

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

*Monday, January 4, 2021*

9:04 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. The Special Board Meeting was conducted in person and via teleconference with some attendees phoning into the meeting. Mr. Jeffrey Faulk, Sr., Chairman of Board, called the meeting to order at 9:04 a.m. The Board recited the Lord's Prayer and the Pledge of Allegiance. The roll was called by Ms. Stark.

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**Members Present:** Mr. Jeffrey Faulk, Sr., \*Mr. Eugene Rester, Jr., \*Ms. Andrea Matte, \*Ms. Colleen Barber, \*Mr. Henry J. Yearby, Ms. Penny Brown, Mr. Philip Walther, \*Mr. Philip Qualls – designee for Mr. John Schroder – State Treasurer, Mr. Joe Salter – designee for Mr. Kyle Ardoin – Secretary of State, \*Mr. Randy Davis – designee for Mr. Jay Dardenne – Commissioner of Administration, \*Senator Beth Mizell – Senate Committee on Retirement, and Representative Tony Bacala – House Committee on Retirement

**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, Ms. Ashley Simmons – Executive Staff Officer

**Others Present:** \*Mr. Sid Makkar – ArrowMark Partners, \*Mr. Jeffrey Boucek and \*Mr. Rob Hungerbuhler – Segal Marco Advisors

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\*Attended via GoTo meeting

Senator Mizell joined at 9:17 a.m. and departed at 10:05 a.m.  
Mr. Makkar departed at 10:05 a.m.  
Mr. Boucek departed at 10:14 a.m.  
Mr. Hungerbuhler departed at 10:18 a.m.  
Representative Bacala departed at 11:24 a.m.

**DIRECTOR'S ANNOUNCEMENTS**

- Wished everyone a Happy New Year and offered his congratulations on Ms. Colleen Barber on her recent marriage to Mr. Jimmy Bateman. Going forward she will be using her married name, Colleen Bateman.
- PRSAC meeting was held December 14, 2020 and approved the FY2019-20 valuation report along with the DROP/IBRP interest rate of 4.11% and FY2021-22 employer rate of 28.7%.
- The 1099M form that the Board typically receives each year has been replaced by the 1099NEC form. The 1099R and 1099NEC forms will be mailed out on January 18, 2021.
- The PBI/COLA report was submitted on December 1, 2020 and a presentation was made on December 17, 2020 to the Joint House and Senate Retirement Committees regarding HR 21 and SR 15 of the 2020 Regular Legislative Session. During the February 2021 Quarterly Board meeting, Ms. Zhou and Mr. Strange will have an educational presentation for the Board regarding the report that was presented to the Legislature on December 17, 2020.
- The nomination period for the Retired Member Division 2 and Active Member District 4 seats is now open. Members interested in running for these seats must submit a letter of intent to request an official nominating petition. The petition is due by 4:30 p.m. on March 5, 2021. Details can be found in the December *Crossroads* newsletter or members can call Executive Counsel John Strange for questions.
- Several inquiries have been received because the approved Investment Committee minutes are not posted on the LSERS website. The delay is due to COVID restrictions and have not been formally signed by the Investment Committee Chairman. The minutes will be brought to Mr. Rester for his signature by Ms. Simmons while she is visiting family.
- The Governor has extended his Phase Two order through January 13, 2021 and LSERS' operations are continuing successfully.

**APPROVAL OF AGENDA**

The agenda was presented to the Board for approval.

**ON MOTION BY MS. BROWN, SECONDED BY MR. WALTHER 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 MS. PENNY BROWN**

Mr. Strange swore in Ms. Brown as the 3rd District Retirement representative for the Louisiana School Employees' Retirement System's Board of Trustees. She was re-elected to a four-year term beginning January 1, 2021 and ending December 31, 2024.

**ELECTION OF CHAIRMAN**

Mr. Bujol announced that Mr. Faulk had submitted a letter of intent seeking the nomination for the position of Chairman. After the Board was asked if there were additional nominations for this office from the floor, there were none.

**ON MOTION BY MR. WALTHER, SECONDED BY MS. BROWN AND CARRIED BY UNANIMOUS CONSENT** the Board approved the election of Mr. Faulk as Chairman.

**ELECTION OF VICE CHAIRMAN**

Mr. Bujol announced that Mr. Walther had submitted a letter of intent seeking the nomination for the position of Vice Chairman. After the Board was asked if there were additional nominations for this office from the floor, there were none.

**ON MOTION BY MS. BROWN, SECONDED BY MR. SALTER AND CARRIED BY UNANIMOUS CONSENT** the Board approved the election of Mr. Walther as Vice Chairman.

**ELECTION OF VICE CHAIRMAN PRO TEM**

Mr. Bujol announced that Mr. Rester had submitted a letter of intent seeking the nomination for the position of Vice Chairman Pro Tem. After the Board was asked if there were additional nominations for this office from the floor, there were none.

**ON MOTION BY MS. BROWN, SECONDED BY MR. WALTHER AND CARRIED BY UNANIMOUS CONSENT** the Board approved the election of Mr. Rester as Vice Chairman Pro Tem.

**ON MOTION BY MR. WALTHER, SECONDED BY MS. BROWN AND CARRIED BY UNANIMOUS CONSENT** the Board agreed to recess the Special Board meeting.

**RECESS (9:15 A.M.)**

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

**RECONVENED (10:22 A.M.)****RECOMMENDATIONS FROM THE INVESTMENT COMMITTEE MEETING**

Mr. Rester requested that the Board approve the following motion:

**ON MOTION BY MR. RESTER, SECONDED BY MS. BROWN AND CARRIED BY UNANIMOUS CONSENT** the Board agreed to committing up to \$20 million to ArrowMark Partners, subject to legal review.

**EDUCATIONAL PRESENTATION: ACTUARIAL SCIENCE**

An Actuarial Science educational component was provided via a webinar titled: *Actuarial Equivalence* presented by Mr. Greg Curran with G.S. Curran & Company.

**EDUCATIONAL PRESENTATION: INVESTMENTS**

An Investments educational component was provided via two webinars titled: *GMO Conference Welcome* presented by Mr. Matt Kadnar with GMO and *Value: If you Won't Buy It Now, When Will You?* Presented by Mr. Ben Inker with GMO. Following the videos, Mr. Freedman remarked on the content and its applications to LSERS' investment portfolio.

**OTHER BUSINESS**

There was no other business.

**PUBLIC COMMENTS**

There were no public comments.

**ADJOURNMENT**

**ON MOTION OF MS. BROWN, SECONDED BY MR. WALTHER AND CARRIED BY UNANIMOUS CONSENT**, the Board adjourned at 12:24 p.m.



Charles P. Bujol, Executive Director



Philip B. Walther, Vice Chairman