

**Louisiana State Employees' Retirement System  
Regular Board Meeting  
February 24 & 25, 2011**

The Board of Trustees of the Louisiana State Employees' Retirement System met on Thursday, February 24, 2011, in the fourth floor conference room of the Retirement Systems Building located at 8401 United Plaza Boulevard, Baton Rouge, Louisiana. Ms. Connie Carlton, Board Chair, called the meeting to order at 1:00 p.m. Roll call was conducted by Caye Weaver, recording secretary.

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Members present: Ms. Connie Carlton, Mr. Charles Castille, Ms. Beverly Hodges, Ms. Amy Mathews (designee for the Treasurer), Ms. Janice Lansing, Ms. Barbara McManus, Ms. Susan Pappan, \*Ms. Lori Pierce, Ms. Sheryl Ranatza

Members absent: Senator Butch Gautreaux, Representative Kevin Pearson, Ms. Kathy Singleton

Staff present: Ms. Cynthia Rougeou, Executive Director; Ms. Maris LeBlanc, Deputy Director; Mr. Trey Boudreaux, Assistant Director; Mr. Bobby Beale, Chief Investment Officer; Mr. Troy Searles, Deputy Chief Investment Officer; Ms. Tina Grant, Executive Counsel; Ms. Jeri Seils, Fiscal Division; Investment Staff: Celeste Funderburk, Darren Fournerat, Chris Hill, Mac Owens, Laney Sanders, and Will Hardee

Also present: Mr. Rhett Humphreys and Mr. Jeff Roberts, NEPC, LLC

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A quorum was declared present and the meeting opened for business.

**New Business**

**Commodities Review, Evaluation and Finalist Selection** \*(Ms. Pierce entered the meeting during the discussion.)

Mr. Searles began by reviewing the Real Assets discussion timeline. Mr. Hill reminded the Board of the discussion at the January trustee workshop in which the board reviewed the return and risk expectations, search mandate, and fees. Mr. Hill then reviewed the managers in the search book – Cargill, Credit Suisse Asset Management, Gresham Investment Management, OFI Institutional, and PIMCO. Mr. Hill answered questions and gave the staff's recommendation if the Board chooses to move forward with a search. In this case, the staff's recommendation is to hire up to two (2) managers for the mandate selection from the following managers: Credit Suisse Asset Management, Gresham Investment Management, OFI Institutional, and PIMCO. Mr. Humphreys stated that NEPC is in agreement with staff's recommendations. Ms. Carlton asked if it were possible

to delay formally choosing managers to invite for interviews until the due diligence trips are completed. Mr. Beale responded that staff and NEPC would return to the Board in April with recommendations of which managers to interview after due diligence trips have been conducted. In this case, the finalist interviews will take place in the May Board Meeting. Ms. McManus stated she would like to attend the due diligence visits. **Ms. Mathews moved, seconded by Ms. Hodges, to hire up to two (2) managers for the mandate. With no further discussion, and no objections, the motion carried. Ms. McManus then moved, seconded by Ms. Hodges, to conduct due diligence visits on the four managers recommended - Credit Suisse Asset Management, Gresham Investment Management, OFI Institutional and PIMCO. With no further discussion, and no objections, the motion carried.**

The Board then recessed at 2:10 p.m.

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The Board of Trustees of the Louisiana State Employees' Retirement System reconvened on Friday, February 25, 2011, in the fourth floor Board Room of the Retirement Systems Building located at 8401 United Plaza Boulevard, Baton Rouge, Louisiana. Ms. Connie Carlton, Board Chair, called the meeting to order at 11:20 a.m. Roll call was conducted by Kai Ranallo, recording secretary.

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Members present: Ms. Connie Carlton, Mr. Charles Castille, Senator Butch Gautreaux, Ms. Beverly Hodges, Ms. Amy Mathews (designee for the Treasurer), Ms. Janice Lansing, Ms. Barbara McManus, Ms. Susan Pappan, Ms. Lori Pierce, Ms. Sheryl Ranatza, Ms. Kathy Singleton

Members absent: Representative J. Kevin Pearson

Staff present: Ms. Cindy Rougeou, Executive Director; Ms. Maris LeBlanc, Deputy Director; Mr. Trey Boudreaux, Assistant Director; Mr. Bobby Beale, Chief Investment Officer; Ms. Kai Ranallo, recording secretary. Other LASERS staff: Ms. Jeanne Peneguy, Ms. Katreena Moses, Ms. Nell Dixon, Ms. Robyn Ekins, Ms. Mallory Sharp, Mr. Lance Armstrong, Mr. Artie Fillastre, Mr. Donald "Monty" Allen, Jr.

Also present: Ms. Shelley Johnson, SJ Actuarial

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A quorum was declared present and the meeting opened for business. Ms. Carlton called for public comment. There were no comments from the public made.

### **Regular Business**

**Ms. Carlton called for approval of the minutes of the January 28, 2011, Board Meeting. Ms. McManus moved, seconded by Mr. Castille, to approve the minutes. With no objection or discussion, the motion passed.**

Mr. Castille reported that the Legislative Committee met on Friday, February 25, 2011, and had the following to report:

**The Legislative Committee recommended and Mr. Castille so moved, seconded by Ms. Mathews, to approve publication of notices to introduce legislation needed for clean-up of Act 992 of 2010, as discussed, and to seek an author for that legislation. With no discussion or objection, the motion carried.**

**The Legislative Committee recommended and Mr. Castille so moved, seconded by Ms. McManus, to oppose the proposed federal legislation known as the Public Employee Pension Transparency Act and finalize a letter to be signed by the Executive Director to the Louisiana members of Congress. With no discussion or objection, the motion carried.**

Ms. Ranatza reported that the Investment Committee met on Thursday, February 24, 2011, and had the following to report:

**The Investment Committee recommended and Ms. Ranatza so moved, seconded by Ms. McManus, to accept the proposed guideline changes for Marathon Asset Management's Section B of the Statement of Investment Objectives. With no discussion or objection, the motion carried.**

Ms. Hodges reported that the Management Committee met on Friday, February 25, 2011, and had the following to report:

**The Management Committee recommended and Ms. Hodges so moved, seconded by Ms. Ranatza, to approve the February 2011 Retirement Disability report. With no discussion or objection, the motion carried.**

**The Management Committee recommended and Ms. Hodges so moved, seconded by Mr. Castille, to deny the appeal by Mr. McDaniel given that there is no legal remedy for him. With no discussion or objection, the motion carried.**

**The Management Committee recommended and Ms. Hodges so moved, seconded by Mr. Castille, to approve the travel of the Board Chair, at LASERS expense, to the RSEA Chapter meetings this year. With no discussion or objection, the motion carried.**

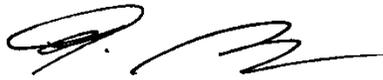
The Management Committee recommended and Ms. Hodges so moved, seconded by Ms. Mathews, to approve a representative of the LASERS Board attending future RSEA meetings at the expense of LASERS. With no discussion or objection, the motion carried.

**New Business**

Ms. Rougeou introduced two new LASERS employees: Mr. Monty Allen, Jr., Retirement Benefits Analyst; and Ms. Mallory Sharp, Public Information Officer.

**Other Business**

Ms. Rougeou announced that a tour of LASERS office space would begin immediately following adjournment. No other business was discussed and the meeting adjourned at 11:26 a.m.



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Cindy Rougeou, Executive Director