

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

*Monday, February 5, 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 9:01 a.m. The Board recited the Lord's Prayer and the Pledge of Allegiance. Roll was then called by Ms. Ashley D. Simmons.

\* \* \* \* \*

**Members Present:** Mr. Jeffrey Faulk, Sr., Mr. Eugene Rester, Jr., Ms. Andrea Matte, Ms. Colleen Barber, Mr. Henry Yearby, Mr. Philip Walther, Ms. Penny Brown, Ms. Lori Pierce – designee for Mr. John Schroder – 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:** Rep. Barbara Carpenter - Committee on Retirement member appointed by the Speaker, 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. LaQuinta Jordan - Internal Auditor, Ms. Ashley D. Simmons – Executive Staff Officer. Mr. Mitchell Garlington – Retirement Manager

**Others Present:** Mr. Rob Hungerbuhler and Mr. Jeffrey Boucek - Segal Marco Advisors

\*Departed at 12:00 noon.

\* \* \* \* \*

**DIRECTOR'S ANNOUNCEMENTS**

Mr. Bujol made the following announcements:

- The Public Retirement Systems' Actuarial Committee (PRSAC) met on Tuesday, January 9, 2018, and approved LSERS' 6/30/2017 Valuation
- There will be a Board orientation for Andrea Matte and it is open to all Board Members.

- Retirees' tax form 1099-R's were placed in the mail on Tuesday, January 16<sup>th</sup>. Board members should have received their 1099-MISC by now.
- An update on the Benefit Recipient Verification (BRV) Project was provided to the Board.

### **AGENDA AMENDED**

Mr. Eugene Rester requested that the Board amend the agenda by moving Investment Manager Presentations for Brandes Investment Partners and Fisher Investments Institution Group to 10:00 a.m. and 10:30 a.m., respectively, and adding Talara Capital Management to present at 1:00 p.m.

**ON MOTION BY MS. BARBER, SECONDED BY MS. BROWN AND CARRIED BY UNANIMOUS CONSENT** the Board approved the amendment of the Agenda.

### **APPROVAL OF AGENDA**

**ON MOTION BY 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. Boucek and Mr. Hungerbuhler provided an overview of the market conditions and performance during the third quarter of 2017. This included an audio/visual presentation and a handout titled: *Preliminary Investment Performance as of December 31, 2017 and Manager Watch List*. They then addressed questions from the Board.

**ON MOTION BY MR. YEARBY, SECONDED BY MS. BARBER AND CARRIED BY UNANIMOUS CONSENT**, the Board approved the portfolio performance report and Manager WatchList.

### **INVESTMENT MANAGER PRESENTATIONS**

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

#### Acadian Asset Management, LLC

*Scott J. Brymer, CFA – Senior Vice President, Portfolio Manager*

*James E. Klapman– Senior Vice President, Relationship Manager*

Brandes Investment Partners,

*Christopher J. Garrett, CFA – Director, Institutional Group*  
*Grant Duncan - Director, Institutional Group*

Fisher Investment Institutional Group

*Roman Knysh – Vice President, Portfolio Specialist*  
*Leon Stamps – Vice President, Senior Relationship Manager*

**ON MOTION BY MS. BARBER, SECONDED BY MR. YEARBY AND CARRIED BY UNANIMOUS CONSENT,** the Board approved the Investment Manager reports.

**INVESTMENT EDUCATION**

Matthew Freedman presented an educational PowerPoint and lecture on Real Assets. Jeffrey Boucek followed up with a handout titled: *Real Assets – Energy Investment Discussion.*

**TALARA CAPITAL MANAGEMENT INVESTMENT PRESENTATION**

Talara Capital Management presented an investment overview for *Talara Capital Energy Fund II*

*David Zusman, CFA – Managing Partner and CIO*  
*Jeff Gutke – Managing Director*

**ON MOTION BY MR. RESTER, SECONDED BY MS. BROWN AND CARRIED BY UNANIMOUS CONSENT,** the Board approved investing \$25 million into the Talara Capital Energy Fund II.

**INVESTMENT REPORTS**

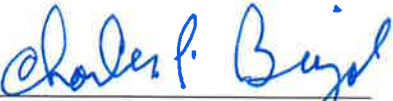
Mr. Freedman provided the following reports:


Securities Lending  
Securities Litigation  
Louisiana Broker

**ON MOTION BY MS. BARBER, SECONDED BY MS. BROWN AND CARRIED BY UNANIMOUS CONSENT,** the Board approved the Investment reports.

**ADJOURNMENT**

**ON MOTION OF MR. RESTER, SECONDED BY MS. BARBER AND CARRIED BY UNANIMOUS CONSENT**, the Board adjourned at 2:08 p.m.

  
\_\_\_\_\_  
Charles P. Bujol, Executive Director

  
\_\_\_\_\_  
Jeffrey Faulk, Sr., Chairman