

Louisiana School Employees' Retirement System Quarterly Board Meeting

Monday, May 6, 2024

9:00 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. Eugene Rester, Jr., Chairman of the Board, called the meeting to order at 9:00 a.m. The Board recited the Lord's Prayer and the Pledge of Allegiance. Roll was then called by Ms. Caryn E. Whiten.

Members Present: Mr. Eugene Rester, Jr., Ms. Penny Brown, Ms. Colleen Bateman, Ms. Kathy Landry, Ms. Andrea Matte, Mr. Douglas Stream, Mr. Henry Yearby, Mr. Randy Davis – designee for Mr. Taylor Barras – Commissioner of Administration, Ms. Shanda Jones - designee for Ms. Nancy Landry, Secretary of State, Ms. Amy Mathews - designee for Mr. John Fleming, State Treasurer.

Members Absent: Senator Ed Price – Senate Committee on Retirement, and Representative Kendricks Brass – House Committee on Retirement.

Staff Present: Mr. Charles Bujol – Executive Director, Ms. Chenfei Zhou - Assistant Director, Mr. John W. Strange - Executive Counsel, Mr. Matthew J. Freedman - Chief Investment Officer, Ms. Caryn E. Whiten – Executive Staff Officer, Mr. Maxime Besse – Investment Officer

Others Present: Mr. Greg Curran – Curran Actuarial Consulting, Ltd., Mr. Jeffrey Boucek, Mr. David Palmerino, Ms. Jennifer Paris, and *Mr. John Ross - Segal Marco Advisors.

*Joined via GoTo meeting

DIRECTOR'S ANNOUNCEMENTS

- We would like to remind each Trustee that the Tier 2.1 Financial Disclosure form is due to the Ethics Board by May 15th. If you have not submitted the form yet, please do so.
- An irrigation system is going to be installed on the front lawn of the building. In addition, the parking lot will be power washed and restriped.

- Thanks to Tony Guzzardo for taking the Board's pictures this morning. Tony is our IT Director, and he also does professional photography. He offers his services to LSERS board free of charge and only receives reimbursement for the cost of printing pictures.

APPROVAL OF AGENDA

The agenda was presented to the Board for approval.

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

PUBLIC COMMENTS ON ANY ITEM ON THE AGENDA

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

PORTFOLIO PERFORMANCE REVIEW

Mr. Jeffery Boucek and Ms. Jennifer Paris provided an overview of market conditions and performance, which included one handout titled: "*Analysis of Investment Performance – Quarter Ending March 31, 2024*".

Mr. Boucek and Mr. Freedman then addressed questions from the Board.

ON MOTION BY MR. YEARBY, SECONDED BY MS. BATEMAN AND CARRIED BY UNANIMOUS CONSENT, the Board approved the analysis of investment performance report.

ASSET-LIABILITY STUDY

Mr. David Palmerino and Mr. Jeffery Boucek provided an overview of asset liability modeling, which included one handout titled: "Asset Liability Modeling Report." Mr. Freedman provided additional commentary on the study and market assumptions.

Mr. Freedman then addressed questions from the Board.

ON MOTION BY MS. LANDRY, SECONDED BY MS. BATEMAN AND CARRIED BY UNANIMOUS CONSENT, the Board approved the asset liability modeling report.

INVESTMENT RECOMMENDATIONS

Mr. Freedman provided an overview of a *Real Estate Secondary Transaction*, then addressed questions from the Board. Mr. Strange provided additional commentary on this matter.

ON MOTION BY MR. STREAM, SECONDED BY MS. MATTE AND CARRIED BY UNANIMOUS CONSENT, the Board approved the Real Estate Secondary Transaction recommendation.

Mr. Freedman made a recommendation on LSERS' target asset allocation based on the approved Asset Liability Modeling Report. Mr. Boucek and Mr. Freedman then addressed questions from the Board.

ON MOTION BY MR. DAVIS, SECONDED BY MS. LANDRY AND CARRIED BY UNANIMOUS CONSENT, the Board agreed to adopt the following recommended strategic asset allocation:

<u>Segment</u>	<u>Target</u>
Public Equity	23.5%
Core Fixed Income	12.5%
Opportunistic Credit	20.0%
Private Equity	20.0%
Real Estate	8.0%
Real Assets	6.0%
Multi-Asset	10.0%

INVESTMENT REPORTS

Mr. Freedman provided the following reports:

- Private Market Cash Flow
- Securities Lending
- Securities Litigation

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

APPROVAL OF COMMITTEE/BOARD MEETING MINUTES

- February 5, 2024 – Quarterly Board Meeting
- March 4, 2024 – Investment Committee Meeting
- March 4, 2024 – Special Board Meeting
- April 8, 2024 – Investment Committee Meeting
- April 8, 2024 – Personnel Committee Meeting
- April 8, 2024 – Special Board Meeting

ON MOTION BY MR. YEARBY, SECONDED BY MS. BROWN AND CARRIED BY UNANIMOUS CONSENT, the Board approved the minutes listed on the agenda.

ADMINISTRATION

Ms. Zhou provided a review of the following reports, then she and Mr. Strange addressed questions from the board:

HR and Overtime Reports
Travel Quarterly Reports
Administrative Fund – Budget to Actual Quarterly Report

ON MOTION BY MS. LANDRY, SECONDED BY MS. BATEMAN AND CARRIED BY UNANIMOUS CONSENT, the Board approved the administrative reports.

BOARD ELECTION SCHEDULE

Mr. Strange presented an update on the Board Election Schedule for the Third District Active representative.

LEGAL REPORTS

Mr. Strange provided a review of the quarterly Collections Report, then addressed questions from the Board. Ms. Zhou provided additional commentary regarding LSERS' new vendor for Death Audits, *CertiDeath*.

ON MOTION BY MS. LANDRY, SECONDED BY MS. MATTE AND CARRIED BY UNANIMOUS CONSENT, the Board approved the Collections Report.

2024 LEGISLATIVE SESSION UPDATE

Mr. Strange updated the Board on the 2024 Regular session and several bills currently working their way through the Legislature. He explained the status of each and asked the Board to take positions on two pieces of legislation:

HCR 20 authored by Representative Mike Johnson, which memorializes congress to review and eliminate the provisions of federal law which reduce Social Security benefits for persons receiving pension from federal, state, or local governments by supporting H.R. 82 and S. 597 of the 118th Congress.

ON MOTION BY MS. BATEMAN, SECONDED BY MS. MATTE, the Board voted to support HCR 20. **ROLL CALL VOTE:** Ms. Colleen Bateman – YES; Ms. Kathy B. Landry – YES; Ms. Andrea Matte – YES; Mr. Eugene Rester, Jr. – YES; Ms. Shanda Jones – YES; Ms. Randy Davis – ABSTAIN; Ms. Amy Matthews – ABSTAIN; Mr. Henry Yearby – YES; Mr. Douglas Stream – YES; Penny S. Brown – YES.
YES – 8, ABSTAIN – 2, MOTION PASSED.

HB 800 authored by Representative Beau Beaulieu calls a constitutional convention to convene on May 20, 2024, to be composed of 171 delegates, who are the 105 members of the House of Representatives, the 39 members of the Senate, and 27 delegates appointed by the governor. Requires the convention to complete a new constitution by July 15, 2024.

ON MOTION BY MS. BATEMAN, SECONDED BY MS. MATTE, the Board voted to support an Amendment to HB 800 exempting Article X Section 29 of the State Constitution from consideration and allowing it to remain as is in the Constitution. **ROLL CALL VOTE:** Ms. Colleen Bateman – YES; Ms. Kathy B. Landry – YES; Ms. Andrea Matte – YES; Mr. Eugene Rester, Jr. – YES; Ms. Shanda Jones – YES; Ms. Randy Davis–ABSTAIN; Ms. Amy Matthews – ABSTAIN; Mr. Henry Yearby – YES; Mr. Douglas Stream – YES; Penny S. Brown – YES. YES – 8, ABSTAIN – 2, MOTION PASSED.

OTHER BUSINESS

There was no other business.

PUBLIC COMMENT

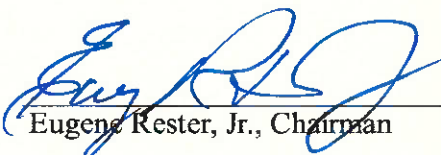
There were no public comments.

ADJOURNMENT

ON MOTION BY MS. LANDRY, SECONDED BY MS. MATTE AND CARRIED BY UNANIMOUS CONSENT, the Board adjourned at 11:28 a.m.



Charles P. Bujol, Executive Director



Eugene Rester, Jr., Chairman