

Teachers' Retirement System of Louisiana
Board of Trustees
8401 United Plaza Blvd., 4th Floor, Baton Rouge, LA 70809
Upon Adjournment of Committee of the Whole - Friday
December 3, 2021

MEMBERS PRESENT: Holly Gildig, David Hennigan, Dr. Jerry Baudin, Representative Phillip DeVillier, Ricky Julien, Sr., Rick McGimsey (Commissioner's Designee), Dr. Paul Nelson, Neshelle Nogess, Dr. Tom Stafford, and Dr. James Taylor

MEMBERS ABSENT: Suzanne Breaux, Lotte Delaney, Senator Cleo Fields, Ryan Gremillion (State Superintendent's Designee), Dr. Tia Mills, Jim Napper (Treasurer's Designee), and Sommer Purvis

STAFF PRESENT: Katherine Whitney, Douglas Swenson, Phillip Griffith, Kenneth L. "Trey" Roche, III, Jeff LaCour, Lisa Honore`, Adam Averite, Dana Brown, Maurice Coleman, Andrea Guntz, Sandra Jelks, Robyn Jenkins-King, Michelle Milhollen, Matt Tessier, Shameeka Kaufman, and Lisa Barousse

OTHERS PRESENT: Shelley Johnson, Foster & Foster, Actuaries and Consultants; and Clyde Hamner, Trustee-Elect for Retirees

Each member of the Board received the following:

1. December 2021 Board Book
2. Investment Committee Meeting November 2021, Performance Report – September 30, 2021
3. Investment Committee presentations from Hamilton Lane Advisors, LLC; Aon Investments; J.P. Morgan; and BNY Mellon
4. *Permanent Benefit Increases – A Continuing Review* - TRSL
5. *Retiree Return to Work Provisions – Past and Present* – TRSL
6. *TRSL UAL and How It Is Paid* - Shelley Johnson, Foster & Foster Actuaries and Consultants
7. TRSL Comprehensive Annual Financial Report and Popular Annual Financial Report for Fiscal Years Ended June 30, 2021 and 2020

Mrs. Gildig called the meeting to order at 11:14 a.m. Ms. Nogess 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 November 4, 2021 (Including Minutes of Committee Meetings held November 4, 2021)

ON MOTION OF DR. TAYLOR, SECONDED BY DR. BAUDIN, AND CARRIED, the Board voted to approve the Minutes of the Meeting of the TRSL Board of Trustees held November 4, 2021 (including Minutes of Committee Meetings held November 4, 2021).

Investment Committee Report

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

Executive Committee Report

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

Committee of the Whole Report

ON MOTION OF MRS. GILDIG, SECONDED BY MS. NOGESS, AND CARRIED, the Board voted to accept the report of the Committee of the Whole in globo.

Director's Update

Ms. Whitney informed the Board that the Public Retirement Systems Actuarial Committee (PRSAC) is scheduled for December 16, 2021 to hear TRSL's valuation.

Presentation of TRSL 2021 Board of Trustees Self-Evaluation

Mrs. Gildig presented the 2021 TRSL Board of Trustees Self-Evaluation.

ON MOTION OF MRS. GILDIG, SECONDED BY DR. BAUDIN, AND CARRIED, the Board voted to receive the report on the 2021 TRSL Board of Trustees Self-Evaluation.

Presentation of Resolution Honoring Dr. Jerry Baudin

Mrs. Gildig presented a Resolution honoring Dr. Jerry Baudin for his years of service on the TRSL Board of Trustees and noted that the Resolution will be duly recorded in the minutes of this meeting.

Dr. Baudin thanked the Board and staff for their support, dedication, and service to TRSL.

Ms. Whitney presented a gift to Dr. Baudin on behalf of Executive Staff and Department Managers in appreciation of his years of service as a Trustee on the Board.

Board Chair Comments

Mrs. Gildig presented comments on TRSL's accomplishments and challenges of 2021.

Adjournment

ON MOTION OF MR. HENNIGAN, SECONDED BY DR. BAUDIN, AND CARRIED, the Board voted to adjourn at 11:39 a.m.

Resolution

Whereas, Jerry J. Baudin, Ph.D., has served as a member of the Board of Trustees of the Teachers' Retirement System of Louisiana for a total of 32 years, most recently from January 1, 2014, through December 31, 2021, representing retired members, and from 1987-2010, representing members in higher education;

Whereas, during his long tenure as a trustee, Dr. Baudin provided sure and steady leadership as Board chair for four years, vice chair for multiple terms, and holds the distinction of having served on all six standing committees as well as several issue-specific special committees;

Whereas, Dr. Baudin, whether in his capacity as trustee for retirees or for members employed in higher education, consistently made it his top priority to protect member benefits and maintain the health of the retirement system;

Whereas, Dr. Baudin has been on the Board through some of the System's most defining moments—including passage of a constitutional amendment to actuarially fund the System and enactment of legislation to prioritize paying off the long-standing unfunded accrued liability—both of which have ensured the retirement plan's fiscal soundness, sustainability, and integrity;

Whereas, Dr. Baudin has been a constant and credible advocate for retirement security through his support of many actions that meet the needs of the educational community, including implementation of DROP as an opportunity for members to build a savings nest egg and revision of disability retirement provisions to ensure equitable payments to all members retiring with disabling conditions;

Whereas, during his service on the Board, Dr. Baudin has engaged in creative solutions to ensure the continuity of services to members and retirees during some of our most challenging times, from unforgiving hurricanes that have battered the Gulf Coast to the COVID-19 global pandemic that altered so many aspects of our daily lives;

Whereas, Dr. Baudin has always worked to protect the purchasing power of retirement dollars against inflation by supporting all cost-of-living adjustments and minimum benefit increases during his tenure, including making a motion in the November 2021 board meeting to pay a 2% COLA in 2022;

Whereas, during Dr. Baudin's tenure, an independent benchmarking firm consistently recognized TRSL for comparing well against similarly sized public pension plans for its investment program and pension administration in the areas of cost, performance, and service;

Whereas, Dr. Baudin's final year on the Board was a remarkable one in which TRSL achieved a record 35.7% (net of fees) return on investments, the UAL experienced a single-year decrease of more than \$1 billion; the funded status grew to 71.8%; and employer contribution rates have declined for five consecutive years;

Whereas, due in no small part to Dr. Baudin's insight, contributions, leadership, and work with legislative leaders, TRSL is starting to reap the rewards of years of work to address debt, strengthen the System, and ensure a stable and sustainable retirement plan for current and future retired educators;

Whereas, over the years, Dr. Baudin has selflessly carved out time from his career and his retirement to serve the members of TRSL for more than three decades, consistently made it his top priority to protect member benefits and maintain the health of the retirement system;

Whereas, Dr. Baudin's service to the Teachers' Retirement System of Louisiana was performed with utmost loyalty, dedication, and commitment on both a personal and professional level; now, therefore, be it

Resolved, That the Board of Trustees of the Teachers' Retirement System of Louisiana, on this third day of December 2021, hereby expresses its appreciation to Dr. Baudin for 32 years of dedicated service to the System as a trustee and fiduciary; and be it further

Resolved, That this Resolution be presented to Dr. Jerry J. Baudin, and that it be duly recorded in the minutes of the Board.

Holly B. Gildig, Board Chair

**Teachers' Retirement System of Louisiana
Investment Committee
8401 United Plaza Blvd., 4th Floor, Baton Rouge, LA 70809
9:30 a.m. - Thursday
December 2, 2021**

MEMBERS PRESENT: David Hennigan, Neshelle Nogess, Dr. Jerry Baudin, Dr. Paul Nelson, Jim Napper (Treasurer's Designee), Rick McGimsey (Commissioner's Designee), Dr. James Taylor, Dr. Tom Stafford, Representative Phillip DeVillier, and Holly Gildig

MEMBERS ABSENT: Senator Cleo Fields

OTHER MEMBERS PRESENT: Lotte Delaney and Ricky Julien, Sr.

STAFF PRESENT: Katherine Whitney, Douglas Swenson, Phillip Griffith, Kenneth L. "Trey" Roche, III, Jeff LaCour, Dana Brown, Maurice Coleman, Lisa Honore`, Steve Marangos, Davorio Stevenson, Luis Welchez, Charlene Wilson, Shameeka Kaufman, and Lisa Barousse

OTHERS PRESENT: Matt Silverio and Ben Eckroth, Hamilton Lane Advisors, LLC; Scott Coopridger, Rishi Delvadia, and Russ Ivinjack, Aon Investments; Dr. David Kelly and Kathryn Pasqualone, J.P. Morgan; Michael McDermott and Raymond Kronz, BNY Mellon; Shelley Johnson, Foster & Foster Actuaries and Consultants; and Clyde Hamner, Retirees Trustee-elect

Roll Call

Mr. Hennigan called the meeting to order at 9:30 a.m. The secretary called the roll and a quorum was established.

Mr. Hennigan asked if there were any public comments on the matters to be heard today. There were no comments.

Consent Agenda

Mr. Hennigan asked the Committee if they requested any item to be removed from the Consent Agenda. No one requested an item to be removed from the Consent Agenda.

ON MOTION OF MR. NAPPER, SECONDED BY DR. TAYLOR, AND CARRIED, the Committee voted to approve the Schedule of Manager Portfolio Reviews for 2022.

ON MOTION OF MR. NAPPER, SECONDED BY DR. TAYLOR, AND CARRIED, the Committee voted to approve the Schedule of Investment Searches for 2022.

ON MOTION OF MR. NAPPER, SECONDED BY DR. TAYLOR, AND CARRIED, the Committee voted to receive the Annual Manager Proxy Voting Report.

Private Market Update and Review

Mr. Silverio and Mr. Eckroth of Hamilton Lane Advisors, L.L.C., appeared before the Committee to present private market items.

Mr. Silverio presented the Private Market Update.

Mr. Eckroth reviewed Platinum Equity Partners VI, L.P.

ON MOTION OF MRS. GILDIG, SECONDED BY DR. BAUDIN, AND CARRIED, the Committee voted to receive the Hamilton Lane report including the due-diligence process dated December 2, 2021, pertaining to investments in Platinum Equity Partners VI, L.P., (up to \$75 million), subject to final term negotiations completed within the timeline established by the Hamilton Lane contract.

Mr. Silverio reviewed Thoma Bravo Fund XV, L.P.

ON MOTION OF MRS. GILDIG, SECONDED BY MR. NAPPER, AND CARRIED, the Committee voted to receive the Hamilton Lane report including the due-diligence process dated December 2, 2021, pertaining to investments in Thoma Bravo Fund XV, L.P., (up to \$50 million), subject to final term negotiations completed within the timeline established by the Hamilton Lane contract.

Mr. Silverio presented the proposed TRSL 2022 Venture Capital Separate Account recommendation.

ON MOTION OF MRS. GILDIG, SECONDED BY DR. STAFFORD, AND CARRIED, the Committee voted to approve Hamilton Lane's recommendation of a \$100 million allocation to be committed during calendar year 2022 consistent with the TRSL Venture Capital Separate Account investment policy.

Global Macro Economic Update – J.P. Morgan

Dr. David Kelly of J.P. Morgan Asset Management presented *10 Themes for 4Q21: A Guide to the Markets*. The presentation qualified as one hour of investment education for trustees.

Annual Review and Update on Securities Lending – BNY Mellon

Michael McDermott and Raymond Kronz, of BNY Mellon presented *Annual Securities Finance Review for: Teachers' Retirement System of Louisiana*. The presentation qualified as one-half hour of investment education for trustees.

ON MOTION OF MRS. GILDIG, SECONDED BY DR. TAYLOR, AND CARRIED, the Committee voted to receive the annual review and update on securities lending.

Asset Allocation Discussion and Approval – Aon Investments

Mr. Coopridier, Mr. Delvadia, and Mr. Ivinjack of Aon Investments appeared before the Committee to give a presentation on *Asset Allocation Discussion and Approval*. The presentation qualified for 1.25 hours of Investment Education.

ON MOTION OF MR. NAPPER, SECONDED BY MR. MCGIMSEY, AND CARRIED, the Committee voted to approve the recommended asset allocation parameters as presented.

Capital Market Update and Review of TRSL

Monthly Investment Review

Mr. Griffith presented an overview of TRSL's total plan and public and private market investments. Mr. Ivinjack presented Aon's Monthly Investment Review. Staff and Consultant reviewed performance of TRSL investments through October 31, 2021.

Adjournment

ON MOTION OF DR. NELSON, SECONDED BY DR. STAFFORD, AND CARRIED, the Committee voted adjourn at 2:44 p.m.

**Teachers' Retirement System of Louisiana
Executive Committee
8401 United Plaza Blvd., 4th Floor, Baton Rouge, LA 70809
Upon Adjournment of Investment Committee - Thursday
December 2, 2021**

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

MEMBERS ABSENT: Dr. Tia Mills and Jim Napper (Treasurer's Designee)

OTHER MEMBERS PRESENT: Lotte Delaney, Rick McGimsey (Commissioner's Designee), Dr. Paul Nelson, Dr. Tom Stafford, and Dr. James Taylor

STAFF PRESENT: Katherine Whitney, Douglas Swenson, Phillip Griffith, Kenneth L. "Trey" Roche, III, Jeff LaCour, Dana Brown, Maurice Coleman, Lisa Honore`, Steve Marangos, Davorio Stevenson, Matt Tessier, Luis Welchez, Charlene Wilson, Shameeka Kaufman, and Lisa Barousse

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

Roll Call

Mrs. Gildig called the meeting to order at 2:45 p.m.

Mrs. Gildig asked if there were any public comments on the matters to be heard today. There were no public comments.

Consent Agenda

ON MOTION OF DR. BAUDIN, SECONDED BY MR. HENNIGAN, AND CARRIED, the Committee voted to approve the TRSL Comprehensive and Popular Annual Finance Reports for Fiscal Years Ended June 30, 2021 and 2020.

ON MOTION OF DR. BAUDIN, SECONDED BY MR. HENNIGAN, AND CARRIED, the Committee voted to approve Changes to Board Governance Manual Policy 100.15 (Board Meeting Protocol).

Presentation and Approval of Proposed Changes to Board Governance Manual Policy Number 100.3 (Election of Trustees)

Mr. Roche presented proposed changes to Board Governance Manual Policy Number 100.3 (Election of Trustees).

ON MOTION OF MR. HENNGIAN, SECONDED BY MS. NOGESS, AND CARRIED, the Committee voted to approve the proposed changes to Board Governance Manual Policy Number 100.3 (Election of Trustees), as presented.

Discussion of Board Governance Manual Policy Number 100.35 (Travel Policy)

Ms. Whitney presented information regarding Board Governance Manual Policy Number 100.35 (Travel Policy) relative to Trustee domicile. Alternatives will be presented for the Committee's consideration in January.

TRSL Cybersecurity

Mrs. Gildig asked for a motion to convene into Executive Session.

MR. HENNIGAN MOVED AND MS. NOGESS, SECONDED a motion to convene into Executive Session to discuss TRSL Cybersecurity Plans, with the Director, Deputy Director, Chief Investment Officer, Executive Counsel, Deputy General Counsel, Assistant Director, Information Technology Department Director, and Information Technology Department Deputy Director to remain in the room. A roll-call vote was taken. The vote was unanimous with Mrs. Gildig, Mr. Hennigan, Ms. Nogess, Dr. Baudin, and Mr. Julien voting yea; the Committee convened into Executive Session.

MS. NOGESS MOVED AND MR. HENNIGAN SECONDED a motion to reconvene into Regular Session. A roll-call vote was taken. The vote was unanimous with Mrs. Gildig, Mr. Hennigan, Ms. Nogess, Dr. Baudin, and Mr. Julien voting yea; the Committeere reconvened into Regular Session.

ON MOTION OF MR. JULIEN, SECONDED BY DR. BAUDIN, AND CARRIED, the Committee voted to receive the information presented relative to TRSL Cybersecurity Plans.

Adjournment

ON MOTION OF MR HENNIGAN, SECONDED BY MR. JULIEN, AND CARRIED,
the Committee voted to adjourn at 3:55 p.m.

Teachers' Retirement System of Louisiana
Committee of the Whole
8401 United Plaza Blvd., 4th Floor, Baton Rouge, LA 70809
8:30 a.m. - Friday
December 3, 2021

MEMBERS PRESENT: Holly Gildig, David Hennigan, Dr. Jerry Baudin, Representative Phillip DeVillier, Ricky Julien, Sr., Rick McGimsey (Commissioner's Designee), Dr. Paul Nelson, Neshelle Nogess, Dr. Tom Stafford, and Dr. James Taylor

MEMBERS ABSENT: Suzanne Breaux, Lotte Delaney, Senator Cleo Fields, Ryan Gremillion (State Superintendent's Designee), Dr. Tia Mills, Jim Napper (Treasurer's Designee), and Sommer Purvis

STAFF PRESENT: Katherine Whitney, Douglas Swenson, Phillip Griffith, Kenneth L. "Trey" Roche, III, Jeff LaCour, Lisa Honore`, Adam Averite, Dana Brown, Maurice Coleman, Andrea Guntz, Sandra Jelks, Robyn Jenkins-King, Michelle Milhollen, Matt Tessier, Shameeka Kaufman, and Lisa Barousse

OTHERS PRESENT: Shelley Johnson, Foster & Foster, Actuaries and Consultants; and Clyde Hamner, Trustee-Elect for Retirees

There was not a quorum of the Committee, however in accordance with Roberts Rules of Order allowing speakers to begin prior to convening of the meeting, Ms. Whitney began the presentation *Permanent Benefit Increases – A Continuing Review* at 8:43 a.m.

Roll Call

The presentation was paused and Mrs. Gildig called the meeting to order at 8:47 a.m. The secretary called the roll and a quorum was established.

Mrs. Gildig asked if there were any public comments on the matters to be heard today. There were no public comments.

Permanent Benefit Increases – A Continuing Review

Ms. Whitney continued the presentation, *Permanent Benefit Increases – A Continuing Review*. The presentation qualified as 1.25 hours of Laws, Rules, and Regulations Education for Trustees.

TRSL UAL and How It Is Paid

Ms. Whitney, Mr. Swenson, and Mrs. Johnson presented *TRSL UAL and How It Is Paid*. The presentation qualified as one hour of Actuarial Education for Trustees.

Retiree Return to Work Provisions – Past and Present

Due to time constraints this item will be presented in January.

Adjournment

ON MOTION OF MS. NOGESS, SECONDED BY MR. HENNIGAN, AND CARRIED, the Committee voted to adjourn at 11:03 a.m.