

Louisiana School Employees' Retirement System
Special Board Meeting

Monday, January 6, 2020

9:00 a.m.

The Louisiana School Employees' Retirement System's Special 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. Stark.

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Members Present: Mr. Jeffrey Faulk, Sr., Mr. Eugene Rester, Jr., Ms. Andrea Matte, Mr. Philip Walther, Ms. Colleen Barber, Mr. Henry J. Yearby, Ms. Penny Brown, Mr. James Mack – designee for Mr. John Schroder – State Treasurer, Mr. Joe Salter – designee for Mr. Kyle Ardoin - Secretary of State, Representative Barbara W. Carpenter – House Committee on Retirement

Members Absent: Senator Barrow Peacock – Chairman, Senate Committee on Retirement, Mr. Jay Dardenne – Commissioner of Administration

Staff Present: Mr. Charles Bujol – Executive Director, Ms. Chenfei Zhou - Assistant Director, Mr. John Strange – Executive Counsel, Mr. Matthew Freedman - Chief Investment Officer, Ms. Laurie Stark – Administrative Program Specialist A

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

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DIRECTOR'S ANNOUCEMENTS

- Mr. Bujol welcomed everyone back after the holidays and hoped everyone had a great Christmas and New Year's.
- The Public Retirement Systems' Actuarial Committee (PRSAC) met on December 19, 2019 and approved the LSERS' 2019 Actuarial Valuation. The Employer contribution rate will be 28.7% at the beginning of the fiscal year (July 1, 2020). This is a 0.7% reduction from the current fiscal year (FY 2019-20) rate of 29.4%.
- Retiree 1099-R and vendor 1099-M tax forms will be mailed out by January 15, 2020.

- On Wednesday, January 8, 2020, the Baton Rouge Metro Council is scheduled to vote on a proposed ordinance which would allow several properties that are currently located within the city limits of the proposed City of St. George, including LSERS' property, to formally be annexed into the city of Baton Rouge. Board members will be kept updated regarding this matter.
- The nominating period for self-nominations for the District 3 Active member representative began January 1, 2020. Nominating petitions must be submitted by March 2, 2020 at 4:30 p.m. If multiple nominations are received, we will hold that election between April 28, 2020 and May 28, 2020. The election results will be announced June 8, 2020.
- The Investment Consultant evaluations for 2019 have been handed out and need to be completed and returned to Laurie before the end of today's meeting. The results will be presented during the February 2020 Quarterly meeting.

APPROVAL OF AGENDA

The agenda was presented to the Board for approval.

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.

SWEARING IN OF MR. PHILIP WALTHER

Mr. Strange swore in Mr. Walther as the 1st District Active Member representative for the Louisiana School Employees' Retirement System's Board of Trustees. He was elected to a four-year term beginning January 1, 2020 and ending December 31, 2023.

ON MOTION BY MS. BARBER, SECONDED BY MR. RESTER AND CARRIED BY UNANIMOUS CONSENT the Board agreed to recess the meeting until the end of the Investment Committee meeting.

RECESS (9:07 A.M.)

ON MOTION BY MS. BARBER, SECONDED BY MS. MATTE AND CARRIED BY UNANIMOUS CONSENT the Board agreed to reconvene the meeting.

RECONVENED (11:22 A.M.)

RECOMMENDATIONS FROM THE INVESTMENT COMMITTEE MEETING

Mr. Rester requested that the Board approve the following recommendation presented during the Investment Committee meeting:

ON MOTION BY MS. BARBER, SECONDED BY MS. MATTE AND CARRIED BY UNANIMOUS CONSENT the Board approved an investment of \$50 million in Wellington Opportunistic Investment and an investment of \$50 million in GMO Benchmark-Free Allocation Fund, subject to final legal review.

UPDATE ON TRANSITION OF DROP/IBRP LA FUND TO SELF-DIRECTED PLAN WITH EMPOWER RETIREMENT

Ms. Zhou provided an update on the transition of the DROP/IBRP LA fund to self-directed fund with Empower Retirement which took place on January 2, 2020. She then addressed questions from the Board.

ON MOTION BY MS. MATTE, SECONDED BY MR. YEARBY AND CARRIED BY UNANIMOUS CONSENT the Board approved the update regarding the transition of the DROP/IBRP LA fund to self-directed plan with Empower Retirement.

OTHER BUSINESS

There was no other business.

PUBLIC COMMENTS

There were no public comments.

ADJOURNMENT

ON MOTION OF MS. BARBER, SECONDED BY MS. MATTE AND CARRIED BY UNANIMOUS CONSENT, the Board adjourned at 11:31 a.m.


Charles P. Bujol, Executive Director


Jeffrey Faulk, Sr., Chairman

