

**Teachers' Retirement System of Louisiana
Board of Trustees
Upon Adjournment of Investment Committee – Thursday
March 2, 2017**

MEMBERS PRESENT: Dr. Jerry Baudin, Holly Gildig, Kathy Hattaway, David Hennigan, Ricky Julien, Sr., Robert Lawyer, Dr. Tia Mills, Jim Napper (Treasurer's Designee), Neshelle Nogess, John Parauka, Representative J. Kevin Pearson, and Dr. James Taylor

MEMBERS ABSENT: Dr. Sheryl Abshire, Rick McGimsey, (Commissioner's Designee), Senator Barrow Peacock, Carlos Sam, and State Superintendent John White

STAFF PRESENT: Maureen Westgard, Stuart Cagle, Dana Vicknair, Ed Branagan, Dana Brown, Gabrielle Brown-Morgan, Maurice Coleman, Kelli Harrison, Randall Harrison, Linnie Johnson, Jeff LaCour, Dionne Rabalais, Katherine Whitney, Duke Williams, Charlene Wilson, Beth Worthen, Laurie Wright, Davorio Stevenson, and Lisa Barousse

OTHERS PRESENT: Shelley Johnson, Foster & Foster Actuaries and Consultants

Each member of the Board received the following:

1. March 2017 Board Book
2. Investment Committee Meeting March 2, 2017, Performance Report – January 31, 2017
3. Investment Committee Presentations from Aon Hewitt Investment Consulting, Inc.; and Dr. David Kelly, Global Chief Strategist, J.P. Morgan Asset Management
4. *2017 Bills Affecting TRSL by Category*

Dr. Baudin called the meeting to order at 3:00 p.m. Dr. Mills 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 2, 2017 (Including Minutes of Committee Meetings held February 2, 2017)

ON MOTION OF DR. TAYLOR, SECONDED BY DR. MILLS, AND CARRIED, the Board voted to approve the Minutes of the meeting of the TRSL Board of Trustees held February 2, 2017 (including Minutes of Committee Meetings held February 2, 2017).

Legislative Committee Report

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

Investment Committee Report

ON MOTION OF MS. HATTAWAY, 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

Ms. Westgard updated the Board on the following:

- Permanently Disabled Child Project
- Surviving Spouse Re-marry Project
- After RFI process for the Operations Account, TRSL negotiated a new contract with JP Morgan Chase resulting in fee savings and higher interest rate on account balances
- The Accounting Department, working with Administrative Services and the IT Departments mailed 93,864 1099s to benefit recipients

Adjournment

ON MOTION OF MR. NAPPER, SECONDED BY MR. PARAUKA, AND CARRIED, the Board voted to adjourn at 3:15 p.m.

Teachers' Retirement System of Louisiana
Legislative Committee
12:00 p.m. – Thursday
March 2, 2017

MEMBERS PRESENT: Robert Lawyer, Rick McGimsey (Commissioner's Designee), Jim Napper (Treasurer's Designee), Dr. James Taylor, John Parauka, Senator Barrow Peacock, Representative J. Kevin Pearson, Dr. Jerry Baudin, Kathy Hattaway, and Ricky Julien, Sr.

MEMBERS ABSENT: Dr. Sheryl Abshire, and Carlos Sam

OTHER MEMBERS PRESENT: Holly Gildig David Hennigan, Dr. Tia Mills, and Neshelle Nogess

STAFF PRESENT: Maureen Westgard, Stuart Cagle, Dana Vicknair, Ed Branagan, Dana Brown, Maurice Coleman, Robyn Jenkins-King, Jeff LaCour, Dionne Rabalais, Matt Tessier, Katherine Whitney, Duke Williams, Charlene Wilson, Laurie Wright, Davorio Stevenson, Debbie Boudreaux, and Lisa Barousse

OTHERS PRESENT: Shelley Johnson, Foster & Foster, Actuaries and Consultants; Annie Smith, Louisiana House Retirement Committee; Margaret Corley, Louisiana Senate Retirement Committee; Renee Siccone, Louisiana Retired Teachers' Association (LRTA)

Roll Call

Mr. Lawyer called the meeting to order at 12:00 p.m. The secretary called the roll and a quorum was established. Mr. Lawyer appointed Ms. Hattaway and Mr. Julien to serve on the Committee as alternates for Mr. Sam and Dr. Abshire.

Update and Discussion of 2017 Legislative Sessions

Special Session

The Special Session convened February 13th and adjourned February 22nd; however, the call did not include any items affecting TRSL. Ms. Westgard reviewed a summary of actions from the Special Session regarding the State Budget and bills and resolutions monitored by TRSL.

Legislation Affecting TRSL

Ms. Westgard reviewed prefiled legislation affecting TRSL as of March 2, 2017.

Senator Peacock reviewed his bill, **SB 11**, which provides for incorporation of the Louisiana School Employees' Retirement System (LSERS) into TRSL. He also reviewed **SB 8**, which provides for correction of membership and enrollment errors in the state and statewide retirement systems.

Representative Pearson reviewed his bill, **HB 33**, which provides relative to representation of the House of Representatives on the boards of trustees of state and statewide retirement systems.

Ms Westgard reviewed bills related to Return to Work: **HB 4** by Representative Miguez which provides relative to the reemployment of retired school nurses in positions covered by TRSL; and **HB 31** by Representative Hoffmann which provides relative to the reemployment of retired school psychologists in positions covered by TRSL.

Ms. Westgard noted that the Committee would not take positions on legislation until the April meeting in order to have complete actuarial, legal, and administrative analysis of the bills affecting TRSL.

Adjournment

ON MOTION OF MS. HATTAWAY, SECONDED BY MR. NAPPER, AND CARRIED, the Committee voted to adjourn at 12:27 p.m.

**Teachers' Retirement System of Louisiana
Subcommittee to Review Responses to Solicitation for Proposals for
Emerging Markets Debt Manager
Upon Adjournment of Legislative Committee – Thursday
March 2, 2017**

MEMBERS PRESENT: Holly Gildig, Kathy Hattaway, Robert Lawyer, Jim Napper (Treasurer's Designee), and Kathy Hattaway

MEMBERS ABSENT: Dr. Sheryl Abshire

OTHER MEMBERS PRESENT: Dr. Jerry Baudin, David Hennigan, Ricky Julien, Sr., Rick McGimsey (Commissioner's Designee), Dr. Tia Mills, Neshelle Nogess, John Parauka, Senator Barrow Peacock, Representative J. Kevin Pearson, and Dr. James Taylor,

STAFF PRESENT: Maureen Westgard, Stuart Cagle, Dana Vicknair, Ed Branagan, Dana Brown, Maurice Coleman, Jeff LaCour, Davorio Stevenson, Matt Tessier, Katherine Whitney, Duke Williams, Debbie Boudreaux, and Lisa Barousse

OTHERS PRESENT: Shelley Johnson, Foster & Foster, Actuaries and Consultants; Scott Coopriider, Rishi Delavadia, and Russ Ivinjack, Aon Hewitt Investment Consulting, Inc.; Annie Smith, Louisiana House Retirement Committee; Margaret Corley, Louisiana Senate Retirement Committee; and Renee Siccone, Louisiana Retired Teachers' Association (LRTA)

Roll Call

Mrs. Gildig called the meeting to order at 12:29 p.m. The secretary called the roll and a quorum was established.

Review Proposals and Recommend Finalists to be Interviewed

Scott Coopriider, Russ Ivinjack, and Rishi Delvadia of Aon Hewitt presented an overview of the following firm's responses to the Emerging Markets Debt Manager SFP: Colchester Global Investors Limited, Lazard Asset Management LLC, PGIM Fixed Income, and Western Asset Management Company. Aon Hewitt recommended and TRSL staff concurred with the recommendation to retain incumbent Western Asset Management Company.

ON MOTION OF MR. LAWYER, SECONDED BY MS. HATTAWAY, AND CARRIED, the Subcommittee voted to recommend to the Investment Committee that incumbent Western Asset Management Company be retained, subject to fee negotiations.

Adjournment

ON MOTION OF MR. LAWYER, SECONDED BY MS. HATTAWAY, AND CARRIED, the Committee voted to adjourn at 12:59 p.m.

**Teachers' Retirement System of Louisiana
Investment Committee
Upon Adjournment of Subcommittee to Review Responses to
Solicitation for Proposals for Emerging Markets Debt Manager – Thursday
March 2, 2017**

MEMBERS PRESENT: Kathy Hattaway, Robert Lawyer, David Hennigan, Holly Gildig, Jim Napper (Treasurer's Designee), Neshelle Nogess, Senator Barrow Peacock, Representative J. Kevin Pearson, Rick McGimsey (Commissioner's Designee), Dr. Jerry Baudin, and Dr. James Taylor

MEMBERS ABSENT: Dr. Sheryl Abshire

OTHER MEMBERS PRESENT: Ricky Julien, Sr., Dr. Tia Mills, and John Parauka

STAFF PRESENT: Maureen Westgard, Stuart Cagle, Dana Vicknair, Ed Branagan, Dana Brown, Maurice Coleman, Jeff LaCour, Davorio Stevenson, Matt Tessier, Katherine Whitney, Duke Williams, Debbie Boudreaux, and Lisa Barousse

OTHERS PRESENT: Shelley Johnson, Foster & Foster, Actuaries and Consultants; Scott Coopriker, Rishi Delavadia, and Russ Ivinjack, Aon Hewitt Investment Consulting, Inc.; Dr. David Kelly, JP Morgan Asset Management; Annie Smith, Louisiana House Retirement Committee; Margaret Corley, Louisiana Senate Retirement Committee; and Renee Siccone, Louisiana Retired Teachers' Association (LRTA)

Roll Call

Ms. Hattaway called the meeting to order at 1:02 p.m. The secretary called the roll and a quorum was established. Ms. Hattaway appointed Dr. Taylor to serve on the Committee as alternate for Dr. Abshire.

Report of Subcommittee to Review Responses to Solicitation for Proposals (SFP) for Emerging Markets Debt Manager

Mrs. Gildig presented the report of the Subcommittee to Review Responses to the SFP for Emerging Markets Debt Manager.

ON MOTION OF DR. TAYLOR, SECONDED BY DR. BAUDIN, AND CARRIED, the Committee voted to approve the following report of the Subcommittee to Review Responses to the SFP for Emerging Markets Debt Manager:

"ON MOTION OF MR. LAWYER, SECONDED BY MS. HATTAWAY, AND CARRIED, the Subcommittee voted to recommend to the Investment Committee that incumbent Western Asset Management Company be retained, subject to fee negotiations."

Appointment of Subcommittee to Review Responses to the SFP for Core Fixed Income Manager

Ms. Hattaway appointed the following to serve on the Subcommittee to Review Responses to the SFP for Core Fixed Income Manager: Mr. Lawyer as Chair, Dr. Abshire, Mr. Hennigan, Mr. Napper, and Mrs. Gildig.

Investing amidst political uncertainty – Dr. David Kelly, Global Chief Strategist, J.P. Morgan Asset Management

Mr. Coleman introduced Dr. David Kelly of J.P. Morgan Asset Management. Dr. Kelly presented *Investing Amidst Political Uncertainty*. The presentation qualified for one hour of Investment Education.

Capital Market Update and Review of TRSL Investments

Monthly Investment Review

Mr. Coleman presented an overview of TRSL's total plan and public and private market investments. Russ Ivinjack presented Aon Hewitt's March 2, 2017 portfolio summary report. Staff and Consultant reviewed performance of TRSL investments through January 31, 2017.

Portfolio Review

Rishi Delvadia and Scott Coopriider of Aon Hewitt, and Mr. Brown reviewed Fixed Income Core Managers: J.P. Morgan Investment Management, Inc. and Prudential Fixed Income; and Core Plus Manager: Loomis Sayles.

Adjournment

ON MOTION OF MR. LAWYER, SECONDED BY MRS. GILDIG, AND CARRIED, the Committee voted to adjourn at 2:58 p.m.