

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

Monday, March 13, 2017

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 9:00 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. Colleen Barber, Mr. Henry Yearby, Mr. Philip B. Walther, Ms. Penny Brown, Ms. Lori Pierce – designee for Mr. Ron Henson – State Treasurer, Mr. Randy Davis – designee for Mr. Jay Dardenne – Commissioner of Administration, Ms. Annie Smith – representative for the House Committee on Retirement, Mr. Joe Salter – designee for Mr. Tom Schedler – Secretary of State

Members Absent: Senator Barrow Peacock – Chairman, Senate Committee on Retirement

Staff Present: Mr. Charles Bujol – Executive Director, Ms. Carolyn Forbes - Assistant Director, Mr. Robert Collins - Executive Counsel, Mr. Matthew Freedman - Chief Investment Officer, Ms. Laurie Stark – Administrative Assistant V, Ms. Ashley Simmons – Executive Staff Officer

Others Present: Mr. Jeffrey Boucek and Mr. Rob Hungerbuhler - Segal Marco Advisors, *Mr. Gary Curran – G.S. Curran & Company

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*Mr. Curran arrived at 9:40 a.m.

DIRECTOR'S ANNOUNCEMENTS

Mr. Bujol made the following announcement:

- Representative Carpenter is out of the country and will try to attend the April meetings.
- Unclassified employee evaluations are due in April and no evaluations are needed for Mr. Freedman or Mr. Collins because they have not been with LSERS very long.

- April 2017 Crossroads newsletters will be mailed out April 14, 2017 and will include articles covering the legislative bills and information regarding the upcoming board seat elections.

APPROVAL OF AGENDA

The agenda was presented to the Committee for approval.

ON MOTION BY MR. FAULK, SECONDED BY MR. WALTHER 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.

SMALL CAP GROWTH DISCUSSION

Mr. Boucek and Mr. Hungerbuhler provided an overview of Small Cap Growth asset class along with a summary of prospective firms to be considered by the Committee to be interviewed. This included an audio/visual presentation and a handout titled: *US Small Cap Growth Search*.

ON MOTION BY MS. LANDRY, SECONDED BY MR. FAULK AND CARRIED BY UNANIMOUS CONSENT, the Committee agreed to give the Chief Investment Officer the authority to collaborate with Segal Marco Advisors to bring in three (3) best candidates of the five (5) prospective Small Cap Growth firms to be interviewed during the April 10, 2017 Investment Committee meeting.

2017 MARKET OUTLOOK

Mr. Timothy Barron, CAIA – Senior Vice President & Chief Investment Officer

Mr. Barron was present via telephone to provide an overview of the Investment Outlook for 2017. This included an audio/visual presentation and a handout titled: *Investment Outlook (2017 Outlook: Arrival)*.

PORTFOLIO PERFORMANCE REVIEW

Mr. Hungerbuhler provided an overview of market conditions and performance during January 2017. This included an audio/visual presentation and a handout titled: *Preliminary Investment Performance as of January 31, 2017*. He then addressed questions from the Committee.

ON MOTION BY MS. LANDRY, SECONDED BY MS. BARBER AND CARRIED BY UNANIMOUS CONSENT, the Committee approved the performance report by Segal.

STAFF REPORTS

Mr. Freedman provided the following reports:

Securities Lending
Louisiana Broker
Securities Litigation

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

Current Case Review

Mr. Collins provided an overview of current litigation which included a handout titled: *Litigation Report: As of February 27, 2017*. He then addressed questions from the Committee.

ON MOTION BY MS. BARBER, SECONDED BY MS. LANDRY AND CARRIED BY UNANIMOUS CONSENT, the Committee approved the current case review.

OTHER BUSINESS

There was no other business to discuss.

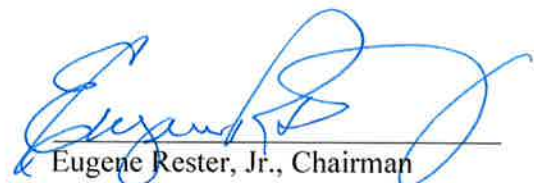
PUBLIC COMMENTS

There were no public comments.

ADJOURNMENT

ON MOTION OF MR. FAULK, SECONDED BY MS. BARBER AND CARRIED BY UNANIMOUS CONSENT, the Committee adjourned at 10:40 a.m.


Charles P. Bujol, Executive Director


Eugene Rester, Jr., Chairman