

Louisiana School Employees' Retirement System Investment Committee Meeting

Monday, October 8, 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.

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, Ms. Margaret Corley - representative for Senator Elbert L. Guillory – Chairman of the Senate Committee on Retirement, Mr. Joe R. Salter - designee for Mr. Tom Schedler – Secretary of State and *Mr. Ron Henson - designee for Mr. John Kennedy – State Treasurer

Members Absent: Mr. Paul W. Rainwater – Commissioner of Administration 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, Mr. John Dickson and Mr. Richard Ranallo – Segal Rogerscasey, and *Mr. Charles Hall – Hall Actuarial Associates

*Mr. Henson arrived at 9:05 a.m.
Mr. Hall arrived at 9:41 a.m.

ANNOUNCEMENTS

Mr. Bujol made the following announcements:

- In accordance with the provisions of Act 207 of the 2004 Regular Session of the Legislature a letter, with supporting documents, was submitted to the Speaker of the House and the President of the Senate, certifying completion of educational requirements by each board member and/or appointed designee of LSERS Board of Trustees. A copy of the letters, including individual reports, has been provided.
- Reminded the Committee that Act 718 of the 2012 Regular Session of the Legislature increased the minimum educational requirements effective August 31, 2012.
- The next scheduled board meeting will be held December 3 - 4, 2012.
- A Revenue Study Commission Meeting on retirement system tax exemptions and Social Security exclusions will be held October 22, 2012.

APPROVAL OF AGENDA

The 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. 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.

*Mr. Henson arrived at 9:05 a.m.

PORTFOLIO PERFORMANCE REVIEW

Mr. Ranallo, Mr. Boucek and Mr. Dickson provided a brief synopsis of the current relationship between Segal and LSERS since the departure of Mr. Brett Hazen from Segal Rogerscasey.

Mr. Meyer and Mr. Boucek provided a handout entitled *Preliminary Investment Performance Review for Period Ending August 31, 2012*, which included reviews of overall performance. This was followed by an overview of market conditions and a review of asset changes from January 2012 through August 2012. Mr. Meyer then addressed questions from the Committee and LSERS administrative staff.

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

STAFF REPORTS**Securities Lending, Louisiana Domiciled Broker, and Louisiana Incorporated & Domiciled Broker Reports**

Mr. Meyer provided the Securities Lending, Louisiana Domiciled Broker and Louisiana Incorporated and Domiciled Broker reports and then addressed questions from the committee.

ON MOTION OF MR. WALTHER, SECONDED BY MS. MATHIEW AND CARRIED BY UNANIMOUS CONSENT, the committee accepted the Securities Lending, Louisiana Domiciled Broker and Louisiana Incorporated and Domiciled Broker Reports.

Legal Update**Investment Staff Report of Receipts**

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

ON MOTION OF MS. McKEE, SECONDED BY MS. CRAIN AND CARRIED BY UNANIMOUS CONSENT, the committee accepted the Investment Staff Report of Receipts.

Current Case Review

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

ON MOTION OF MS. McKEE, SECONDED BY MS. CRAIN AND CARRIED BY UNANIMOUS CONSENT, the committee accepted the Current Case Review.

OTHER BUSINESS

The Hamilton Lane Fund VIII was brought up for discussion and consideration.

ON MOTION OF MR. FAULK, SECONDED BY MS. CRAIN AND CARRIED BY UNANIMOUS CONSENT, the Hamilton Lane Fund VIII was added to the agenda.

Mr. Meyer and Mr. Boucek provided a handout entitled *Hamilton Lane Fund VI Update*, which included an overview of a previous proposal presented at the July 16, 2012 Investment Committee Meeting regarding investing \$40 million dollars in the new Hamilton Lane Private Equity Fund VIII. This investment is considered “cash neutral” because it would be redistributed from the original investment in the Hamilton Lane Private Equity Fund VI. It was recommended that the committee consider approving the reinvestment for ratification by the full board.

ON MOTION OF MR. FAULK, SECONDED BY MS. McKEE AND CARRIED BY UNANIMOUS CONSENT, agreed to reinvestment of \$40 million in the Hamilton Lane Private Equity Fund VIII.

There was no other business to discuss.

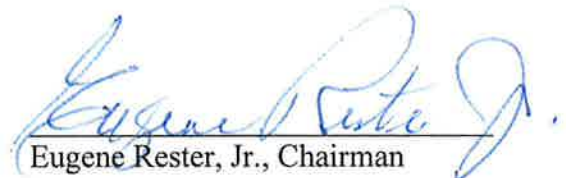
PUBLIC COMMENTS

There were no public comments.

ADJOURNMENT

ON MOTION OF MR. FAULK, SECONDED BY MS. MATHIEW AND CARRIED BY UNANIMOUS CONSENT, the Board adjourned at 9:46 a.m.


Charles P. Bujol, Director


Eugene Rester, Jr., Chairman