

# Louisiana School Employees' Retirement System Investment Committee Meeting

*Monday, September 10, 2012*  
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. Rester, Chairman of the Investment Committee, called the meeting to order at 9:00 a.m. The Lord's Prayer and Pledge of Allegiance were recited. Roll was called by Ms. Stark.

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**Members Present:** Mr. Jeffrey Faulk, Sr., Mr. Eugene Rester, Jr., Ms. Judith Ann McKee, Ms. Kathy B. Landry, Ms. Betty Crain, Ms. Linda Mathiew, Mr. Philip B. Walther, Dr. Steven Procopio - designee for Mr. Paul W. Rainwater – Commissioner of Administration, Mr. Joe R. Salter - designee for Mr. Tom Schedler – Secretary of State and Mr. John Broussard - designee for Mr. John Kennedy – State Treasurer

**Members Absent:** Senator Elbert L. Guillory – Chairman of the Senate Committee on Retirement and Representative J. Kevin Pearson – Chairman of the House Committee on Retirement

**Staff Present:** Mr. Charles Bujol – Executive Director, Ms. Carolyn Forbes – Assistant Director, Mr. Warren D. Ponder – Executive Counsel, Mr. George W. Meyer, III – Chief Investment Officer, and Ms. Laurie Stark – Administrative Assistant 5

**Others Present:** Mr. Jeffrey C. Boucek – Segal Rogerscasey

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## ANNOUNCEMENTS

Mr. Bujol made the following announcement:

- A report of all education received for the educational certification period ending August 31, 2012 has been provided to each board member and designee. A letter certifying completion of educational requirements must be submitted to the House and Senate Committees on Retirement before October 15<sup>th</sup>.

Mr. Jeffrey Boucek of Segal Rogerscasey was introduced.

Mr. Rester made a request to add the “Relationship between LSERS and Segal Rogerscasey” as an agenda item for discussion under Other Business.

**ON MOTION OF MS. McKEE, SECONDED BY MS. LANDRY AND CARRIED BY UNANIMOUS CONSENT**, the committee agreed to add the “Relationship between LSERS and Segal Rogerscasey” to the agenda under Other Business.

## **APPROVAL OF AGENDA**

The amended agenda was presented to the Board for approval.

**ON MOTION OF MR. FAULK, SECONDED BY MS. MATHIEW**, Ms. Crain, Ms. Landry, Mr. Faulk, Mr. Rester, Ms. Mathiew, Ms. McKee, Mr. Broussard, Dr. Procopio, Mr. Salter and Mr. Walther **voted affirmatively** 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.

## **EDUCATIONAL PRESENTATION: BONDS**

Mr. Meyer presented a 20 minute educational component which included a handout entitled *The Relationship between Interest Rates & Bond Prices*.

## **PORTFOLIO PERFORMANCE REVIEW**

Mr. Meyer and Mr. Boucek provided brief reviews of overall performance ending July 31, 2012, followed by an overview of market conditions and a review of asset changes from January 2012 through July 2012. Mr. Meyer then addressed questions from the Committee and LSERS administrative staff.

**ON MOTION OF MS. McKEE, SECONDED BY MS. CRAIN AND CARRIED BY UNANIMOUS CONSENT**, the committee accepted the Portfolio Performance Review.

## **STAFF REPORTS**

### **Securities Lending Report**

Mr. Meyer provided the securities lending report and then addressed questions from the committee.

**ON MOTION OF MR. FAULK, SECONDED BY MS. McKEE AND CARRIED BY UNANIMOUS CONSENT**, the committee accepted the Securities Lending Report.

**Louisiana Domiciled Broker Report and Louisiana Incorporated & Domiciled Broker Report**

Mr. Meyer provided an overview of the Louisiana Domiciled Broker Report and the Louisiana Incorporated and Domiciled Broker Report. He then addressed questions from the committee.

**ON MOTION OF MS. McKEE, SECONDED BY MR. FAULK AND CARRIED BY UNANIMOUS CONSENT**, the committee accepted the Louisiana Domiciled Broker and the Louisiana Incorporated & Domiciled Broker Reports.

**Legal Update**

**Investment Staff Report of Receipts**

Mr. Meyer provided an overview of the Investment Staff Report of Receipts. He then addressed questions from the committee.

**Current Case Review**

Mr. Ponder provided an overview of current litigation and then addressed questions from the committee.

**ON MOTION OF MR. FAULK, SECONDED BY MS. LANDRY AND CARRIED BY UNANIMOUS CONSENT**, the committee accepted the Investment Staff Report of Receipts and Current Case Review.

**OTHER BUSINESS**

**Relationship between LSERS and Segal Rogerscasey**

Mr. Bujol and Mr. Boucek led an extensive discussion regarding the current relationship between LSERS and Segal Rogerscasey.

There was no other business to discuss.

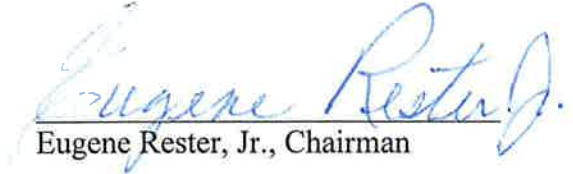
**PUBLIC COMMENTS**

There were no public comments.

**ADJOURNMENT**

**ON MOTION OF MR. FAULK, SECONDED BY MS. McKEE AND CARRIED BY UNANIMOUS CONSENT, the Board adjourned at 10:02 a.m.**

  
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Charles P. Bujol, Director

  
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Eugene Rester, Jr., Chairman