

**Teachers' Retirement System of Louisiana
Board of Trustees
Upon Adjournment of Executive Committee – Thursday
August 4, 2016**

MEMBERS PRESENT: Robert Lawyer, Dr. Jerry Baudin, Holly Gildig, Kathy Hattaway, Joyce Haynes, David Hennigan, Rick McGimsey, (Commissioner's Designee), Dr. Tia Mills, Jim Napper (Treasurer's Designee), John Parauka, and Dr. James Taylor

MEMBERS ABSENT: Dr. Sheryl Abshire, Senator Barrow Peacock, Representative J. Kevin Pearson, and State Superintendent John White

STAFF PRESENT: Dana Vicknair, Phil Griffith, Roy Mongrue, Jr., Ed Branagan, Dana Brown, Maurice Coleman, Randall Harrison, Lisa Honore, Linnie Johnson, Steve Marangos, Dionne Rabalais, Katherine Whitney, Duke Williams, Charlene Wilson, Laurie Wright, Debbie Boudreaux, Dana Lee Haltom, and Lisa Barousse

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

Each member of the Board received the following:

1. August 2016 Board Book
2. Investment Committee Meeting August 4, 2016, Performance Report – June 30, 2016
3. Investment Committee Presentations: Aon Hewitt Investment Consulting, Inc.; Hamilton Lane Advisors, LLC; and Bridgepoint Development Capital
4. *TRSL Statistics FY 2015-FY 2016; 2016 Fiscal Year Goals, Major projects by Balanced Scorecard area; TRSL Mission Statement; TRSL Balanced Scorecard FY 2016-2017; and 2017 Fiscal Year Goals, Major projects by Balanced Scorecard area*

Mr. Lawyer called the meeting to order at 2:30 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 July 8, 2016 (Including Minutes of Committee Meetings held July 7 and 8, 2016)

ON MOTION OF MR. PARAUKA, SECONDED BY DR. TAYLOR, AND CARRIED, the Board voted to approve the Minutes of the meeting of the TRSL Board of Trustees held July 8, 2016 (Including Minutes of Committee Meetings held July 7 and 8, 2016).

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.

Elections Committee Report

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

Discussion Regarding September 2016 Board Meeting

Upon review of scheduling and tentative agendas for September, and with no items requiring action, it is staff's recommendation to cancel the September Board meetings.

ON MOTION OF MR. NAPPER, SECONDED BY DR. MILLS, AND CARRIED, the Board voted to cancel the September 1 and 2, 2016 Committee and Board meetings.

Director's Update

Mrs. Vicknair updated the Board on the following items:

- Task Force on Structural Changes in Budget & Tax Policy - 08/12/16 meeting – TRSL and LASERS are scheduled to make a joint presentation
- LAPERS Annual Conference September 18-20, 2016
- Member Statements are scheduled to be mailed at the end of week of August 8-12

Adjournment

Mr. Lawyer acknowledged Dana Lee Haltom on her retirement and thanked her for her service and time at TRSL.

ON MOTION OF MR. PARAUKA, SECONDED BY DR. MILLS, and CARRIED the Board adjourned at 2:45 p.m.

Teachers' Retirement System of Louisiana
Investment Committee
8:30 a.m. – Thursday
August 4, 2016

MEMBERS PRESENT: Kathy Hattaway, David Hennigan, Dr. Jerry Baudin, Jim Napper (Treasurer's Designee), Holly Gildig, Joyce Haynes, Rick McGimsey (Commissioner's Designee), Robert Lawyer, and John Parauka

MEMBERS ABSENT: Dr. Sheryl Abshire, Senator Barrow Peacock, and Representative J. Kevin Pearson

OTHER MEMBERS PRESENT: Dr. Tia Mills, Carlos Sam, and Dr. James Taylor

STAFF PRESENT: Dana Vicknair, Phil Griffith, Roy Mongrue, Jr., Ed Branagan, Dana Brown, Maurice Coleman, Steve Marangos, Katherine Whitney, Duke Williams, Debbie Boudreaux, Dana Lee Haltom, and Lisa Barousse

OTHERS PRESENT: Scott Coopridier and Rishi Delvadia, Aon Hewitt Investment Consulting, Inc.; Paul Yett, Jerry Gates, and Matt Silverio, Hamilton Lane Advisors, LLC; John Barber of Bridgepoint Development Capital; Annie Smith, Louisiana House Retirement Committee

Roll Call

Ms. Hattaway called the meeting to order at 8:30 a.m. The secretary called the roll and a quorum was established. Ms. Hattaway appointed Mr. Parauka to serve on the Committee as an alternate for Dr. Abshire.

Oath of Office

Mr. Mongrue administered the Oath of Office to Mr. Carlos Sam, who will serve as the interim appointee representing Parish and City Superintendents.

Portfolio Review – Private Market and Real Estate

Hamilton Lane

Maurice Coleman (TRSL) and Scott Coopriider and Rishi Delvadia (Aon Hewitt), reviewed Private Market Manager - Hamilton Lane Advisors, LLC. The review included background, commitments, performance, compliance, and record keeping as manager for TRSL's private market investments.

Phil Griffith updated the Committee on the Hamilton Lane contract term. Hamilton Lane and TRSL entered into a three year contract with a two year extension at TRSL's option in January 2014. Aon Hewitt and staff recommended executing the two year extension.

ON MOTION OF MR. LAWYER, SECONDED BY MR. PARAUKA, AND CARRIED, the Committee voted to approve the extension of Hamilton Lane's contract for two years for the period January 1, 2017 through December 31, 2018.

Review of 2017 Fiscal Year Private Market Strategic Plan

Paul Yett, Matthew Silverio, and Jerry Gates of Hamilton Lane Advisors, L.L.C., presented an overview of private markets and the 2017 Fiscal Year Private Market Strategic Plan. The presentation qualified for one hour of Investment Education.

ON MOTION OF MRS. GILDIG, SECONDED BY DR. BAUDIN, AND CARRIED, the Committee voted to adopt the report on the 2017 Fiscal Year Private Market Strategic Plan.

Private Market Update and Review of Potential Private Market Investments

Mr. Yett and Mr. Silverio presented the private market update.

Mr. Yett reviewed a potential alternative investment in Bridgepoint Development Capital III, L.P. John Barber of Bridgepoint Development Capital appeared before the Committee to give a presentation on the fund.

ON MOTION OF DR. BAUDIN, SECONDED BY MR. HENNIGAN, AND CARRIED, consistent with the alternative investment guidelines, the Committee voted to receive the Hamilton Lane report, including the due-diligence process dated August 4, 2016, pertaining to investments in Bridgepoint Development Capital III, L.P. (up to £30 million), subject to final term negotiations completed within the timeline established by the Hamilton Lane contract.

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

ON MOTION OF MR. LAWYER, 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 August 4, 2016, pertaining to investments in Kohlberg Investors VIII, L.P. (up to \$75 million), subject to final term negotiations completed within the timeline established by the Hamilton Lane contract.

Mr. Gates and Mr. Yett reviewed a potential alternative investment in Oaktree Real Estate Opportunities Fund VII, 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 August 4, 2016, pertaining to investments in Oaktree Real Estate Opportunities Fund VII, L.P. (up to \$50 million), subject to final term negotiations completed within the timeline established by the Hamilton Lane contract.

Discussion and Update on Global Bond Manager

Dana Brown presented proposed changes to the Timeline for Global Bond Manager SFP.

Mr. Brown and Mr. Griffith presented information and a recommendation to enter into short term (four month) contracts with Global Bond Managers Brandywine Asset Management and PIMCO.

ON MOTION OF DR. BAUDIN, SECONDED BY MR. HENNIGAN, AND CARRIED, the Committee voted to enter into short term (four month) contracts for the Global Bond Managers Brandywine Asset Management and PIMCO for the period September 1, 2016 through December 31, 2016.

ON MOTION OF MR. LAWYER, SECONDED BY MR. HENNIGAN, AND CARRIED, the Committee voted to approve the recommended changes to the timeline for Global Bond Manager as presented.

Ms. Hattaway appointed the following to serve on the Subcommittee to Review Responses to SFP for Global Bond Manager: Mr. Hennigan – Chair, Dr. Abshire, Ms. Hattaway, Mrs. Gildig, and Mr. Napper.

Capital Market Update and Review of TRSL Investments

DROP Money Market Fund Review and Recommendation – Duke Williams (TRSL) and Mr. Delvadia (Aon Hewitt) reviewed the recommendation by Consultant and staff to replace the Dreyfus Fund with the Federated Government Obligations Fund (Federated). Federated is a government money market fund, a specialist money market manager with a substantial client base, and has long-tenured portfolio managers. Federated is BUY-rated by Aon Hewitt's Global Investment Management research team.

ON MOTION OF MR. LAWYER, SECONDED BY MR. PARAUKA, AND CARRIED, the Committee voted to approve the recommendation of replacing the Dreyfus Fund with Federated Government Obligations Fund, as presented.

Monthly Investment Review - Mr. Griffith presented an overview of TRSL's total plan and public and private market investments. Mr. Coopriider presented Aon Hewitt's August 4, 2016 portfolio summary report. Staff and Consultant reviewed performance of TRSL investments through June 30, 2016.

Portfolio Review – Mr. Delvadia and Mr. Brown reviewed SMID Managers: Westwood Holding Corp and William Blair.

The following representatives presented their respective firm's portfolio review.

- Mark Freeman, Grant Taber, and Kim Calhoun of Westwood Holding Corp.
- Karl Brewer and Stephen Weeks of William Blair

Adjournment

ON MOTION OF DR. BAUDIN, SECONDED BY MR. LAWYER, AND CARRIED, the Committee voted to adjourn at 1:51 p.m.

**Teachers' Retirement System of Louisiana
Elections Committee
Upon Adjournment of Investment Committee - Thursday
August 4, 2016**

MEMBERS PRESENT: Jim Napper (Treasurer's Designee), Dr. James Taylor, John Parauka, David Hennigan, Rick McGimsey (Commissioner's Designee), Kathy Hattaway, Dr. Jerry Baudin, and Robert Lawyer

MEMBERS ABSENT: Dr. Sheryl Abshire

OTHER MEMBERS PRESENT: Holly Gildig, Joyce Haynes, and Dr. Tia Mills

STAFF PRESENT: Dana Vicknair, Phil Griffith, Roy Mongrue, Jr., Ed Branagan, Dana Brown, Maurice Coleman, Steve Marangos, Katherine Whitney, Duke Williams, Debbie Boudreaux, Dana Lee Haltom, and Lisa Barousse

OTHERS PRESENT: Annie Smith, Louisiana House of Representatives

Roll Call

Mr. Napper called the meeting to order at 1:52 p.m. The secretary called the roll and a quorum was established.

Discussion and Approval of Interim Appointment Process for the TRSL Board of Trustees District 1 Position

Mrs. Vicknair presented the proposed schedule for appointment of the TRSL Board of Trustees District 1 position which became vacant August 1, 2016.

ON MOTION OF DR. BAUDIN, SECONDED BY DR. TAYLOR, AND CARRIED, the Committee voted to approve the schedule for appointment of the TRSL Board of Trustees District 1 position as presented.

Adjournment

ON MOTION OF MS. HATTAWAY, SECONDED BY MR. PARAUKA, AND CARRIED, the Committee voted to adjourn at 1:55 p.m.

Teachers' Retirement System of Louisiana
Executive Committee
Upon Adjournment of Elections Committee – Thursday
August 4, 2016

MEMBERS PRESENT: Robert Lawyer, Dr. Jerry Baudin, Kathy Hattaway, Joyce Haynes, David Hennigan, and Jim Napper (Treasurer's Designee)

MEMBERS ABSENT: Dr. Sheryl Abshire

OTHER MEMBERS PRESENT: Holly Gildig, Rick McGimsey, (Commissioner's Designee), Dr. Tia Mills, John Parauka, and Dr. James Taylor

STAFF PRESENT: Dana Vicknair, Phil Griffith, Roy Mongrue, Jr., Ed Branagan, Dana Brown, Maurice Coleman, Lisa Honore`, Steve Marangos, Katherine Whitney, Duke Williams, Charlene Wilson, Laurie Wright, Debbie Boudreaux, Dana Lee Haltom, and Lisa Barousse

OTHERS PRESENT: Shelley Johnson, Foster & Foster Actuaries and Consultants; and Annie Smith, Louisiana House of Representatives

Roll Call

Mr. Lawyer called the meeting to order at 1:56 p.m. The secretary called the roll and a quorum was established.

Update and Discussion of Pfizer Inc. Securities Litigation, 04-CV-9866 (LTS) (DFE), United States District Court, Southern District of New York

Mr. Lawyer asked for a motion to convene into Executive Session.

MR. NAPPER MOVED AND DR. BAUDIN SECONDED a motion to convene into Executive Session to discuss litigation in the matter of: *Pfizer Inc. Securities Litigation, 04-CV-9866 (LTS) (DFE), United States District Court, Southern District of New York* with the General Counsel and Assistant Director to be present. The secretary called the roll. Dr. Baudin, Ms. Hattaway, Mrs. Haynes, Mr. Hennigan, Mr. Napper, and Mr. Lawyer voted yea. The vote was unanimous and the Committee convened into Executive Session.

DR. BAUDIN MOVED AND MR. HENNIGAN SECONDED a motion to reconvene into Regular Session. The secretary called the roll. Dr. Baudin, Ms. Hattaway, Mrs. Haynes, Mr. Hennigan, Mr. Napper, and Mr. Lawyer voted yea. The vote was unanimous and the Committee reconvened into Regular Session.

ON MOTION OF MR. HENNIGAN, SECONDED BY MS. HATTAWAY, AND CARRIED, the Committee voted to approve the settlement and authorize the General Counsel and Counsel for the Class to take necessary action to finalize the settlement in the matter of *Pfizer Inc. Securities Litigation, 04-CV-9866 (LTS) (DFE), United States District Court, Southern District of New York*.

Director's Fiscal Year Update

Mrs. Vicknair reviewed FY 2015-2016 Workload Volumes.

Mrs. Vicknair reviewed the 2016 Fiscal Year Goals Status as of June 30, 2016.

ON MOTION OF MS. HATTAWAY, SECONDED BY DR. BAUDIN, AND CARRIED, the Committee voted to receive the status report as presented.

Mrs. Vicknair presented an overview of the Strategic Plan and Balanced Scorecard for 2016-2017 and the 2017 Fiscal Year Goals - Major Projects by Balanced Scorecard Area.

ON MOTION OF DR. BAUDIN, SECONDED BY MS. HATTAWAY, AND CARRIED, the Committee voted to approve the Strategic Plan and TRSL Balanced Scorecard Goals for 2016-2017.

Adjournment

ON MOTION OF HENNIGAN, SECONDED BY MS. HATTAWAY, AND CARRIED, the Committee voted to adjourn at 2:25 p.m.