

**Teachers' Retirement System of Louisiana
Board of Trustees
Upon Adjournment of Investment Committee – Thursday
March 1, 2018**

- MEMBERS PRESENT:** Dr. Jerry Baudin, Britt Colon, Holly Gildig, David Hennigan, Ricky Julien, Sr., Robert Lawyer, Rick McGimsey (Commissioner's Designee), Dr. Tia Mills, Jim Napper (Treasurer's Designee), John Parauka, Dr. James Taylor, and Kelly Thompson
- MEMBERS ABSENT:** Dr. Sheryl Abshire, Dr. Paul Nelson, Senator Barrow Peacock, Representative J. Kevin Pearson, and State Superintendent John White
- STAFF PRESENT:** Dana Vicknair, Katherine Whitney, Phil Griffith, Roy Mongrue, Jr., Jeff LaCour, Lisa Honore', Ed Branagan, Dana Brown, Maurice Coleman, Davorio Stevenson, Matt Tessier, Randall Harrison, Andrea Guntz, Linnie Johnson, Dionne Rabalais, Charlene Wilson, and Lisa Barousse
- OTHERS PRESENT:** Shelley Johnson, Foster & Foster Actuaries and Consultants; Ricky Julien, Jr., and Braylon Julien

Each member of the Board received the following:

1. March 2018 Board Book
2. Investment Committee Meeting March 1, 2018, Performance Report – January 31, 2018
3. Investment Committee Presentations from Aon Hewitt Investment Consulting, Inc.; and Hamilton Lane Advisors, LLC
4. 2018 Regular Legislative Session Legislation AFFECTING TRSL February 28, 2018 and 2018 Regular Legislative Session Legislation MONITORED by TRSL Board February 28, 2018
5. Teachers' Retirement System of Louisiana Actuarial Experience Study, July 1, 2012 – June 30, 2017

Dr. Baudin called the meeting to order at 2:10 p.m. Mrs. Thompson led the Pledge of Allegiance. The secretary called the roll and a quorum was established.

**Approval of the Minutes of the Meeting of the TRSL Board of Trustees Held February 1, 2018
(Including Minutes of Committee Meetings February 1, 2018)**

ON MOTION OF MR. PARAUKA, SECONDED BY MR. LAWYER, AND CARRIED, the Board voted to approve the minutes of the meeting of the TRSL Board of Trustees held February 1, 2018 (Including Minutes of Committee Meetings held February 1, 2018).

Legislative Committee Report

ON MOTION OF MR. LAWYER, SECONDED BY DR. TAYLOR, AND CARRIED, the Board voted to accept the report of the Legislative Committee and to approve the recommendations contained therein.

Executive Committee Report

ON MOTION OF DR. BAUDIN, SECONDED BY DR. MILLS, AND CARRIED, the Board voted to accept the report of the Executive Committee and to approve the recommendations contained therein.

Investment Committee Report

ON MOTION OF MRS. GILDIG, SECONDED BY MR. HENNIGAN, AND CARRIED, the Board voted to accept the report of the Investment Committee and to approve the recommendations contained therein.

Director's Update

Mrs. Vicknair informed the Board that the Call for Candidates for upcoming elections went out February 26th.

Personal Privilege

Dr. Baudin thanked TRSL Actuary, Shelley Johnson, for the hard work and time spent preparing the 2017 TRSL Experience Study.

Mr. Parauka noted that TRSL's thoughts and prayers go out to the Parkland, Florida community, especially to all of the teachers and students impacted by the recent shooting at Marjory Stoneman Douglas High School.

Adjournment

ON MOTION OF MR. COLON, UNANIMOUSLY SECONDED, AND CARRIED, the Board voted to adjourn at 2:25 p.m.

Teachers' Retirement System of Louisiana
Legislative Committee
9:00 a.m. – Thursday
March 1, 2018

- MEMBERS PRESENT:** Robert Lawyer, Rick McGimsey (Commissioner's Designee), Jim Napper (Treasurer's Designee), Dr. James Taylor, Holly Gildig, Ricky Julien, Sr., Dr. Jerry Baudin, and David Hennigan
- MEMBERS ABSENT:** Dr. Sheryl Abshire, Senator Barrow Peacock, and Representative J. Kevin Pearson
- OTHER MEMBERS PRESENT:** Britt Colon, Dr. Tia Mills, John Parauka, and Kelly Thompson
- STAFF PRESENT:** Dana Vicknair, Katherine Whitney, Jeff LaCour, Phil Griffith, Roy Mongrue, Jr., Lisa Honore`, Adam Averite, Ed Branagan, Dana Brown, Maurice Coleman, Andrea Guntz, Robyn Jenkins-King, Steve Marangos, Dionne Rabalais, Davorio Stevenson, Matt Tessier, Charlene Wilson, Laurie Wright, Debbie Boudreaux, and Lisa Barousse
- OTHERS PRESENT:** Shelley Johnson, Foster & Foster Actuaries and Consultants; Rodney Watson, Louisiana Retired Teachers' Association, and Ryan Gremillion, Louisiana Department of Education

Roll Call

Mr. Lawyer called the meeting to order at 9:00 a.m. The secretary called the roll and a quorum was established. Mr. Lawyer appointed Mr. Hennigan to serve on the Committee as an alternate for Dr. Abshire.

Update and Discussion of 2018 Legislative Sessions

The Special Session convened February 19th and must adjourn by March 7th. TRSL is monitoring HB 29, which establishes the Louisiana Checkbook website to provide transparency of state fiscal information.

Mrs. Vicknair presented an overview of legislation affecting TRSL and the Committee took positions on the bills as follows:

ON MOTION OF DR. BAUDIN, SECONDED BY DR. TAYLOR, AND CARRIED, the Committee voted to oppose **HB 39** by Representative Ivey.

ON MOTION OF MR. HENNIGAN, SECONDED BY MR. JULIEN, AND CARRIED, the Committee voted to oppose **HB 23** by Representative Ivey.

ON MOTION OF DR. BAUDIN, SECONDED BY MR. NAPPER, AND CARRIED, the Committee voted to remain neutral on **HB 34** by Representative Pearson.

ON MOTION OF DR. BAUDIN, SECONDED BY MR. HENNIGAN, AND CARRIED, the Committee voted to support **HB 25** by Representative Pearson.

ON MOTION OF DR. BAUDIN, SECONDED BY DR. TAYLOR, AND CARRIED, the Committee voted to remain neutral on **SB 6** by Senator Peacock.

ON MOTION OF DR. TAYLOR, SECONDED BY DR. BAUDIN, AND CARRIED, the Committee voted to remain neutral on **SB 4** by Senator Peacock.

ON MOTION OF DR. BAUDIN, SECONDED BY MR. HENNIGAN, AND CARRIED, the Committee voted to remain neutral on **SB 13** by Senator Peacock.

ON MOTION OF DR. TAYLOR, SECONDED BY MR. JULIEN, AND CARRIED, the Committee voted to remain neutral on **HB 11** by Representative Ivey.

ON MOTION OF MRS. GILDIG, SECONDED BY DR. BAUDIN, AND CARRIED, the Committee voted to remain neutral on **HB 12** by Representative Ivey.

DR. TAYLOR made a motion to oppose **HB 21 by Representative Ivey**. MRS. GILDIG SECONDED, and MR. NAPPER OBJECTED to the motion. The secretary called the roll. The motion passed by a vote of 7 yeas and 1 nay, with Mr. Hennigan, Mrs. Gildig, Mr. Julien, Mr. McGimsey, Dr. Taylor, Dr. Baudin, and Mr. Lawyer voting yea; and Mr. Napper voting nay.

ON MOTION OF DR. BAUDIN, SECONDED BY MR. NAPPER, AND CARRIED, the Committee voted to take no position on **HB 24** by Representative Ivey.

ON MOTION OF DR. TAYLOR, SECONDED BY MR. JULIEN, AND CARRIED, the Committee voted to remain neutral on **HB 22** by Representative Ivey.

ON MOTION OF DR. BAUDIN, SECONDED BY MRS. GILDIG, AND CARRIED, the Committee voted to remain neutral on **HB 13** by Representative Miller.

ON MOTION OF MR. NAPPER, SECONDED BY DR. TAYLOR AND CARRIED, the Committee voted to remain neutral on **HB 14** by Representative Smith.

ON MOTION OF MR. NAPPER, SECONDED BY DR. TAYLOR, AND CARRIED, the Committee voted to support **SB 17** by Senator Peacock.

Mrs. Vicknair presented an overview of legislation monitored by TRSL.

Adjournment

ON MOTION OF NAPPER, SECONDED BY DR. BAUDIN, AND CARRIED, the Committee voted to adjourn at 9:39 a.m.

Teachers' Retirement System of Louisiana
Executive Committee
Upon Adjournment of Legislative Committee – Thursday
March 1, 2018

MEMBERS PRESENT: Dr. Jerry Baudin, Robert Lawyer, Jim Napper (Treasurer's Designee), Holly Gildig, Dr. James Taylor, and David Hennigan

MEMBERS ABSENT: Dr. Sheryl Abshire

OTHER MEMBERS PRESENT: Britt Colon, Ricky Julien, Sr., Rick McGimsey (Commissioner's Designee), Dr. Tia Mills, John Parauka, and Kelly Thompson

STAFF PRESENT: Dana Vicknair, Katherine Whitney, Jeff LaCour, Phil Griffith, Roy Mongrue, Jr., Lisa Honore`, Adam Averite, Ed Branagan, Dana Brown, Maurice Coleman, Andrea Guntz, Steve Marangos, Dionne Rabalais, Davorio Stevenson, Matt Tessier, Charlene Wilson, Laurie Wright, Debbie Boudreaux; and Lisa Barousse

OTHERS PRESENT: Shelley Johnson, Foster & Foster Actuaries and Consultants; Scott Coopriider, Rishi Delvadia, and Russ Ivinjack, Aon Hewitt Investment Consulting, Inc.; Rodney Watson, Louisiana Retired Teachers' Association; and Ryan Gremillion, Louisiana Department of Education

Roll Call

Dr. Baudin called the meeting to order at 9:40 a.m. The secretary called the roll and a quorum was established.

Presentation and Approval of Administrative Rule Regarding ReNEW Charter Management Organization Employees

Mr. Tessier presented the Administrative Rule Regarding ReNEW Charter Management Organization Employees.

ON MOTION OF MR. LAWYER, SECONDED BY DR. TAYLOR, AND CARRIED, the Committee voted to approve the rule as presented.

Presentation and Approval of the Report by the TRSL Actuary on the 2017 Experience Study

Shelley Johnson, Foster & Foster, Actuaries and Consultants presented the 2017 Experience Study. The presentation qualified for two hours of Actuarial Education for Trustees.

ON MOTION OF MR. LAWYER, SECONDED BY, DR. TAYLOR, AND CARRIED, the Committee voted to approve the 2017 Experience Study and adopt the recommendations contained therein.

Adjournment

ON MOTION OF MR. NAPPER, SECONDED BY MRS. GILDIG, AND CARRIED, the Committee voted to adjourn at 11:50 a.m.

**Teachers' Retirement System of Louisiana
Subcommittee to Review Responses to Solicitations for Proposals for International
ACWI ex US Equity Manager and SMID Core Manager
Upon Adjournment of Executive Committee – Thursday
March 1, 2018**

- MEMBERS PRESENT:** Holly Gildig, Robert Lawyer, David Hennigan, and Jim Napper (Treasurer's Designee),
- MEMBERS ABSENT:** Dr. Sheryl Abshire
- OTHER MEMBERS PRESENT:** Dr. Jerry Baudin, Britt Colon, Ricky Julien, Sr., Rick McGimsey (Commissioner's Designee), Dr. Tia Mills, John Parauka, Dr. James Taylor, and Kelly Thompson
- STAFF PRESENT:** Dana Vicknair, Katherine Whitney, Jeff LaCour, Phil Griffith, Roy Mongrue, Jr., Lisa Honore`, Adam Averite, Dana Brown, Maurice Coleman, Davorio Stevenson, Matt Tessier, Debbie Boudreaux, and Lisa Barousse
- OTHERS PRESENT:** Shelley Johnson, Foster & Foster Actuaries and Consultants; Scott Coopriider, Rishi Delvadia, and Russ Ivinjack, Aon Hewitt Investment Consulting, Inc.

Roll Call

Mrs. Gildig called the meeting to order at 12:30 p.m. The secretary called the roll and a quorum was established.

Review Proposals and Recommend Finalists to be Interviewed

- **ACWI ex US Equity**

Mr. Griffith and Scott Coopriider (Aon Hewitt) reviewed responses to the ACWI ex US Equity Manager SFP from the following firms: Baillie Gifford Overseas Limited, LSV Asset Management, Lazard Asset Management LLC, Mondrian Investment Partners Limited, Earnest Partners, and Marathon-London.

ON MOTION OF MR. HENNIGAN, SECONDED BY MR. LAWYER, AND CARRIED, the Subcommittee voted to recommend to the Investment Committee that incumbents Baillie Gifford Overseas Limited and LSV Asset Management be retained as an International ACWI ex US Equity managers, subject to fee negotiations.

- SMID CORE

Mr. Griffith and Rishi Delvadia (Aon Hewitt) reviewed responses to the SMID Core Manager SFP from the following firms: Dimensional Fund Advisors, Great Lakes Advisors, Quantitative Management Associates LLC, Rothschild Asset Management Inc., and William Blair.

ON MOTION OF MR. LAWYER, SECONDED BY MR. NAPPER, AND CARRIED, the Subcommittee voted to recommend to the Investment Committee that incumbent William Blair be retained, subject to fee negotiations; and that the following be interviewed as finalists for SMID Core Manager: Great Lakes Advisors, Quantitative Management Associates LLC, and Rothschild Asset Management Inc.

Adjournment

ON MOTION OF MR. NAPPER, SECONDED BY MR. HENNIGAN, AND CARRIED, the Committee voted to adjourn at 1:02 PM

Teachers' Retirement System of Louisiana
Investment Committee

Upon Adjournment of Subcommittee to Review Responses to Solicitations for Proposals
for International ACWI ex US Equity Manager and SMID Core Manager
Thursday - March 1, 2018

- MEMBERS PRESENT:** Holly Gildig, Robert Lawyer, David Hennigan, Jim Napper (Treasurer's Designee), Rick McGimsey (Commissioner's Designee), Dr. James Taylor, Dr. Jerry Baudin, John Parauka, and Dr. Tia Mills
- MEMBERS ABSENT:** Dr. Sheryl Abshire, Dr. Paul Nelson, Senator Barrow Peacock, and Representative J. Kevin Pearson
- OTHER MEMBERS PRESENT:** Britt Colon, Ricky Julien, Sr., and Kelly Thompson
- STAFF PRESENT:** Dana Vicknair, Katherine Whitney, Jeff LaCour, Phil Griffith, Roy Mongrue, Jr., Lisa Honore, Dana Brown, Maurice Coleman, Davorio Stevenson, Matt Tessier, Debbie Boudreaux, and Lisa Barousse
- OTHERS PRESENT:** Paul Yett and Matt Silverio, Hamilton Lane Investment Advisors, LLC; and Scott Coopriker, Rishi Delvadia, and Russ Ivinjack, Aon Hewitt Investment Consulting, Inc.

Roll Call

Mrs. Gildig called the meeting to order at 1:03 p.m. The secretary called the roll and a quorum was established. Mrs. Gildig appointed Mr. Parauka and Dr. Mills to serve on the Committee as alternates for Dr. Abshire and Dr. Nelson.

Report of Subcommittee to Review Responses to Solicitations for Proposals for International ACWI ex US Equity Manager and SMID Core Manager

Mrs. Gildig presented the report of the Subcommittee to Review Responses to the SFPs for International ACWI ex US Equity Manager and SMID Core Manager.

ON MOTION OF MRS. GILDIG, SECONDED BY MR. NAPPER, AND CARRIED, the Committee voted to approve the following report of the Subcommittee:

“ON MOTION OF MR. HENNIGAN, SECONDED BY MR. LAWYER, AND CARRIED, the Subcommittee voted to recommend to the Investment Committee that incumbents Baillie Gifford Overseas Limited and LSV Asset Management be retained as International ACWI ex US Equity managers, subject to fee negotiations.”

ON MOTION OF MR. LAWYER, SECONDED BY MR. NAPPER, AND CARRIED, the Subcommittee voted to recommend to the Investment Committee that incumbent William Blair be retained, subject to fee negotiations; and that the following be interviewed as finalists for SMID Core Manager: Great Lakes Advisors, Quantitative Management Associates LLC, and Rothschild Asset Management Inc.”

Private Market Update and Review of Potential Private Market Investments

Paul Yett and Matt Silverio of Hamilton Lane Advisors, LLC appeared before the Committee to present private market items.

Mr. Silverio presented the private market update.

Mr. Silverio reviewed a potential investment in ICG Europe Fund VII.

ON MOTION OF MR. LAWYER, SECONDED BY DR. MILLS, AND CARRIED, consistent with the alternative investment guidelines, the Committee voted to receive the Hamilton Lane report, including the due-diligence process dated March 1, 2018, pertaining to investments in ICG Europe Fund VII (up to \$75 million in EUR) subject to final term negotiations completed within the timeline established by the Hamilton Lane contract.

Mr. Yett reviewed a potential investment in Kelso Investment Associates X, L. P.

ON MOTION OF MR. LAWYER, SECONDED BY MR. PARAUKA, AND CARRIED, consistent with the alternative investment guidelines, the Committee voted to receive the Hamilton Lane report, including the due-diligence process dated March 1, 2018, pertaining to investments in Kelso Investment Associates X, L. P. (up to \$100 million) subject to final term negotiations completed within the timeline established by the Hamilton Lane contract.

Private Market Annual Committee Reports

Mr. Silverio and Mr. Yett presented Private Market Annual Reports on the following Funds: BC European Capital IX & X, L.P.; Providence Debt Fund III, L.P.; Benefit Street Partners Debt Fund IV, L.P.; Carlyle Partners IV & V, L.P.; CVC Capital Partners Asia Pacific IV, L.P.; Kayne Anderson

Real Estate Partners IV, L.P.; KPS Special Situations Fund IV, L.P.; Lindsay Goldberg II, III & IV, L.P.; LS Power Equity Partners III, L.P.; Platinum Equity Capital Partners II, III & IV, L.P.; Providence Equity Partners VI & VII, L.P.; and Turnbridge Capital Partners I, L.P.

ON MOTION OF DR. BAUDIN, SECONDED BY MR. HENNIGAN, AND CARRIED, the Committee voted to receive the reports as presented.

Presentation and Approval of Solicitation for Proposals for Small Cap Value Manager

Mr. Griffith presented the SFP for Small Cap Value Manager.

MR. NAPPER, SECONDED BY DR. BAUDIN, AND CARRIED, the Committee voted to approve the SFP for Small Cap Value Manager.

Appointment of Subcommittee to Review Responses to Solicitation for Proposals for International Large Cap Growth Manager

Mrs. Gildig appointed the following to serve on the Subcommittee: Mr. Lawyer as Chair, Dr. Abshire, Mrs. Gildig, Dr. Taylor, and Mr. Napper.

Capital Market Update and Review of TRSL Investments

- **Monthly Investment Review**

Mr. Griffith presented an overview of TRSL's total plan and public and private market investments. Russ Ivinjack presented the Aon Hewitt March 1, 2018 portfolio summary report. Staff and Consultant reviewed performance of TRSL Investments through January 31, 2018.

- **Portfolio Review**

Rishi Delvadia (Aon Hewitt) and Dana Brown (TRSL) reviewed Fixed Income Core Managers - J.P. Morgan Asset Management and PGIM Fixed Income; and Core Plus Fixed Income Manager - Loomis Sayles

Adjournment

ON MOTION OF MR. PARAUKA, SECONDED BY DR. MILLS, AND CARRIED, the Committee voted to adjourn at 2:04 p.m.