

Louisiana School Employees' Retirement System
Quarterly Board Meeting

Monday, August 19, 2019

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. The Board recited the Lord's Prayer and the Pledge of Allegiance. Roll was then called by Ms. 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, *Mr. John Schroder – State Treasurer, Mr. James Mack designee for Mr. John Schroder – State Treasurer, Mr. Joe Salter, designee for Mr. Kyle Ardoin – Secretary of State.

Members Absent: Representative Barbara W. Carpenter – Committee on Retirement member appointed by the Speaker, Senator Barrow Peacock – Chairman, Senate Committee on Retirement, Mr. Philip Walther.

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

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

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* Mr. John Schroder departed meeting at 10:06 a.m.

DIRECTOR'S ANNOUNCEMENTS

Mr. Bujol made the following announcements:

- The LAPERS Seminar is September 15th – 17th at the Roosevelt 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.

- There was a major ransomware attack in 5 school systems. Governor Edwards issued a State of Emergency – Cybersecurity Incident due to the impact. LSERS took immediate action to restrict the affected school systems and executed preventative actions. The IT Director will present a brief update at the October meeting.
- The auditors from Duplantier, Hrapmann, Hogan & Maher are onsite conducting the financial audit on 4 employers: Iberia, Monroe City, & Ouachita were completed in July; Calcasieu is scheduled for today.

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 June 30, 2019. They presented audio/visual presentations and three handouts titled: *Analysis of Investment Performance; Preliminary Investment Performance as of June 30, 2019, and Manager Watch List*. They then addressed questions from the Board.

ON MOTION OF MR. RESTER SECONDED BY MS. BARBER AND CARRIED BY UNANIMOUS CONSENT, the Board approved the performance reports by Segal.

INVESTMENT RECOMMENDATION

HighVista made a presentation titled “HighVista Opportunistic Private Credit” and addressed questions from the Board, Investment Consultant, and LSERS administrative staff.

HighVista Strategies LLC

Raphael Schorr, Partner and Portfolio Manager

Luke Chan, Principal

Geoff LeMieux – Managing Director

ON MOTION BY MR. RESTER, SECONDED BY MR. YEABY AND CARRIED BY UNANIMOUS CONSENT, the Board approved a commitment of \$100 million to HighVista Credit LS LP, subject to legal review.

PRIVATE EQUITY QUIET PERIOD

Mr. Freedman requested that the "quiet period" imposed at the May 6, 2019 Quarterly Board Meeting be suspended.

ON MOTION BY MR. YEARBY, SECONDED BY MS. BARBER AND CARRIED BY UNANIMOUS CONSENT, the Board approved suspending the "quiet period".

INVESTMENT MANAGER PRESENTATIONS

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

LSV Asset Management

James Owens, Partner & Director, Client Portfolio Services

Todd Asset Management, LLC.

*Curtiss Scott, President & CIO
Eddie Vandiver – Director, Public Pensions Marketing
Jack White – Partner, Senior Partner Manager*

Walter Scott and Partners Limited

Francis Sempill – Head of Client Service

ON MOTION BY MR. RESTER, SECONDED BY MS. BARBER AND CARRIED BY UNANIMOUS CONSENT, the Board approved the Investment Manager presentations.

STAFF REPORTS

Mr. Freedman provided the following Investment reports:

Securities Lending
Securities Litigation
Louisiana Broker

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

OTHER BUSINESS

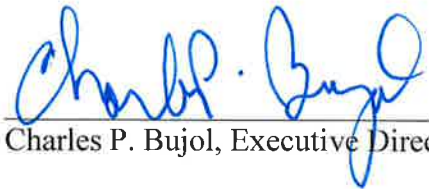
There was no other business to discuss.

PUBLIC COMMENTS

There were no public comments.

ADJOURNMENT

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



Charles P. Bujol, Executive Director



Jeffrey Faulk, Sr., Chairman