

Teachers' Retirement System of Louisiana
Board of Trustees
Upon Adjournment of Executive Committee – Friday
January 10, 2014

MEMBERS PRESENT: Robert Lawyer, Joe A. Potts, Jr., Dr. Sheryl R. Abshire, Dr. William C. "Bill" Baker, Dr. Jerry J. Baudin, Holly B. Gildig, Kathy Hattaway, Joyce P. Haynes, David A. Hennigan, Superintendent Alonzo R. Luce, John G. Parauka, Dr. Steven Procopio (Commissioner's Designee), and Carlos J. Sam

MEMBERS ABSENT: Senator Elbert Guillory, Jim Napper (Treasurer's Designee), Representative J. Kevin Pearson, and Superintendent John White

STAFF PRESENT: Maureen Westgard, Phil Griffith, Roy Mongrue, Jr., Dana Brown, Maurice Coleman, Randall Harrison, Lisa Honore', Jeff LaCour, Steve Marangos, Dionne Rabalais, Matt Tessier, Katherine Whitney, Charlene Wilson, Laurie Wright, Eric Radecker, Allison Breeden, DeShane Jarrell, William Merrill, Leeann Neel, and Lisa Barousse

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

Each member of the Board received the following:

1. January 2014 Board Book
2. *Investment Committee Meeting January 9, 2014, Performance Report – November 30, 2013*
3. Investment Committee Presentations: Hamilton Lane Advisors, L.L.C.; AEW Capital Management; Stone Point Capital, LLC; Campus Clarion Student Partners, L.P.; and Hewitt EnnisKnupp
4. *2014 Regular Legislative Session Public Notices Involving State Retirement Systems as of January 8, 2014*
5. *FY 2013 Summary of Annual Return to Work Retiree Data*
6. *2014 Fiscal Year Goals, Major Projects By Balanced Scorecard Area*

Mr. Lawyer called the meeting to order at 10:15 a.m. Ms. Hattaway 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 December 3, 2013 (Including Minutes of Committee Meetings Held December 2 and 3, 2013)

ON MOTION OF MS. HATTAWAY, SECONDED BY DR. ABSHIRE, AND CARRIED, the Board voted to approve the Minutes of the meeting of the TRSL Board of Trustees held December 3, 2013 (including Minutes of Committee Meetings held December 2 and 3, 2013).

Elections Committee Report

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

Investment Committee Report

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

Legislative Committee Report

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

Mr. Potts in the Chair.

Executive Committee Report

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

Mr. Lawyer in the Chair.

Introduction of Newly Hired Staff

Mrs. Vicknair introduced the following employees who were hired by TRSL during the period 10/01/13 through 12/31/13: Retirement Benefit Analysts 1 - Erick Radecker, Allison Breeden, DeShane Jarrell, and William Merrill; and Leann Neel, Accountant 3.

TRSL Board and Staff Ethics Certification

Ethics Certifications for 2014, which certify compliance with all Louisiana state ethics laws and TRSL ethics policy, were collected from Trustees and staff.

Director's Update

Ms. Westgard noted that Dr. Procopio is leaving the Division of Administration to become Policy Director at Public Affairs Research Council (PAR). Dr. Procopio complimented the Agency, Executive Staff, Director, and Trustees on their professionalism, knowledge, and commitment to TRSL.

Adjournment

ON MOTION OF MR. POTTS, SECONDED BY MRS. HAYNES, AND CARRIED, the Committee voted to adjourn at 10:35 a.m.

**Teachers' Retirement System of Louisiana
Elections Committee
8:30 a.m. – Thursday
January 9, 2014**

MEMBERS PRESENT: Kathy Hattaway, Joyce P. Haynes, Jim Napper (Treasurer's Designee), David A. Hennigan, John G. Parauka, Dr. Steven Procopio (Commissioner's Designee), Robert Lawyer, and Holly B. Gildig

OTHER MEMBERS PRESENT: Dr. Sheryl R. Abshire, Dr. William C. "Bill" Baker, Dr. Jerry J. Baudin, Joe A. Potts, Jr., and Carlos J. Sam

STAFF PRESENT: Maureen Westgard, Stuart Cagle, Phil Griffith, Roy Mongrue, Jr., Dana Brown, Maurice Coleman, Lisa Honore', Dana Lee Haltom, and Lisa Barousse

Mrs. Haynes called the meeting to order at 8:30 a.m. Roy Mongrue, Jr., General Counsel administered Oaths of Office to Dr. Jerry J. Baudin, representing Retirees; and Kathryn Hattaway, representing School Food Service Workers. Dr. Baudin and Ms. Hattaway will each serve a four-year term from January 1, 2014 – December 31, 2017.

Roll Call

The secretary called the roll and a quorum was established. Ms. Hattaway appointed Mrs. Gildig to serve as an alternate on the Committee for Mr. Sam (Mr. Sam arrived after roll call).

2014 Elections Review

Ms. Westgard presented proposed schedules and Call for Candidate postcards for the upcoming 2014 Elections.

ON MOTION OF MRS. HAYNES, SECONDED BY MR. PARAUKA, AND CARRIED, the Committee voted to approve the Proposed 2014 Schedule of Regular Elections for Colleges & Universities; District 1, District 7, Parish and City Superintendents, and Retirees.

ON MOTION OF MRS. GILDIG, SECONDED BY MR. PARAUKA, AND CARRIED, the Committee voted to approve the proposed Call for Candidates postcards for upcoming elections for Colleges & Universities; District 1, District 7, Parish and City Superintendents, and Retirees.

Adjournment

ON MOTION OF MR. HENNIGAN SECONDED BY MR. NAPPER, AND CARRIED, the Committee voted to adjourn at 8:37 a.m.

**Teachers' Retirement System of Louisiana
Investment Committee
Upon Adjournment of Elections Committee – Thursday
January 9, 2014**

- MEMBERS PRESENT:** Joe A. Potts, Jr., Dr. Sheryl R. Abshire, Kathy Hattaway, Dr. William C. "Bill" Baker, Jim Napper (Treasurer's Designee), Holly B. Gildig, David A. Hennigan, Dr. Steven Procopio (Commissioner's Designee), and Robert Lawyer
- MEMBERS ABSENT:** Senator Elbert Guillory and Representative J. Kevin Pearson
- OTHER MEMBERS PRESENT:** Dr. Jerry J. Baudin, Joyce P. Haynes, Superintendent Alonzo R. Luce, John G. Parauka, and Carlos J. Sam
- STAFF PRESENT:** Maureen Westgard, Stuart Cagle, Phil Griffith, Roy Mongrue, Jr., Dana Brown, Maurice Coleman, Dana Lee Haltom, and Lisa Barousse
- OTHERS PRESENT:** Paul Yett, Jerry Gates, and Jonathan Floyd, Hamilton Lane Advisors, L.L.C; Christopher Kazantis and Jay Struzziery, AEW Capital Management; David Adelman and Daniel Bernstein, Campus Apartments; Robert Greer, Jr., Clarion Partners; Charles Davis and Monica Vitoria, Stone Point Capital, LLC; and Scott Coopriider and Russ Ivinjack, Hewitt EnnisKnupp

Roll Call

Mr. Potts called the meeting to order at 8:38 a.m. The secretary called the roll and a quorum was established.

Private Market Update and Review of Potential Private Market Investments

Paul Yett, Jerry Gates, and Jonathan Floyd of Hamilton Lane Advisors, L.L.C., appeared before the Committee to present private market items.

Mr. Yett presented the private market update.

Mr. Yett and Mr. Gates reviewed a potential alternative investment in AEW Senior Housing Investors II, L.P.

Christopher Kazantis and Jay Struzziery of AEW Capital Management appeared before the Committee to make a presentation on AEW Senior Housing Investors II, L.P.

ON MOTION OF DR. ABSHIRE, SECONDED BY MS. HATTAWAY, AND CARRIED, consistent with the alternative investment guidelines, the Committee voted to receive the Hamilton Lane report, including the due-diligence process dated January 9, 2014 pertaining to investments in AEW Senior Housing Investors II, L.P. (up to \$40 million), subject to final term negotiations completed within the timeline established by the Hamilton Lane contract.

Mr. Yett and Mr. Gates reviewed a potential alternative investment in Campus Clarion Student Housing Partners LP.

David Adelman and Daniel Bernstein of Campus Apartments and Robert Greer, Jr. of Clarion Partners appeared before the Committee to make a presentation on Campus Clarion Student Housing Partners, L.P.

MR. NAPPER MOVED, and MR. HENNIGAN SECONDED A MOTION to receive the Hamilton Lane report, including the due-diligence process dated January 9, 2014 pertaining to investments in Campus Clarion Student Housing Partners, L.P. (up to \$35 million), subject to final term negotiations completed within the timeline established by the Hamilton Lane contract. Dr. Baker objected to the motion and the secretary called the roll. The motion passed by a vote of 7 yeas and 2 nays. Mrs. Gildig, Ms. Hattaway, Mr. Hennigan, Mr. Napper, Dr. Procopio, Mr. Lawyer, and Mr. Potts voted yea. Dr. Abshire and Dr. Baker voted nay.

Mr. Yett reviewed a potential alternative investment in Trident VI, L.P.

Charles Davis and Monica Vitoria of Stone Point Capital, LLC appeared before the Committee to make a presentation on Trident VI, L.P.

ON MOTION OF MR. NAPPER, 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 January 9, 2014 pertaining to investments in Trident VI, 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 Energy Capital Partners III, L.P.

ON MOTION OF DR. BAKER, SECONDED BY MS. HATTAWAY, AND CARRIED, consistent with the alternative investment guidelines, the Committee voted to receive the Hamilton Lane report, including the due-diligence process dated January 9, 2014 pertaining to investments in Energy

Capital Partners III, 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. Floyd presented private market annual reports on American Securities Capital Partners, The Carlyle Group, and EnCap Investments.

ON MOTION OF MR. NAPPER, SECONDED BY MRS. GILDIG, AND CARRIED, the Committee voted to receive the Hamilton Lane private market annual reports on American Securities Capital Partners, The Carlyle Group, and EnCap Investments.

Quarterly Summary of Alternative Assets and Real Estate (for period ended September 30, 2013)

Maurice Coleman presented the Quarterly Summary of Alternative Assets and Real Estate (for the period ended September 30, 2013).

ON MOTION OF DR. BAKER, SECONDED BY MR. LAWYER, AND CARRIED, the Committee voted to receive the Quarterly Summary of Alternative Assets and Real Estate (for the period ended September 30, 2013).

Capital Market Update and Review of TRSL Investments

Mr. Griffith presented an overview of TRSL's total plan and public and private market investments. Mr. Coopridier and Mr. Ivinjack presented Hewitt EnnisKnupp's January 9, 2014 portfolio summary report. Staff and Consultant reviewed performance of TRSL investments through November 30, 2013.

Opportunistic Investments – Hewitt EnnisKnupp

Mr. Coopridier and Mr. Ivinjack gave a presentation on Opportunistic Investments. The presentation qualified for one hour of Investment Education for Trustees.

Adjournment

ON MOTION OF MR. HENNIGAN, SECONDED BY DR. BAKER, AND CARRIED, the Committee voted to adjourn at 2:45 p.m.

**Teachers' Retirement System of Louisiana
Legislative Committee
9:00 a.m. – Thursday
January 10, 2014**

- MEMBERS PRESENT:** Dr. William C. "Bill" Baker, Dr. Jerry J. Baudin, Dr. Sheryl R. Abshire, Joe A. Potts, Jr., Carlos J. Sam, Holly B. Gildig, and Robert Lawyer
- MEMBERS ABSENT:** Jim Napper (Treasurer's Designee), Senator Elbert Guillory, and Representative J. Kevin Pearson
- OTHER MEMBERS PRESENT:** Kathy Hattaway, Joyce P. Haynes, David A. Hennigan, Superintendent Alonzo R. Luce, John G. Parauka, and Dr. Steven Procopio (Commissioner's Designee)
- STAFF PRESENT:** Maureen Westgard, Phil Griffith, Roy Mongrue, Jr., Dana Brown, Maurice Coleman, Lisa Honore', Jeff LaCour, Steve Marangos, Dionne Rabalais, Matt Tessier, Katherine Whitney, Charlene Wilson, Laurie Wright, Dana Lee Haltom, and Lisa Barousse
- OTHERS PRESENT:** Shelley Johnson, Foster & Foster Actuaries and Consultants; Charles Hall, Hall Actuarial Associates; Shane Riddle, Louisiana Association of Educators; Graig Luscombe, Louisiana Retired Teachers' Association; Laura Gail Sullivan, Louisiana Senate; and Mary Patricia Ray, Louisiana Federation of Teachers

Roll Call

Dr. Baker called the meeting to order at 9:00 a.m. The secretary called the roll and a quorum was established.

Discussion of Board Sponsored Legislation

Ms. Westgard updated the Committee on the proposed Permanent Benefit Increase (PBI) legislation. Ms. Westgard noted that considering a resolution in February will not impact pre-filing of the Board-sponsored legislation authorizing a PBI consistent with current law, and recommended the resolution be presented for approval at the February Legislative Committee meeting.

Update and General Discussion of 2014 Legislative Session

Ms. Westgard reviewed the Public Notices affecting TRSL that have been filed for the 2014 Legislative Session.

Approval of the TRSL Legislative Team for the 2014 Regular and Special Session(s) of the Louisiana Legislature

Dr. Baker outlined the roles of the Legislative Team and Trustees in testifying and contact with the legislature.

ON MOTION OF MR. POTTS, SECONDED BY MR. SAM, AND CARRIED, the Committee voted to authorize the Board Chair, Legislative Committee Chair and Vice Chair, Director, Deputy Director, General Counsel, Assistant Director, Chief Investment Officer, and Actuaries to represent TRSL and take action as necessary at legislative hearings during the 2014 Legislative Session(s).

Adjournment

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

**Teachers' Retirement System of Louisiana
Executive Committee
Upon Adjournment of Legislative Committee – Friday
January 10, 2014**

MEMBERS PRESENT: Robert Lawyer, Joe A. Potts, Jr., Dr. Sheryl R. Abshire, Dr. William C. "Bill" Baker, Dr. Jerry J. Baudin, Holly B. Gildig, and Kathy Hattaway

OTHER MEMBERS PRESENT: Joyce P. Haynes, David A. Hennigan, Superintendent Alonzo R. Luce, John G. Parauka, Dr. Steven Procopio (Commissioner's Designee), and Carlos J. Sam

STAFF PRESENT: Maureen Westgard, Phil Griffith, Roy Mongrue, Jr., Dana Brown, Maurice Coleman, Lisa Honore', Jeff LaCour, Steve Marangos, Dionne Rabalais, Matt Tessier, Katherine Whitney, Charlene Wilson, Laurie Wright, Dana Lee Haltom, and Lisa Barousse

OTHERS PRESENT: Shelley Johnson, Foster & Foster Actuaries and Consultants; Shane Riddle, Louisiana Association of Educators; Laura Gail Sullivan, Louisiana Senate; and Mary Patricia Ray, Louisiana Federation of Teachers

Roll Call

Mr. Lawyer called the meeting to order at 9:45 a.m. The secretary called the roll and a quorum was established.

Presentation and Approval of Audit Reports by TRSL Audit Staff

Mr. LaCour presented Compliance Audit Reports – Retirees Returning to Work and Limited Scope Reviews.

ON MOTION OF MR. POTTS, SECONDED BY DR. BAKER, AND CARRIED, the Committee voted to approve the Audit Reports as presented.

Presentation and Review of FY 2013 Summary of Annual Return to Work Retiree Data

Ms. Westgard reviewed the FY 2013 Summary of Annual Return to Work Retiree Data.

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

Progress Report on TRSL Balanced Scorecard Goals for 2013-2014

Ms. Westgard presented a progress report on the major projects by TRSL Balanced Scorecard Goals for 2013-2014.

ON MOTION OF DR. ABSHIRE, SECONDED BY MS. HATTAWAY, AND CARRIED, the Committee voted to receive the report.

Presentation of Quarterly Litigation Reports

Mr. Mongrue presented the Quarterly Litigation Reports.

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

Adjournment

ON MOTION OF DR. BAUDIN, SECONDED BY DR. ABSHIRE, AND CARRIED, the Committee voted to adjourn at 10:08 a.m.