

**Louisiana School Employees' Retirement System
Quarterly Board Meeting**

Monday, August 20, 2018
9:00 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 9:00 a.m. Roll was then called by Mrs. Simmons.

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Members Present: Mr. Jeffrey Faulk, Sr., Ms. Colleen Barber, Mr. Eugene Rester, Jr., Ms. Andrea Matte, Mr. Henry Yearby, Ms. Penny Brown, *Mr. Randy Davis – designee for Mr. Jay Dardenne – Commissioner of Administration, Ms. Lori Pierce – designee for Mr. John Schroder – State Treasurer, **Ms. Margaret Corley – designee, Senator Barrow Peacock – Chairman, Senate Committee on Retirement, Mr. Joe Salter, designee - Mr. Kyle Ardoin – Secretary of State.

Members Absent: Representative Barbara W. Carpenter, Mr. Philip Walther

Staff Present: Mr. Charles Bujol – Executive Director, Ms. Chenfei Zhou - Assistant Director, Ms. Carolyn Forbes - Assistant Director, Mr. Robert Collins - Executive Counsel, Mr. Matthew Freedman - Chief Investment Officer, Mrs. Ashley D. Simmons – Executive Staff Officer, LaQuinta T. Jordan, Internal Auditor

Others Present: Mr. Jeffrey Boucek and Mr. Rob Hungerbuhler- Segal Marco Advisors, Ms. Dawn Moeller - Louisiana Legislative Auditor's Office

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* Mr. Randy Davis arrived at 9:06 a.m.
** Ms. Margaret Corley departed at 10:40 a.m.

DIRECTOR'S ANNOUNCEMENTS

Mr. Bujol made the following announcements:

- The LAPERS Seminar is September 16th – 18th at the Marriott Hotel in New Orleans. The packets have been distributed to members who will be attending. Travel vouchers will be completed at October Investment Committee Meeting.

- The La. Legislative Auditor staff is onsite conducting the financial audit for the third year in a row. This year the auditors chose eight employers for census testing. This testing ended on 8/11/2018, and it went well.
- Cooling tower replacement is planned for September 1st through the 3rd - Labor Day weekend.
- Building appraisal was completed last month. The appraisal value increased from \$6.6M in 2014 to \$7.6M this year. It's about a 15% increase
- The next edition of the Crossroads newsletter will go out August 31st and you will find advanced copies in your folders.

APPROVAL OF AGENDA

The agenda was presented to the Board for approval.

ON MOTION OF MR. YEARBY SECONDED BY MS. BROWN 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.

PORTFOLIO PERFORMANCE REVIEW

Mr. Freedman, Mr. Boucek, and Mr. Hungerbuhler provided an overview of asset allocation and comparative performance through July 31, 2018. They presented audio/visual presentations and two handouts titled: *Analysis of Investment Performance; Preliminary Investment Performance as of July 31, 2018*. They then addressed questions from the Board.

REAL ESTATE MANGER INTERVIEW

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

HighBrook Investors

*Brian R. Carr – Co-Chairman, Managing Partner
Shara Greenberg, Vice President*

ON MOTION BY MR. RESTER, SECONDED BY MS. BROWN AND CARRIED BY UNANIMOUS CONSENT, the Board approved a commitment of \$30 million to HighBrook Property Fund III, subject to legal review.

INVESTMENT MANAGER PRESENTATIONS

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

Conestoga Capital Advisors

Joseph F. Monahan, CFA – Managing Partner, Portfolio Manager
Mark S. Clewett – Managing Partner, President

Fisher Investment Institutional Group

Roman Knysh – Vice President, Portfolio Specialist

INVESTMENT EDUCATION

Segal Marco presented two educational PowerPoints and lectures. Francois Otieno called in to present his lecture and a handout called: *Opportunistic Credit Educational Presentation*. Jeffrey Boucek and Rob Hungerbuhler followed up with their lecture and a handout titled: *Liquidity and Liability Analysis*.

STAFF REPORTS

Mr. Freedman provided the following Investment reports:

Securities Lending
Securities Litigation
Louisiana Broker

ON MOTION BY MR. RESTER, SECONDED BY MS. BROWN AND CARRIED BY UNANIMOUS CONSENT, the Board approved the reports.

OTHER BUSINESS

There was no other business to discuss.

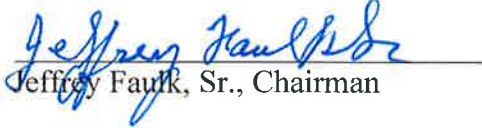
PUBLIC COMMENTS

There were no public comments.

RECESS

ON MOTION OF MR. RESTER SECONDED BY MS. BARBER AND CARRIED BY UNANIMOUS CONSENT, the Board adjourned at 12:00 noon.


Charles P. Bujol, Executive Director


Jeffrey Faulk, Sr., Chairman