

Louisiana School Employees' Retirement System

Quarterly Board Meeting

Tuesday, August 22, 2023

8:30 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. Philip Walther, Chairman of Board, called the meeting to order at 8:30 a.m. The Board recited the Lord's Prayer and the Pledge of Allegiance. Roll was then called by Ms. Simmons.

Members Present: Mr. Philip Walther, Ms. Colleen Bateman, Mr. Eugene Rester, Jr., Ms. Kathy Landry, Ms. Andrea Matte, Mr. Henry Yearby, Ms. Penny Brown, Amy Mathews— designee for Mr. John Schroder – State Treasurer, Mr. Randy Davis – designee for Mr. Jay Dardenne – Commissioner of Administration, and Mr. Joe Salter, designee for Mr. Kyle Ardoin – Secretary of State.

Members Absent: Senator Beth Mizell –Senate Committee on Retirement, Representative Richard Nelson – 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. Ashley Simmons – Executive Staff Officer, Mr. Maxime Besse - Investment Officer.

Others Present: *Mr. John Schroder – State Treasurer, Mr. Stephen Brouillette- Curran Actuarial Consulting,**Mr. Greg Curran – Curran Actuarial Consulting, Ltd., and Mr. Joey David – Legislative Analyst.

*Mr. Schroder departed at 10:05 a.m.

**Mr. Curran and Mr. David arrived at 10:25 a.m.

DIRECTOR'S ANNOUNCEMENTS

Mr. Bujol made the following announcement:

- East Baton Rouge Parish School Board has a bus operator shortage. They contacted LSERS to request the cost of privatizing 50, 100, & 200 positions.

AMENDMENT OF AGENDA

Mr. Freedman requested that the Landseer Insurance Investment Recommendation be added to the agenda after the Forecast Valuation Study presentation.

ON MOTION OF MS. LANDRY, SECONDED BY MS. BATEMAN AND CARRIED BY UNANIMOUS CONSENT, the Board approved to amend the agenda.

APPROVAL OF AGENDA

The agenda was presented to the Board for approval.

ON MOTION OF MS. LANDRY, SECONDED BY MS. BROWN AND CARRIED BY UNANIMOUS CONSENT, the Board approved the agenda.

PUBLIC COMMENTS ON ANY ITEM ON THE AGENDA

Mr. Walther called for public comment on any item on the agenda. There were no comments.

APPROVAL OF MINUTES

May 8, 2023 – Quarterly Board Meeting
May 9, 2023 – Quarterly Board Meeting
June 12, 2023 – Investment Committee Meeting
June 12, 2023 – Special Board Meeting
July 10, 2023 – Investment Committee Meeting
July 10, 2023 – Special Board Meeting

ON MOTION BY MS. LANDRY, SECONDED BY MS. BATEMAN AND CARRIED BY UNANIMOUS CONSENT, the Board approved all the minutes listed on the agenda.

ADMINISTRATION**Reports**

Ms. Zhou provided a review of the following reports, and then addressed questions from the Board:

HR Personnel Actions and Overtime Report
Travel Expenses Reports (Year-to-Date and Staff)

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

Adoption of the Louisiana Compliance Questionnaire

Ms. Zhou provided an overview for the Louisiana Compliance Questionnaire for FY2022-23 financial audit.

ON MOTION BY MS. BATEMAN, SECONDED BY MR. RESTER AND CARRIED BY UNANIMOUS CONSENT, the Board approved to adopt the questionnaire.

Approval of 2024 Board Meeting Schedule

Mr. Bujol presented the proposed 2024 Board Meeting schedule for the Board's consideration. He noted the new schedule would include one day meetings with an optional second day for Quarterly meetings, when necessary.

ON MOTION BY MS. BATEMAN, SECONDED BY MS. LANDRY AND CARRIED BY UNANIMOUS CONSENT, the Board approved to accept the 2024 Board Meeting schedule.

Approval of 2024 Election Schedule

Mr. Strange provided the proposed 2024 Election Schedule for the District 3 Active Member Representative.

ON MOTION BY MS. BATEMAN, SECONDED BY MS. BROWN AND CARRIED BY UNANIMOUS CONSENT, the Board approved the 2024 Election schedule.

Adoption of Insured Cash Sweep – Alternative to Collateralization

Ms. Zhou provided a presentation titled: *Insured Cash Sweep*, then addressed questions from the Board. The Board requested that further research and legal review be completed before a decision to accept the program.

ON MOTION BY MR. RESTER, SECONDED BY MS. BATEMAN AND CARRIED BY UNANIMOUS CONSENT, the Board approved to table the vote until further legal review is completed.

LEGAL**Securities Litigation**

Mr. Jonathan Compretta from Bernstein, Litowitz, Berger, & Grossmann provided an overview of Securities Litigation services they provide to LSERS.

ON MOTION BY MS. MATTE, SECONDED BY MS. LANDRY AND CARRIED BY UNANIMOUS CONSENT, the Board approved the Securities Litigation report.

Reports

Mr. Strange provided a review of the following reports then addressed questions from the Board:

Collections Report

ON MOTION BY MS. BATEMAN, SECONDED BY MR. YEARBY AND CARRIED BY UNANIMOUS CONSENT, the Board approved the Collections report.

INVESTMENT MANAGER PRESENTATION

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

Arrowmark Partners

Anthony Monraz - Associate on Investor Relations and Business Development Team

Sanjai Bhonsle - Partner, Senior Portfolio Manager for CLO Portfolio Management

Robert Brown - Head of CRE Finance, Portfolio Manager

Kaelyn Abrell - Partner & Co-Portfolio Manager of Regulatory Capital Relief

ON MOTION BY MS. BATEMAN, SECONDED BY MS. MATTE AND CARRIED BY UNANIMOUS CONSENT, the Board approved the Investment Manager presentation.

ACTUARIAL PRESENTATION

Mr. Greg Curran provided a presentation titled: *Forecast Valuation Study: 20 Years Beginning Fiscal 2023*. He then addressed questions from the Board.

ON MOTION BY MS. LANDRY, SECONDED BY MS. BATEMAN AND CARRIED BY UNANIMOUS CONSENT, the Board approved the Forecast Valuation Study.

INVESTMENT RECOMMENDATION

Mr. Freedman reviewed the Landseer Insurance Co-Investment opportunity and recommended a \$40 million commitment.

ON MOTION BY MR. DAVIS, SECONDED BY MS. BOARD, the Board voted to commit \$40 million to the Landseer Insurance Co-Investment. **ROLL CALL VOTE:** Ms. Colleen Bateman – YES; Ms. Penny Brown – YES; Mr. Randy Davis – YES; Ms. Kathy B. Landry – YES; Ms. Andrea Matte – NO; Mr. Eugene Rester, Jr. – NO; Ms. Amy Mathews – NO; Mr. Joe Salter – YES; Mr. Philip Walther – YES; Mr. Henry Yearby – YES
YES – 7, NO – 3, MOTION PASSED.

OTHER BUSINESS

Mr. Bujol announced that Mr. Joe Salter had informed him that today will be his last meeting. He will be resigning from his position at Secretary of State in December. Mr. Salter stated that he would be available for the next two meetings only if the Board could not reach a quorum in his absence. Mr. Bujol recognized Mr. Salter's contribution to the Board and Staff throughout his years of service.

PUBLIC COMMENTS

There were no public comments.

ADJOURNMENT

ON MOTION OF MR. RESTER, SECONDED BY MS. YEARBY AND CARRIED BY UNANIMOUS CONSENT, the Board adjourned at 12:12 p.m.


Charles P. Bujol, Executive Director


Philip B. Walther, Chairman