LASERS Benefits Louisiana.

Louisiana State Employees' Retirement System







NOTICE AND AGENDA

Investment Committee Meeting Thursday, November 17, 2022 12:30 p.m.

The Investment Committee will meet in the fourth floor Board Room of the Retirement Systems Building, 8401 United Plaza Boulevard, Baton Rouge, Louisiana.

Please silence your cell phone before meeting begins.

- I. CALL TO ORDER
- II. ROLL CALL
- III. PUBLIC COMMENT
- IV. REGULAR BUSINESS
 - Approval of the minutes of the October 27, 2022, meeting of the Investment Committee (Action Item)
 Amy Mathews, Chair

V. NEW BUSINESS

- 1. GTCR Portfolio Review Collin Roche, Co-CEO
- 2. Monthly Performance Review

 Bobby Beale, CFA, CAIA Chief Investment Officer
- 3. Annual Reports
 - a. Internal Funds Report
 - b. Total Plan Trading Reports
 - c. Proxy Voting Reports
 - d. Class Action Litigation Report
 - e. Withholding Tax Reclaim Report
 - f. Custodian Report
- VI. OTHER BUSINESS
- VII. ADJOURNMENT

There are no managers on the blackout list.

NOTE: If special accommodations are needed, please contact this office prior to meeting.

1



Louisiana State Employees' Retirement System Investment Committee Meeting

October 27, 2022

The Investment Committee of the Louisiana State Employees' Retirement System met on Thursday, October 27, 2022, in the fourth floor Board Room of the Retirement Systems Building located at 8401 United Plaza Boulevard, Baton Rouge, Louisiana. Amy Mathews, Committee Chair, called the meeting to order at 12:30 p.m. Jennifer Adams, recording secretary, conducted roll call.

ROLL CALL

Members present: Mr. Thomas Bickham, Ms. Virginia Burton, Mr. Charles

Castille, Mr. Byron Decoteau, Ms. Ternisa Hutchinson, Ms. Amy Mathews, Ms. Barbara McManus, Mr. Rick McGimsey – Designee, Commissioner of Administration,

Mr. Julius Roberson – Designee, Louisiana State

Treasurer and Ms. Shannon Templet

Members absent: Representative Barry Ivey, Judge William Kleinpeter and

Senator Barrow Peacock

Staff present: Ms. Cindy Rougeou, Executive Director; Ms. Tina Vicari

Grant, Executive Counsel; Mr. Trey Boudreaux, Chief of Staff; Mr. Travis McIlwain, Chief Administrative Officer; Ms. Beth Labello, Executive Staff Officer; Mr. Logan Davis, IT Technical Support Analyst; Mr. Barney Miller, IT Technical Support Analyst; Mr. Johnathon Sprouse, IT Director; Investment Staff: Mr. Bobby Beale, Chief Investment Officer; Mr. Darren Fournerat, Ms. Laney Sanders, Mr. Reeves Pearce, Mr. Jacques Brousseau,

Ms. Alisa Lacombe and Ms. Jennifer Adams

Also present: Mr. Rhett Humphreys, NEPC; Mr. Joey David, Legislative

Analyst; Mr. Kenneth Herbold, Legislative Actuary; Mr. Frank Jobert RSEA; Ms. Shelley Johnson, Foster and Foster; Ms. Alana Perrin, Senate Retirement Committee Attorney and Ms. Laura Gail Sullivan, Senate Counsel

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

Ms. Mathews called for public comment. There were no public comments.

REGULAR BUSINESS

The committee considered the minutes of the September 29, 2022, Investment Committee meeting. Mr. Bickham moved, seconded by Ms. Templet, to approve minutes of the September 29, 2022, Investment Committee meeting. With no further discussion, and no objections, the motion carried.

NEW BUSINESS

Monthly Performance

Mr. Beale reviewed the Total Plan performance. He stated that the final monthly return for September 30, 2022, was -5.6%, making the Total Plan FYTD return -3.6%.

Doubleline Market Update & Portfolio Review

Mr. Jeffrey Sherman and Mr. Aaron Prince joined via Zoom, presented a macroeconomic update to the Board.

OTHER BUSINESS

No other business was brought before the committee and the meeting adjourned at 1:37 p.m.

LASERS INVESTMENT COMMITTEE

PROPOSED 2022 AGENDA ITEMS

JANUARY 19 & 20

Trustee Workshop

Performance Review
Trustee Education

Actuarial Science

Laws, Rules and Regulations

Fiduciary Duty Investment

Management Committee/Regular Board Meeting

FEBRUARY 17

Performance Review

MARCH 24 (Legislative Session convenes 3/14)

Performance Review

APRIL 28

Performance Review

MAY 26

Nomura Portfolio/Contract Review Performance Review

JUNE 23 (Legislative Session adjourns 6/6)

Nomura High Yield Contract Extension OnBoard Training Presentation Monthly Performance Review

JULY 28

PIMCO Portfolio Review Performance Review

AUGUST 25

Review of Self-Directed DROP Optional Retirement Plan Performance Review

SEPTEMBER 29

KKR Portfolio Review Performance Review

OCTOBER 27

Doubleline Market Update & Portfolio Review Performance Review

NOVEMBER 17

GTCR Review

Performance Review

Internal Funds Portfolio Review

Annual Trading Report

Annual Proxy Report

Class Action Litigation Report

Withholding Tax Reclaim Report

Annual Custodian Review

DECEMBER 8

LSV Review

Performance Review

Investment Division Annual Report

^{*}All agenda items are subject to change





NOTICE AND AGENDA Management Committee Meeting Thursday, November 17, 2022 Immediately following Investment Committee

The Management Committee will meet in the fourth floor Board Room of the Retirement Systems Building, 8401 United Plaza Boulevard, Baton Rouge, Louisiana.

Please silence your cell phone before meeting begins.

- I. CALL TO ORDER
- II. ROLL CALL
- **III. PUBLIC COMMENT** (allowed upon request before action items)
- IV. REGULAR BUSINESS
 - 1. Approval of the Minutes of the October 27, 2022, Management Committee Meeting *(Action Item)*

Thomas Bickham, Management Committee Chair

2. **Executive Session**– Approval of the November 2022 Disability Retirement Report *(Action Item)*

Megan Jones, Retirement Benefits Analyst

- 3. Executive Counsel's Report
 - a. Legislative Update

 Tina Grant, Executive Counsel

V. NEW BUSINESS

- 1. Foster & Foster Contract (Action Item)

 Tina Grant, Executive Counsel
- 2. Distribution of Board Self Evaluation

 Cindy Rougeou, Executive Director
- 3. Chief Administrative Officer's Comments
 - a. Monthly Operating Budget Report
 - b. Benefits Payee Report

 Travis McIlwain, Chief Administrative Officer

- 4. Chief of Staff's Comments
 - a. Trustee Education Report

 Trey Boudreaux, Chief of Staff
- 5. Executive Director's Comments

 Cindy Rougeou, Executive Director
- VI. OTHER BUSINESS
- VII. ADJOURNMENT

<u>NOTE:</u> If special accommodations are needed, please contact this office prior to meeting.

Louisiana State Employees' Retirement System Management Committee Meeting Thursday, October 27, 2022

The Management Committee of the Louisiana State Employees' Retirement System met on Thursday, October 27, 2022, in the fourth floor Board Room of the Retirement Systems Building, located at 8401 United Plaza Boulevard, Baton Rouge, Louisiana.

Mr. Thomas Bickham, Committee Chair, called the meeting to order at 2:08 p.m. Roll was called by Beth Labello, recording secretary.

Members present: Mr. Thomas Bickham, Ms. Virginia Burton, Mr. Charles

Castille, Mr. Byron Decoteau, Ms. Ternisa Hutchinson, Ms. Amy Mathews, Ms. Barbara McManus, Mr. Rick McGimsey (designee of the Commissioner), Mr. Julius Roberson (designee of the Treasurer), and Ms. Shannon Templet

Members absent: Judge William Kleinpeter, Senator Barrow Peacock, and

Representative Barry Ivey

Staff present: Ms. Cindy Rougeou, Executive Director; Mr. Trey

Boudreaux, Chief of Staff; Mr. Travis McIlwain, Chief Administrative Officer; Ms. Tina Grant, Executive Counsel; Mr. Bobby Beale, Chief Investment Officer; Mr. Artie Fillastre, Chief Fiscal Officer; Ms. Tonja Normand, Outgoing Public Information Director; Ms. Mallory Sharp, Public Information Director; Ms. Tricia Gibbons, Retirement Benefits Administrator; Mr. Ryan Babin, Audit Director; Mr. Steve Stark, Deputy General Counsel; Ms. Morgan Robertson, Attorney; Mr. Johnathon Sprouse, IT Director; Mr. Logan Davis, IT Technical Support Analyst; Mr. Barney Miller, IT Technical Support Analyst; Ms. Amanda Celestine, Executive Management Officer; and Ms. Beth

Labello, recording secretary

Also present: Ms. Shelley Johnson, Foster and Foster; Alana Perrin,

Attorney, Senate Retirement Committee; and Mr. Joey

David, Legislative Analyst

A quorum was announced present, and the meeting opened for business.

Public Comment

Mr. Bickham called for public comment. There were no public comments.

Regular Business

Mr. Bickham called for approval of the September 29, 2022, Management Committee minutes. Ms. McManus moved, seconded by Ms. Mathews, to approve the minutes. With no objection or discussion, the motion carried.

Mr. Bickham announced there were no disability denials this month. Ms. McManus moved, seconded by Ms. Mathews, to recommend the Board approve the October 2022 Disability Retirement Report. With no objection or discussion, the motion carried.

In the Executive Counsel's report, Ms. Grant advised the committee that LASERS is working with Foster and Foster on the renewal of Ms. Johnson's contract. A motion to approve the contract will be brought forth next month.

New Business

Mr. McIlwain reviewed the fiscal year 2023-2024 operating and building budgets. LASERS and TRSL came together and agreed to increase the Retirement Systems building rent, due to increasing maintenance needs, for FY 2023-24. This action created a net increase of \$282 thousand in the building budget.

Ms. McManus moved, seconded by Ms. Templet, to recommend the Board approve the Operating Budget and Building Budget for FY 2023-2024. With no objection or discussion, the motion carried.

Mr. McIlwain reviewed the Chief Administrative Officer's comments. He announced that he will not be present at the November 2022 Board meeting due to personal obligations.

Mr. Boudreaux reviewed the Chief of Staff's comments.

Ms. Rougeou reviewed the Executive Director's comments. She stated that the 2022 ACFR and PAFR annual reports were distributed and are available electronically via OnBoard.

Other Business

There was no other business to discuss.

Adjournment

The meeting adjourned at 2:19 p.m.



November 2022 Management Committee Meeting Chief Administrative Officer's Comments

Fiscal

- Fiscal has provided Postlethwaite & Netterville with the 2022 GASB 68 Employer Pension Report for them to begin their audit. The audit is targeted for completion by the end of December.
- Fiscal has begun preparing for year-end tax reporting for members, retirees, employees, and vendors. This involves working with IT on implementing and testing any changes in processing Forms 1095-C, 1099R, 1099Misc 1099NEC, and W-2.



This page left blank intentionally.



Mail: P.O. Box 44213 • Baton Rouge, LA 70804-4213 Phone: (toll-free) 1.800.256.3000 • (local) 225.922.0600

Fiscal Division

OPERATING BUDGET REPORT October 31, 2022

(Unaudited)

Category	2021-2022 Actual	2022-2023 Budget	Monthly Expenses	2022-2023 TD Actual	F	Remaining Balance	2022-23 % of Budget	2021-22 % of Actual
Division Operating								
Personnel	\$ 15,821,142	\$ 16,977,000	\$ 1,837,525	\$ 5,211,699	\$	11,765,301	31%	31%
Travel Expenses	21,924	162,100	7,419	49,920		112,180	31%	1%
Operating Services	3,125,863	3,578,900	69,281	1,888,971		1,689,929	53%	57%
Professional Services	412,517	511,000	18,750	137,684		373,316	27%	29%
Acquisitions	319,255	300,000	-	7,461		292,539	2%	7%
Total Division Operating	19,700,701	21,529,000	1,932,975	7,295,735		14,233,265	34%	35%
Project Operating								
Operating Services	186,297	600,000	-	95,853		504,147	16%	35%
Professional Services	126,862	1,950,000	700	52,742		1,897,258	3%	23%
Acquisitions	12,840	450,000	-	3,811		446,189	1%	0%
Total Project Operating	325,999	3,000,000	700	152,406		2,847,594	5%	25%
Total Operating	20,026,700	24,529,000	1,933,675	7,448,141		17,080,859	30%	34%
Investment Fees	27,041,649	32,500,000	1,929,939	8,801,067		23,698,933	27%	31%
GRAND TOTAL	\$ 47,068,349	\$ 57,029,000	\$ 3,863,614	\$ 16,249,208	\$	40,779,792	28%	33%



Board of Trustees Benefit Payees Added During Period 10/1/2022 to 10/31/2022

	Survivor	
23	Total	53
30	Minimum Benefit	\$2,411
69	Maximum Benefit	\$2,719
122	Minimum Age	45
\$268	Maximum Age	63
\$8,168	Minimum Years Service	18
44	Maximum Years Service	25
80	Average Age	53
5	Average Service	21
40	Average Gross Benefit	\$2,616
60		
23	Beneficiary	
\$2,885	Total	26
	Minimum Benefit	\$449
	Maximum Benefit	\$6,465
4	Minimum Age	43
\$798	Maximum Age	69
\$1,175	Minimum Years Service	5
47	Maximum Years Service	40
58	Average Age	58
10	Average Service	26
17	Average Gross Benefit	\$2,134
54		
15	Drop Accruals	
\$992	Total	26
	Average Age	57
	Average Service	24
	Average Gross Benefit	\$3,019
	30 69 122 \$268 \$8,168 44 80 5 40 60 23 \$2,885 4 \$798 \$1,175 47 58 10 17 54 15	Total Minimum Benefit



November 2022 Management Committee Meeting Chief of Staff's Comments

Information Technology

Cybersecurity

- The November cybersecurity newsletter covered the topic of "Travel Security Tips to stay cyber secure and aware when traveling during the holidays."
- The cybersecurity training video for staff this month is on Multi-Factor Authentication and Security by Design.
- The closeout of the Firewall Upgrade Project is scheduled for this month.
- Important security projects include evaluating vendors for Managed Detection & Response and selecting an Information Security Program Framework.

Project Updates

- Key projects include W4P, AskLASERS, and a Kofax Upgrade.
- IT is working in partnership with LASERS staff on end-of-year processes.

Misc.

IT is hiring for several open development positions.

Member Services

- Member Services installed a telephone in the lobby as an option for members to
 use in lieu of a face-to-face walk-in appointment. The phone will call the LASERS
 Customer Service department, and members will have access to writing material
 for taking notes. In the near future, a computer will be added for access to
 myLASERS and the LASERS website.
- Recent comments from members:
 - "I appreciate Susan [Goodrich]. She was very considerate, compassionate, and friendly."
 - "Carlos [Jones] was so professional, helpful, courteous, and knowledgeable! He answered my questions completely!"

0	"Thank you for having these (retirement education) seminars available. I'm nearing my retirement time, and the seminar was just what I needed at the right time!"

Louisiana State Employees' Retirement System 202-2023 Trustee Training Report* Total Education Hours as of 11/3/22/22

	Investments	Actuarial Science	Fiduciary Duty and Ethics	Laws, Rules and Regulations
Trustee	(8 Hours Required) # of Hours	(4 Hours Required) # of Hours	(2 Hours Required) # of Hours	(2 Hours Required) # of Hours
Bickham, Thomas	0.75	# 01 110urs	0	0.5
Broussard, John ²	1	1	1	0
Burton, Virginia	0.75	1	0	0.5
Castille, Charles	0.75	1	0	0.5
Dardenne, Jay	0	0	0	0
Decoteau, Byron	7.75	4	1	2.5
Goodson, Barbara ¹	0	0	0	0
Hutchinson, Ternisa	7.75	3	1	2.5
Ivey, Barry	0	0	0	0
Kleinpeter, William	5	4	1	2
Mathews, Amy	1.75	2	1	0.5
McGimsey, Rick ¹	0.75	1	0	0.5
McManus, Barbara	5.75	4	1	2.5
Peacock, Barrow ³	0	1	0	0
Price, Ed	0	0	0	0
Qualls, Philip ²	0	0	0	0
Roberson, Julius ²	7.75	4	1	2.5
Schroder, John	0	0	0	0
Templet, Shannon	5.75	3	0	2.5

¹ Designee of the Commissioner of Administration

^{*}Education Reporting Period is September 1 - August 31

² Designee of the Treasurer ³Designee SRC







November 2022 Management Committee Meeting Executive Director's Comments

Executive Director

Board Holiday Celebration

• The Board Holiday Celebration will be held December 8 at 6 PM. Invitations have been provided to you today.

United Way

• Our United Way Campaign ends November 30. So far, we have raised \$3,700 for the charity.

Out of Office

- I will be out of the office November 21 25.
- Our office will be closed November 24 for Thanksgiving.

Public Information Division

- Laws & Regulations Book PID and Legal worked together to update the Laws & Regulations Book with current laws through the 2022 Legislative Session. It's available on our website.
- The Beam newsletter The Fall issue is being printed with a target mailing by the end of November. Covered topics include: myLASERS, Q&A regarding the one-time payment potentially impacting Social Security benefits, 1099-R forms, virtual seminars, and important updates for members from Fiscal and Member Services.

- Investment Report PID is working with the Investments Division on the design, layout, and printing of the Annual Investment Report.
- PID is continuing to recruit for the vacant Public Information Officer 1/2/3 position.
- The Link Employee Newsletter The November issue is on the Board Portal.



Web & Social Media Report

AS OF NOVEMBER 1, 2022



2,506 FOLLOWERS



TWITTER

721 FOLLOWERS



YOUTUBE

722 SUBSCRIBERS



69,234 CONTACTS

WWW.LASERSONLINE.ORG

WEBSITE USERS:

15,741

TOTAL PAGEVIEWS:

55,782

MOST SEARCHED TERM:

"DROP"

MOST VISITED PAGE:

MYLASERS

TOP PERFORMING EMAIL TO ACTIVE MEMBERS:



FACEBOOK POST WITH MOST ENGAGEMENT & REACH:







This page left blank intentionally.



NOTICE AND AGENDA Board Meeting Thursday, November 17, 2022 Immediately following Management Committee

The Board of Trustees will meet in the fourth floor Board Room of the Retirement Systems Building, 8401 United Plaza Boulevard, Baton Rouge, Louisiana.

- I. CALL TO ORDER
- II. ROLL CALL
- **III. PUBLIC COMMENT** (allowed upon request before action items)
- IV. REGULAR BUSINESS
 - 1. Approval of the minutes of the October 27, 2022, Board Meeting (Action Item)

 Judge William Kleinpeter, Board Chair
 - 2. Report and Recommendations of the Investment Committee (Action Item)

 Amy Mathews, Investment Committee Chair
 - 3. Report and Recommendations of the Management Committee (Action Item)

 Thomas Bickham, Management Committee Chair
 - 4. Acknowledgement of Receipt of Administrative Errors Report/Documentation *(Action Item)*

Tina Grant, Executive Counsel

- V. NEW BUSINESS
- VI. OTHER BUSINESS
- VII. ADJOURNMENT

NOTE: If special accommodations are needed, please contact this office prior to meeting.



THIS PAGE LEFT BLANK INTENTIONALLY.

Louisiana State Employees' Retirement System Regular Board Meeting October 27, 2022

The Board of Trustees of the Louisiana State Employees' Retirement System met on Thursday, October 27, 2022, in the fourth floor Board Room of the Retirement Systems building, 8401 United Plaza Boulevard, Baton Rouge, Louisiana. Judge William Kleinpeter, Board Chair, called the meeting to order at 2:19 p.m. Roll call was conducted by Beth Labello, recording secretary.

Members present: Mr. Thomas Bickham, Ms. Virginia Burton, Mr. Charles

Castille, Mr. Byron Decoteau, Ms. Ternisa Hutchinson, Ms. Amy Mathews, Ms. Barbara McManus, Mr. Rick McGimsey (designee of the Commissioner), Mr. Julius Roberson (designee of the Treasurer), and Ms. Shannon Templet

Members absent: Judge William Kleinpeter, Senator Barrow Peacock, and

Representative Barry Ivey

Staff present: Ms. Cindy Rougeou, Executive Director; Mr. Trey

Boudreaux, Chief of Staff; Mr. Travis McIlwain, Chief Administrative Officer; Ms. Tina Grant, Executive Counsel; Mr. Bobby Beale, Chief Investment Officer; Mr. Artie Fillastre, Chief Fiscal Officer; Ms. Tonja Normand, Outgoing Public Information Director; Ms. Mallory Sharp, Public Information Director; Ms. Tricia Gibbons, Retirement Benefits Administrator; Mr. Ryan Babin, Audit Director; Mr. Steve Stark, Deputy General Counsel; Ms. Morgan Robertson, Attorney; Mr. Johnathon Sprouse, IT Director; Mr. Logan Davis, IT Technical Support Analyst; Mr. Barney Miller, IT Technical Support Analyst; Ms. Amanda Celestine, Executive Management Officer; and Ms. Beth Labello,

recording secretary

Also present: Ms. Shelley Johnson, Foster and Foster; Alana Perrin,

Attorney, Senate Retirement Committee; and Mr. Joey

David, Legislative Analyst

A quorum was declared present, and the meeting opened for business. Judge Kleinpeter called for public comment. No public comments were made.

REGULAR BUSINESS

Judge Kleinpeter called for approval of the minutes of the September 29, 2022, Board Meeting. Mr. Bickham moved, seconded by Ms. McManus, to approve the minutes. With no objection or discussion, the motion passed.

Ms. Mathews reported the Investment Committee met on Thursday, October 27, 2022, and had no items to report.

Mr. Castille reported the Legislative Committee met on Thursday, October 27, 2022, and had no items to report.

Mr. Bickham reported the Management Committee met on Thursday, October 27, 2022, and had the following items to report:

The Management Committee recommended, and Mr. Bickham so moved, seconded by Ms. Mathews, to approve the October 2022 Retirement Disability Report. With no objection or discussion, the motion carried.

The Management Committee recommended, and Mr. Bickham so moved, seconded by Ms. McManus, to approve the Operating and Building Budgets for FY 2023-2024, as presented. With no objection or discussion, the motion passed.

Ms. McManus moved, seconded by Mr. Bickham, to acknowledge receipt of the administrative errors report and documentation. With no objection or discussion, the motion carried.

New Business

There was no new business to discuss.

Adjournment

With no other business to discuss the meeting adjourned at 2:22 p.m.

Cindy Rougeou, Executive Director



2022 Committee Assignments

Judge William Kleinpeter, Board Chair

Management Committee

Thomas Bickham, Chair
**John Broussard/Philip Qualls

Virginia Burton Charles Castille Byron Decoteau

Representative Phillip DeVillier

*Barbara Goodson/Richard McGimsey

Ternisa Hutchinson William Kleinpeter Amy Mathews Barbara McManus

Senator Ed Price/Barrow Peacock

Shannon Templet

Investment Committee

Amy Mathews, Chair
Thomas Bickham
**John Broussard/Philip Qualls
Virginia Burton
Charles Castille
Byron Decoteau

Representative Phillip DeVillier

*Barbara Goodson/Richard McGimsey

Ternisa Hutchinson William Kleinpeter Barbara McManus

Senator Ed Price/Barrow Peacock

Shannon Templet

Shannon Templet, Vice Chair

Legislative Committee

Charles Castille, Chair

Thomas Bickham

**John Broussard/Philip Qualls

Virginia Burton Byron Decoteau

Representative Phillip DeVillier

*Barbara Goodson/Richard McGimsey

Ternisa Hutchinson William Kleinpeter Amy Mathews Barbara McManus

Senator Ed Price/Barrow Peacock

Shannon Templet

Audit Committee

Barbara McManus, Chair Thomas Bickham Virginia Burton Ternisa Hutchinson Byron Decoteau

^{*}Designee – Commisioner - D of A

^{**}Designee – Treasurer Schroder