARBER, SECONDED BY MS. LANDRY AND CARRIED BY UNANIMOUS CONSENT, the Board approved the Internal Audit report.

*Mr. Davis left the meeting at 10:46 a.m.

Mr. Salter left the meeting at 10:50 a.m.

Ms. Mathews left the meeting at 11:08 a.m.

LEGAL**Litigation and Collections Reports**

Ms. Bailey provided a review of the Litigation and Collection Reports. She then addressed questions from the Board.


OTHER BUSINESS

There was no other business to discuss.

PUBLIC COMMENTS

There were no public comments.

Meeting ended at 11:30 a.m. due to the lack of a quorum.



Charles P. Bujol, Executive Director

Jeffrey Faulk, Sr., Chairman