

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

**Monday, January 9, 2006  
9:00 a.m.**

The Board of Trustees of the Louisiana School Employees' Retirement System convened in the Board Room (Room 100) of the Louisiana School Employees' Retirement System's Building located at 8660 United Plaza Blvd., Baton Rouge, Louisiana. Ms. Betty Jacobs, Vice-Chairman of the Board, opened the meeting at 9:03 a.m. The Lord's Prayer and Pledge of Allegiance were recited. Roll was called.

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Members Present: Ms. Betty Jacobs – Vice-Chairman, Ms. Betty Crain,  
Mr. Earl Richard, Jr., Ms. Judith McKee, Mr. Jeffrey Faulk, Sr.,  
Ms. Lori Pierce, designee for Mr. John Kennedy – State Treasurer,  
Ms. Stacy Sharpe, designee for Mr. Al Ater – Secretary of State

Members Absent: Mr. Larry Wilmer – Chairman, Ms. Sylvia Myers, Representative  
Pete Schneider, Senator D.A. "Butch" Gautreaux

Staff Present: Mr. Charles P. Bujol - Director, Ms. Debra Dudley – Assistant  
Director, Ms. Julia LeBlanc – Chief Investment Officer,  
Mr. Warren Ponder – General Counsel, Ms. Judy Wright – Public  
Informations Director 1, Ms. Jennifer Champagne – Board Secretary

Also Present: Mr. Richard Ranallo – Segal Advisors, Inc., Mr. Charles Hall –  
Hall Actuarial Associates, Mr. Randy Zinna – Attorney at Law,  
Ms. Joyce Anderson – Accountant Administrator 2

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Mr. Bujol informed Ms. Jacobs that Mr. Wilmer would be unable to attend today's meeting due to a death in his wife's family.

Ms. Jacobs, as Vice-Chair presiding over the meeting, briefly went over the two items on the agenda and introduced Mr. Randy Zinna, Attorney at Law, who would be providing information to the Board.

**DISCUSSION CONCERNING ACTS 50 AND 61: HOW THEY AFFECT "QUALIFIED STATUS", RULES AND REGULATIONS FOR IMPLEMENTATION, AND OTHER MATTERS CONCERNING THE ACTS**

Mr. Zinna went over Acts 50 and 61, two acts that came out of the legislature that deal with in-service distributions from DROP accounts. Analysis of the acts indicated that action could not be taken on in-service distributions under state law until there was federal authority to do so. It was noted that the long-standing position of the defined benefit plans for governmental entities has been that all distributions must be made post termination of employment.

It was noted that an Attorney General's opinion has been requested regarding this matter. It was also noted that requests for federal legislation to be passed, allowing for these distributions, has been communicated and received by the Louisiana Senators and Representatives. Further discussion was held on this matter.

**ON MOTION BY MR. FAULK, SECONDED BY MR. RICHARD AND CARRIED**, the Board agreed to follow Mr. Randy Zinna's recommendation and not implement Acts 50 and 61 until further notice from the Attorney General's Office.

**DISCUSSION OF LAWSUIT "EAST BATON ROUGE PARISH SCHOOL BOARD, ET AL. VERSUS THE LOUISIANA SCHOOL EMPLOYEES' RETIREMENT SYSTEM", NOW PENDING IN THE 19<sup>TH</sup> JUDICIAL COURT, PARISH OF EAST BATON ROUGE, LOUISIANA**

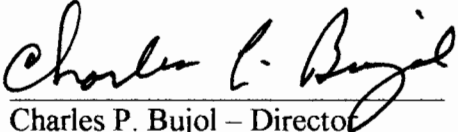
**ON MOTION BY MR. FAULK, SECONDED BY MS. CRAIN AND CARRIED**, the Board went into Executive Session.

**ON MOTION BY MS. MCKEE, SECONDED BY MS. CRAIN AND CARRIED**, the Board returned to Regular Session.

**ON MOTION BY MR. FAULK, SECONDED BY MS. MCKEE AND CARRIED**, the Board approved hiring Mr. Randy Zinna to defend Louisiana School Employees' Retirement System in the case of East Baton Rouge Parish School Board et al versus Louisiana School Employees' Retirement System, Number 539015 in Section 26 of the 19<sup>th</sup> Judicial District Court.

Mr. Zinna informed the Board that an update regarding the lawsuit would be provided each month.

**ON MOTION BY MR. FAULK, SECONDED BY MS. CRAIN AND CARRIED**, the Board agreed to adjourn at 10:42 a.m.

  
Charles P. Bujol – Director

  
Betty Jacobs – Vice Chair