

Teachers' Retirement System of Louisiana
Board of Trustees
8401 United Plaza Blvd., 4th Floor, Baton Rouge, LA 70809
Upon Adjournment of Investment Committee – Thursday
October 3, 2019

MEMBERS PRESENT: Dr. Jerry Baudin, Holly Gildig, David Hennigan, Ricky Julien, Sr., Rick McGimsey (Commissioner's Designee), Dr. Tia Mills, Dr. Paul Nelson, Neshelle Nogess, John Parauka, Suzette Riddle, Dr. Tom Stafford, and Dr. James Taylor

MEMBERS ABSENT: Jim Napper (Treasurer's Designee), Senator Barrow Peacock, Representative J. Kevin Pearson, Kelly Thompson, and State Superintendent John White

STAFF PRESENT: Dana Vicknair, Katherine Whitney, Philip Griffith, Douglas Swenson, Jeff LaCour, Dr. Lisa Honore`, Adam Averite, Jeneal Banks, Dean Bedeker, Dana Brown, Sharhonda Brown, Maurice Coleman, Raven Duncil, Randy Fekete, Ben Foster, Patricia Edmonson, Randall Harrison, Andrea Guntz, Robyn Jenkins-King, Karissa Johnson, Linnie Johnson, Steve Marangos, Caryn McGlinchey, Dionne Rabalais, Krystal Schroeder, Davorio Stevenson, Matt Tessier, Melissa Waldron, Charlene Wilson, Laurie Wright, and Lisa Barousse

Each member of the Board received the following:

1. October 2019 Board Book
2. Investment Committee Meeting October 3, 2019, Performance Report – August 31, 2019
3. Investment Committee Presentations from Hamilton Lane Advisors, LLC; Aon Hewitt Investment Consulting, Inc.; LGP | Leonard Green & Partners; Mercer; Voya Investment Management, Inc.; and Wedge Capital Management, L.L.P.
4. *Teachers' Retirement System of Louisiana, June 30, 2019 Actuarial Valuation (including the Actuarial Valuation of the Louisiana State University Agriculture and Extension Service) as of June 30, 2019* – Shelley Johnson, Foster & Foster Actuaries and Consultants
5. Overview of Bills from 2008-2019 on Charter School Employee Participation/Membership, Withdrawal Liability, and Direct Pay of Employer Contributions.

Dr. Baudin called the meeting to order at 3:10 p.m. Mrs. Gildig 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 September 5, 2019 (Including Minutes of Committee Meetings Held September 5, 2019)

ON MOTION OF MR. JULIEN, SECONDED BY DR. TAYLOR, AND CARRIED, the Board voted to approve the Minutes of the meeting of the TRSL Board of Trustees held September 5, 2019 (including Minutes of Committee Meetings held September 5, 2019).

Elections Committee Report

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

Executive Committee Report

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

Legislative Committee Report

ON MOTION OF MS. NOGESS, SECONDED BY MR. PARAUKA, AND CARRIED, the Board voted to accept the report of the Legislative Committee.

Investment Committee Report

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

Presentation of Government Finance Officers Association Awards for TRSL's Popular Annual Financial Report and Comprehensive Annual Financial Report

For the 28th consecutive year, the GFOA Certificate of Achievement for Excellence in Financial Reporting was awarded to TRSL. Mr. Randy Fekete, in Accounting, received the Award of Financial Reporting Achievement for his work on the CAFR.

TRSL also received the Award for Outstanding Achievement in Popular Annual Financial Reporting for the 17th consecutive year. Ms. Raven Duncil, in the Public Information Department, received the Award of Outstanding Reporting Achievement for her work on the PAFR.

Dr. Baudin recognized and thanked the following individuals who contributed to the completion of the CAFR and PAFR for Fiscal Year ended June 30, 2018:

- Karissa Johnson and Melissa Waldron (Accounting-Investment Section)
- Sharhonda Brown (Accounting-Administrative Assistant)
- Ben Foster (Accounting, Deputy Chief Financial Officer)
- Maurice Coleman, Dana Brown, Davorio Stevenson, Adam Averite and Patricia Edmonson (Investments)
- Krystal Schroeder (Admin Services)
- Shelley Johnson (Actuary)
- Charlene Wilson (Chief Financial Officer)
- Lisa Honore` (Public Information Director)

Introduction of Newly Hired Staff

Steve Marangos, Laurie Wright, and Charlene Wilson, respectively, introduced the employees who were hired during the period July 1, 2019 through September 30, 2019:

- Dean Bedekar – IT Applications Manager 2
- Jeneal Banks – Retirement Benefits Analyst 1
- Caryn McGlinchey – Business Analytics Specialist

Director's Update

Mrs. Vicknair updated the Board on the following:

- Most Trustees have met the education requirements needed to receive per diem for the period September 1, 2019 through August 31, 2020. Lisa Barousse has contacted the Trustees who need training and advised of options for receiving required education.
- TRSL in Your Neighborhood offers 30-minute individual counseling sessions to members who are within two years of retirement or DROP eligibility. Benefit estimates are provided. The next event is in the New Orleans area at three locations: Delgado Community College, Benjamin Franklin High School and East Bank Regional Library.

Adjournment

ON MOTION OF MR. HENNIGAN, SECONDED BY MRS. GILDIG, AND CARRIED, the Board voted to adjourn at 3:30 p.m.

**Teachers' Retirement System of Louisiana
Elections Committee
8:30 a.m. – Thursday
October 3, 2019**

MEMBERS PRESENT: Dr. James Taylor, Neshelle Nogess, Holly Gildig, Ricky Julien, Sr., Suzette Riddle, Dr. Tom Stafford, Dr. Jerry Baudin, and Rick McGimsey (Treasurer's Designee)

MEMBERS ABSENT: Kelly Thompson

OTHER MEMBERS PRESENT: Jim Napper (Treasurer's Designee), Dr. Paul Nelson, and John Parauka

STAFF PRESENT: Dana Vicknair, Katherine Whitney, Philip Griffith, Douglas Swenson, Jeff LaCour, Dr. Lisa Honore`, Adam Averite, 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; Margaret Corley and Laura Gail Sullivan, Louisiana Senate; and Nicole Edmonson and Lowell Good, Louisiana Legislative Auditor's Office

Roll Call

Dr. Taylor called the meeting to order at 8:30 a.m. The secretary called the roll and a quorum was established. Dr. Taylor appointed Mr. McGimsey to serve on the Committee as an alternate for Mrs. Thompson.

Receive Primary Election Results for Districts 2 and 4

Dr. Taylor read the election results for **District 2** as follows: Lotte Delaney received 55% of the votes (81 votes) and John Parauka received 44.9% of the votes (66 votes).

Ms. Delaney was elected with 55.1% of the vote.

ON MOTION OF MRS. RIDDLE, SECONDED BY MR. MCGIMSEY, AND CARRIED, the Committee voted to receive and approve the primary election results for District 2 for the term January 1, 2020 through December 31, 2023.

Dr. Taylor read the election results for **District 4** as follows: David Hennigan received 39.5% of the votes (95 votes), Cynthia Henderson received 37.1% of the votes (89 votes), John Allen received 16.7% of the votes (40), and Glenn Sullivan received 6.7% of the votes (16 votes).

A run-off election will be held between Mr. Hennigan and Ms. Henderson who received 39.5% and 37.1% of the vote, respectively.

ON MOTION OF MS. NOGESS, SECONDED BY MRS. RIDDLE, AND CARRIED, the Committee voted to receive and approve the primary election results for District 4 for the term January 1, 2020 through December 31, 2023.

Adjournment

ON MOTION OF DR. BAUDIN SECONDED BY MS. NOGESS, AND CARRIED, the Committee voted to adjourn at 8:40 a.m.

**Teachers' Retirement System of Louisiana
Executive Committee
8401 United Plaza Blvd., 4th Floor, Baton Rouge, LA 70809
Upon Adjournment of Elections Committee – Thursday
October 3, 2019**

MEMBERS PRESENT: Dr. Jerry Baudin, Holly Gildig, David Hennigan, Neshelle Nogess, Dr. James Taylor, John Parauka, and Ricky Julien, Sr.

OTHER MEMBERS PRESENT: Rick McGimsey (Commissioner's Designee), Jim Napper (Treasurer's Designee), Dr. Paul Nelson, Suzette Riddle, and Dr. Tom Stafford

STAFF PRESENT: Dana Vicknair, Katherine Whitney, Philip Griffith, Douglas Swenson, Jeff LaCour, Dr. Lisa Honore`, Adam Averite, 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; Tyler Bosworth, Louisiana House of Representatives; Margaret Corley and Laura Gail Sullivan, Louisiana Senate; and Nicole Edmonson and Lowell Good, Louisiana Legislative Auditor's Office

Roll Call

Dr. Baudin called the meeting to order at 8:42 a.m. The secretary called the roll and a quorum was established

Presentation and Approval of Actuarial Valuation for Fiscal Year Ended June 30, 2019 by Foster & Foster Actuaries and Consultants

Shelley Johnson of Foster & Foster, Actuaries and Consultants, presented the Annual Actuarial Valuation (including the Actuarial Valuation of the Louisiana State University Agriculture and Extension Service) for Fiscal Year ended June 30, 2019. (Note: The valuation will not be considered final until approval by PRSAC.) The presentation qualified for one hour of Actuarial Science Education for trustees.

Mrs. Vicknair advised the Committee that at last month's meeting, Senator Peacock had requested the Board consider implementing a new plan to further reduce the discount rate. He also requested that the Board reduce the projected discount rate from 7.5% to 7.45% in the Valuation for Fiscal Year ended June 30, 2019. Education and information will be provided prior to any action.

ON MOTION OF DR. TAYLOR, SECONDED BY MR. PARAUKA, AND CARRIED, the Committee voted to approve the Annual Actuarial Valuation of the Teachers' Retirement System of Louisiana, (including the Actuarial Valuation of the Louisiana State University Agriculture and Extension Service) for the Fiscal Year ended June 30, 2019 and the projected contribution rates contained therein for the Fiscal Year ending June 30, 2021.

Presentation and Approval of Quarterly Compliance Audit Reports

Andrea Guntz presented the Quarterly Compliance Audit Reports.

ON MOTION OF MR. JULIEN, SECONDED BY MS. NOGESS, AND CARRIED, the Committee voted to approve the Audit Reports as presented.

Presentation of Quarterly Litigation Reports

Douglas Swenson presented the Quarterly Litigation Reports.

ON MOTION OF MRS. GILDIG, SECONDED BY MR. JULIEN, AND CARRIED, the Committee voted to receive the Quarterly Litigation Reports.

Review and Approval of Suggested Changes to Board Self-Evaluation Form

Mrs. Vicknair informed the Committee that no changes were proposed to the Board Self-Evaluation Form; therefore, no action is needed and the form will remain as is.

Adjournment

ON MOTION OF DR TAYLOR, SECONDED BY MRS. GILDIG, AND CARRIED, the Committee voted to adjourn at 9:53 a.m.

**Teachers' Retirement System of Louisiana
Legislative Committee
8401 United Plaza Blvd., 4th Floor, Baton Rouge, LA 70809
Upon Adjournment of Executive Committee – Thursday
October 3, 2019**

MEMBERS PRESENT: Neshelle Nogess, Dr. Paul Nelson, Rick McGimsey (Commissioner's Designee), Jim Napper (Treasurer's Designee), Holly Gildig, Ricky Julien, Sr., Dr. James Taylor, and Dr. Jerry Baudin

MEMBERS ABSENT: Senator Barrow Peacock and Representative J. Kevin Pearson

OTHER MEMBERS PRESENT: David Hennigan, Dr. Tia Mills, John Parauka, Suzette Riddle, and Dr. Tom Stafford

STAFF PRESENT: Dana Vicknair, Katherine Whitney, Philip Griffith, Douglas Swenson, Jeff LaCour, Dr. Lisa Honore`, Adam Averite, 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; Tyler Bosworth, Louisiana House of Representatives; Margaret Corley and Laura Gail Sullivan, Louisiana Senate; and Nicole Edmonson and Lowell Good, Louisiana Legislative Auditor's Office

Roll Call

Ms. Nogess called the meeting to order at 9:54 a.m. The secretary called the roll and a quorum was established.

Update and Discussion of 2020 Legislative Session - Potential Legislation

Dana Vicknair and Katherine Whitney reviewed previous years' legislation that potentially could be filed in the upcoming 2020 Regular Session which begins March 9, 2020. Legislative staff has asked that any legislation suggested by the retirement systems be submitted by November 1, 2019. Staff recommended that at this time no requests for legislation from TRSL be submitted.

Adjournment

ON MOTION OF MR. NAPPER, SECONDED BY MR. JULIEN, AND CARRIED, the Committee voted to adjourn at 10:08 a.m.

**Teachers' Retirement System of Louisiana
Investment Committee
8401 United Plaza Blvd., 4th Floor, Baton Rouge, LA 70809
Upon Adjournment of Legislative Committee – Thursday
October 3, 2019**

- MEMBERS PRESENT:** Holly Gildig, David Hennigan, Jim Napper (Treasurer's Designee), Dr. Paul Nelson, Dr. James Taylor, Neshelle Nogess, John Parauka, Rick McGimsey (Commissioner's Designee), and Dr. Jerry Baudin
- MEMBERS ABSENT:** Senator Barrow Peacock and Representative J. Kevin Pearson
- OTHER MEMBERS PRESENT:** Ricky Julien, Sr., Dr. Tia Mills, Suzette Riddle, and Dr. Tom Stafford
- STAFF PRESENT:** Dana Vicknair, Katherine Whitney, Philip Griffith, Douglas Swenson, Jeff LaCour, Dr. Lisa Honore`, Adam Averite, Dana Brown, Maurice Coleman, Davorio Stevenson, Matt Tessier, Debbie Boudreaux, and Lisa Barousse
- OTHERS PRESENT:** Paul Yett and Matt Silverio, Hamilton Lane Advisors, LLC; Jonathan Seiffer and Evan Hershberg of LGP | Leonard Green & Partners; Andrew Ness and Will Dillard, Mercer; Scott Coopriider, Russ Ivinjack, and Rishi Delvadia, Aon Hewitt Investment Consultants, Inc.; Jeffrey Bianchi, Kristy Finnegan, and Scott Musick, Voya Investment Management Inc.; Leah M. Long and Richard A. Wells, WEDGE Capital Management, L.L.P; Shelley Johnson, Foster & Foster Actuaries and Consultants; and Lowell Good, Louisiana Legislative Auditor's Office

Roll Call

Mrs. Gildig called the meeting to order at 10:20 a.m. The secretary called the roll and a quorum was established.

Private Market Update and Review of Potential Private Market Investments

Mr. Yett and Mr. Silverio of Hamilton Lane Advisors appeared before the Committee to present Private Market items.

Mr. Silverio presented the Private Market Update.

Mr. Yett reviewed a potential alternative investment in Green Equity Investors VIII, L.P.

ON MOTION OF MS. NOGESS, SECONDED BY DR. TAYLOR, AND CARRIED, consistent with the alternative investment guidelines, the Committee voted to receive the Hamilton Lane report, including the due-diligence process dated October 3, 2019 pertaining to investments in Green Equity Investors VIII, L.P. (up to \$50 million), subject to final term negotiations completed within the timeline established by the Hamilton Lane contract.

Mr. Yett reviewed a potential alternative investment in Jade Equity Investors, L. P.

Mr. Seiffer and Mr. Hershberg of LGP | Leonard Green & Partners appeared before the Committee to give a presentation on the fund.

ON MOTION OF MS. NOGESS, SECONDED BY MR. NAPPER, AND CARRIED, consistent with the alternative investment guidelines, the Committee voted to receive the Hamilton Lane report, including the due-diligence process dated October 3, 2019 pertaining to investments in Jade Equity Investors, L.P (up to \$25 million), subject to final term negotiations completed within the timeline established by the Hamilton Lane contract.

Mr. Silverio reviewed a potential alternative investment in Related Real Estate Fund III, L.P.

ON MOTION OF MS. NOGESS, SECONDED BY DR. BAUDIN, AND CARRIED, consistent with the alternative investment guidelines, the Committee voted to receive the Hamilton Lane report, including the due-diligence process dated October 3, 2019 pertaining to investments in Related Real Estate Fund III, L.P. (up to \$50 million), subject to final term negotiations completed within the timeline established by the Hamilton Lane contract.

Optional Retirement Plan Quarterly and Fiscal Year Update (for period ended 06/30/2019)

Mr. Ness and Mr. Dillard of Mercer presented the ORP quarterly and fiscal year update for the period ended June 30, 2019.

ON MOTION OF DR. BAUDIN, SECONDED BY MR. NAPPER, AND CARRIED, the Committee voted to receive the report.

Capital Market Update and Review of TRSL Investments

Investment Policy Statement

Mr. Griffith presented a proposed amendment to the Investment Policy Statement Section 3, Roles and Responsibilities, which would remove the current requirement for newly hired managers to appear before the Committee for review approximately 12 months from hire date. The proposed amendment would provide for the Board to retain its authority to require newly hired managers to appear before the Board for any scheduled review at its discretion.

ON MOTION OF DR. BAUDIN, SECONDED BY MR. HENNIGAN, AND CARRIED, the Committee voted to approve the amendment to the Investment Policy Statement as presented.

Quarterly and Monthly Investment Review

Mr. Ivinjack presented Aon Hewitt's 2019 2nd Quarter Investment Review. Mr. Griffith presented an overview of TRSL's total plan and public and private market investments. Mr. Coopriider presented Aon Hewitt's Monthly Investment Review. Staff and Consultant reviewed performance of TRSL investments through August 31, 2019.

Mr. Griffith and Mr. Coopriider presented an update on Western Asset Management. Aon Hewitt and staff recommended that Western Asset Management be placed on the watch list.

Portfolio Review

Mr. Delvadia and Mr. Brown reviewed Mid Cap Growth & Value Managers: Voya Investment Management (Growth) and WEDGE Capital Management, L.L.P. (Value); and REIT Managers: Brookfield Investment Management, Inc. and Dimensional Fund Advisors.

Mr. Bianchi, Ms. Finnegan, and Mr. Musick of Voya Investment Management Inc.; and Ms. Long and Mr. Wells of WEDGE Capital Management, L.L.P presented their firm's annual portfolio review.

Adjournment

ON MOTION OF DR. TAYLOR, SECONDED BY MR. PARAUKA, AND CARRIED, the Committee voted to adjourn at 3:05 p.m.