

Louisiana School Employees' Retirement System Special Board Meeting

*Monday, July 9, 2007
10:20 a.m.*

The Louisiana School Employees' Retirement System's Board Investment Committee convened in the boardroom (Room 100) of the Louisiana School Employees' Retirement System Building, located at 8660 United Plaza Blvd., Baton Rouge, Louisiana. Mr. Faulk called the meeting to order at 10:20 a.m. The Roll was called by Mrs. Stark.

Members Present: Mr. Jeffrey Faulk, Sr. – Vice-Chairman, Ms. Kathy Landry, Ms. Betty Crain, Mrs. Judith McKee, Mr. Earl Richard, Jr., Mr. Eugene Rester, Jr., Ms. Amy Mathews – Designee for Mr. John Kennedy – State Treasurer and Mr. Randy Davis – Designee for Mr. Jay Dardenne – Secretary of State.

Members Absent: Mr. Larry Wilmer, Senator D.A. “Butch” Gautreaux - Chairman - Senate Retirement Committee and Representative Pete Schneider, Chairman - House Retirement Committee.

Staff Present: Mr. Charles Bujol – Executive Director, Mrs. Debra Dudley - Assistant Director, Mr. Warren Ponder - Executive Counsel, Mr. Brendan Brosnan - Chief Investment Officer, Mrs. Josie Meche - Investment Manager I, and Mrs. Laurie Stark - Administrative Assistant 5.

Others Present: Mr. Brett Hazen - Segal Advisors, Inc.

RECOMMENDATIONS FROM INVESTMENT COMMITTEE

Mr. Faulk reviewed the recommendations of the Investment Committee. The first recommendation was to hire RhumbLine Advisers as the new Mid-Cap Index Manager.

ON MOTION OF MRS. LANDRY, SECONDED BY MRS. McKEE AND CARRIED the Board agreed that RhumbLine Advisers would be LSERS' new Mid-Cap Index Manager.

The second recommendation was to fund the \$50 million commitment by having approximately \$17 million withdrawn from the three (3) large cap managers: C.S. McKee, Ark Asset Management and Northern Trust Global Investments.

ON MOTION OF MRS. McKEE, SECONDED BY MRS. LANDRY AND CARRIED the Board agreed to withdraw approximately \$17 million each from C.S. McKee, Ark Asset Management and Northern Trust Global Investments to satisfy the \$50 million commitment to fund the new Mid-Cap Index Manager.

CONSIDERATION OF APPROVAL OF IMPLEMENTATION OF \$1,500.00 COST-OF-LIVING INCREASE FOR LSERS EMPLOYEES EFFECTIVE JULY 1, 2007.

Mr. Charles Bujol recommended to the board that a \$1,500.00 cost-of-living increase be approved for all LSERS employees to be effective July 1, 2007. It would require a budget adjustment.

ON MOTION OF MS. MATHEWS, SECONDED BY MRS. LANDRY AND CARRIED, the Board approved the \$1,500.00 cost-of-living increase for LSERS staff to be effective July 1, 2007.

ON MOTION OF MS. CRAIN, SECONDED BY MR. RICHARD AND CARRIED, the Board agreed to add the following two (2) agenda items to be discussed by the Board: "Consideration of Approval and Authorization of a One-Time Cost-of-Living Adjustment of 3% with a Minimum of \$300.00 as Authorized by H.B. 415 Contingent Upon it being Signed by the Governor" and "Consideration of Authorizing the Director to Ask for Clarification from the Ethics Board of R.S. 42:1114.2 and other Matters Regarding Executive Branch Lobbyist."

CONSIDERATION OF APPROVAL AND AUTHORIZATION OF A ONE-TIME COST-OF-LIVING ADJUSTMENT OF 3% WITH A MINIMUM OF \$300.00 AS AUTHORIZED BY H.B. 415 CONTINGENT UPON IT BEING SIGNED BY THE GOVERNOR.

Mr. Bujol reported that this bill was signed by the Governor after the agenda was updated. Upon approval by the Board and upon certification of available excess earnings by the actuary a cost-of-living adjustment would be included with the December retirement checks.

ON MOTION OF MRS. McKEE, SECONDED BY MR. RICHARD AND CARRIED, the Board approved the one-time cost-of-living adjustment of 3% with a minimum of \$300.00 as authorized by H.B. 415 which was signed by the Governor.

CONSIDERATION OF AUTHORIZING THE DIRECTOR TO ASK FOR CLARIFICATION FROM THE ETHICS BOARD OF R.S. 42:1114.2 AND OTHER MATTERS REGARDING EXECUTIVE BRANCH LOBBYIST.

Mr. Ponder explained that the legislature amended the Executive Branch Lobbying laws which would make it where anyone who makes contact with any board member or member of the executive staff has to register as an Executive Lobbyist. Anyone who is invited for a presentation, either via phone or personal appearance and is seeking employment or a contracted service must first have to go to the Ethics Board, pay a fee and register as an Executive Branch Lobbyist. He said that a board resolution is needed to authorize Mr. Bujol to join in that request for permission to contact the Ethics Board for clarification of this matter.

ON MOTION OF MRS. LANDRY, SECONDED BY MRS. McKEE AND CARRIED, the Board authorized the Director to ask for clarification from the Ethics Board of R.S. 42:1114.2 and other matters regarding Executive Branch Lobbyist.

OTHER BUSINESS

There was no other business.

ON MOTION OF MR. RESTER, SECONDED BY MS. CRAIN AND CARRIED, the Board agreed to adjourn.

The meeting adjourned at 10:49 a.m.


Charles P. Bujol, Director


Jeffrey Faulk Sr., Vice-Chairman