

**Teachers' Retirement System of Louisiana  
Board of Trustees  
Upon Adjournment of Executive Committee – Friday  
November 7, 2014**

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

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

**STAFF PRESENT:** Maureen Westgard, Stuart Cagle, Roy Mongrue, Jr., Philip Griffith, Dana Vicknair, Ed Branagan, Dana Brown, Maurice Coleman, Lisa Honore`, Jeff LaCour, Steve Marangos, Dionne Rabalais, Katherine Whitney, Charlene Wilson, Laurie Wright, and Lisa Barousse

**OTHERS PRESENT:** Shelley Johnson - Foster & Foster, Actuaries and Consultants; and Pres Robinson - Louisiana Department of the Treasury

Each member of the Board received the following:

1. November 2014 Board Book
2. *Investment Committee Meeting November 6, 2014, Performance Report – September 30, 2014*
3. Investment Committee Presentations: Hamilton Lane Advisors, L.L.C.; Hewitt EnnisKnupp; NGP Energy Capital Management; and AllianceBernstein
4. Proposed 2015-2016 Louisiana Retirement Systems' Building Fund Budget and 2015-2016 Louisiana Teachers' Retirement System Administrative Operating Budget
5. Proposed Drafts of the Comprehensive Annual Financial Report and the Popular Annual Financial Report for Fiscal Year Ended June 30, 2014

Mr. Lawyer called the meeting to order at 9:20 a.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 October 3, 2014 (Including Minutes of Committee Meetings held October 2 and 3, 2014)**

ON MOTION OF MR. PARAUKA, SECONDED BY DR. BAUDIN, AND CARRIED, the Board voted to approve the Minutes of the meeting of the TRSL Board of Trustees held October 3, 2014 (including Minutes of Committee Meetings held October 2 and 3, 2014).

### **Investment Committee Report**

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

### **Budget and Finance Committee Report**

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

### **Executive Committee Report**

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

### **Director's Update**

Ms. Westgard updated the Board on the following items:

- Distribution of Pledge of Allegiance and Committee Assignment Sheets for 2015
- Distribution of Board Self Evaluation Survey (Complete and return the Survey to the Board Chair by November 14th)
- A proposed bill from Senator Guillory regarding \$218 million in the experience account was received Wednesday, November 5th. Staff will review the provisions of the bill and a Legislative Committee will be held in December to discuss the bill.

### **Adjournment**

ON MOTION OF MRS. HAYNES, SECONDED BY MS. HATTAWAY, AND CARRIED, the Committee voted to adjourn at 9:45 a.m.

**Teachers' Retirement System of Louisiana  
Investment Committee  
12:00 p.m. – Thursday  
November 6, 2014**

- MEMBERS PRESENT:** Joe A. Potts, Jr., Kathy Hattaway, Dr. William C. "Bill" Baker, Jim Napper (Treasurer's Designee), Holly B. Gildig, David A. Hennigan, Ashley McNeely (Commissioner's Designee), Robert Lawyer, and Joyce P. Haynes
- MEMBERS ABSENT:** Dr. Sheryl R. Abshire, Senator Elbert Guillory and Representative J. Kevin Pearson
- OTHER MEMBERS PRESENT:** Dr. Jerry J. Baudin, Superintendent Alonzo R. Luce, John G. Parauka, and Carlos J. Sam
- STAFF PRESENT:** Maureen Westgard, Stuart Cagle, Roy Mongrue, Jr., Philip Griffith, Dana Vicknair, Dana Brown, Maurice Coleman, Dana Lee Haltom, and Lisa Barousse
- OTHERS PRESENT:** Paul Yett and Brian Reilly – Hamilton Lane Advisors, LLC; Scott Coopriider and Russ Ivinjack – Hewitt EnnisKnupp; Ken Hersh and Ali Williford - NGP Energy Capital Management; Joe Lawrence and Jason Brandt - AllianceBernstein; and Pres Robinson - Louisiana Department of the Treasury;

**Roll Call**

Mr. Potts called the meeting to order at 12:00 p.m. The secretary called the roll and a quorum was established. Mr. Potts appointed Mrs. Haynes to serve on the Committee as an alternate for Dr. Abshire.

**Private Market Update and Review of Potential Private Market Investments**

Paul Yett and Brian Reilly 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. Reilly reviewed the following items:

- a. NGP Natural Resources, XI, L.P.

Ken Hersh and Ali Williford of NGP Energy Capital Management appeared before the Committee to give a presentation on NGP Natural Resources XI, L.P.

ON MOTION OF MR. NAPPER, SECONDED BY DR. BAKER, AND CARRIED, consistent with the alternative investment guidelines, the Committee voted to receive the Hamilton Lane report, including the due-diligence process dated November 6, 2014, pertaining to investments in NGP Natural Resources XI, L.P. (up to \$50 million), subject to final term negotiations completed within the timeline established by the Hamilton Lane contract.

b. American Securities VII, L.P.

ON MOTION OF MR. NAPPER, SECONDED BY MR. LAWYER, AND CARRIED, consistent with the alternative investment guidelines, the Committee voted to receive the Hamilton Lane report, including the due-diligence process dated November 6, 2014, pertaining to investments in American Securities Partners VII, L.P. (up to \$100 million), subject to final term negotiations completed within the timeline established by the Hamilton Lane contract.

c. Insight Venture Partners, IX, L.P.

ON MOTION OF MR. LAWYER, 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 November 6, 2014, pertaining to investments in Insight Venture Partners IX, L.P. (up to \$50 million), subject to final term negotiations completed within the timeline established by the Hamilton Lane contract.

d. TRSL 2015 Venture Capital Separate Account

Mr. Yett updated the Committee on TRSL Venture Capital Separate Account.

ON MOTION OF DR. BAKER, SECONDED BY MRS. GILDIG, AND CARRIED, the Committee voted to approve Hamilton Lane's recommendation relative to establishing a 2015 calendar year Separate Account Structure to Venture Capital (up to \$100 million), as outlined in their presentation.

e. Blackstone Co-Investment

ON MOTION OF MR. NAPPER, SECONDED BY MRS. GILDIG, AND CARRIED, consistent with the alternative investment guidelines, the Committee voted to receive the Hamilton Lane report, including the due-diligence process dated November 6, 2014, pertaining to an additional investment in Blackstone CPQ Co-Investment (up to \$2 million), subject to final term negotiations completed within the timeline established by the Hamilton Lane contract, with a waiver of the seven-day rescission period.

f. Separate Account Overview

Mr. Yett presented the Separate Account Overview. This presentation qualified for one-quarter hour of Investment Education.

**Private Market Annual Reports**

Mr. Reilly presented the private market annual reports on Apollo Management; Kohlberg, Kravis, Roberts & Co.; and Roark Capital Group.

ON MOTION OF MR. LAWYER, SECONDED BY MR. HENNIGAN, AND CARRIED, the Committee voted to receive the Hamilton Lane private market annual reports.

**Presentation and Review of the Schedule of Manager Portfolio Reviews for 2015**

Mr. Griffith presented the Schedule of Manager Portfolio Reviews for 2015.

ON MOTION OF MS. HATTAWAY, SECONDED BY MR. LAWYER, AND CARRIED, the Committee voted to receive the Schedule of Manager Portfolio Reviews for 2015.

**Presentation and Review of the Schedule of Investment Searches for 2015**

Mr. Griffith presented the Schedule of Investment Searches for 2015.

ON MOTION OF MR. LAWYER, SECONDED BY MR. HENNIGAN, AND CARRIED, the Committee voted to receive the Schedule of Investment Searches for 2015.

**Capital Market Update and Review of TRSL Investments**

Monthly Investment Review

Mr. Griffith presented an overview of TRSL's total plan and public and private market investments. Russ Ivinjack presented Hewitt EnnisKnupp's November 6, 2014 portfolio summary report. Staff and Consultant reviewed performance of TRSL investments through September 30, 2014.

Portfolio Review

Scott Coopridger, Hewitt EnnisKnupp, and Dana Brown reviewed Small Cap Managers: AllianceBernstein, L.P. (Growth) and Fiduciary Management Associates, LLC (Value), and Global High Yield Manager: AllianceBernstein, L.P.

Joe Lawrence and Jason Brandt presented AllianceBernstein's portfolio review.

**Adjournment**

ON MOTION OF DR. BAKER, SECONDED BY MR. LAWYER, AND CARRIED, the Committee voted to adjourn at 3:30 p.m.

Teachers' Retirement System of Louisiana  
Budget & Finance Committee  
8:30 a.m. – Friday  
November 7, 2014

- MEMBERS PRESENT:** Dr. Jerry J. Baudin, David A. Hennigan, Joe A. Potts, Jr., Holly B. Gildig, Superintendent Alonzo R. Luce, Robert Lawyer, and Dr. William C. "Bill" Baker
- MEMBERS ABSENT:** Dr. Sheryl Abshire, Senator Elbert Guillory, Jim Napper (Treasurer's Designee), and Representative J. Kevin Pearson
- OTHER MEMBERS PRESENT:** Kathy Hattaway, Joyce P. Haynes, Ashley McNeely (Commissioner's Designee), and John G. Parauka
- STAFF PRESENT:** Maureen Westgard, Stuart Cagle, Roy Mongrue, Jr., Philip Griffith, Dana Vicknair, Ed Branagan, Dana Brown, Maurice Coleman, Lisa Honore`, Jeff LaCour, Steve Marangos, Dionne Rabalais, Katherine Whitney, Charlene Wilson, Laurie Wright, Dana Lee Haltom, and Lisa Barousse
- OTHERS PRESENT:** Shelley Johnson - Foster & Foster, Actuaries and Consultants; Pres Robinson - Louisiana Department of the Treasury; and Tim Mathis, Louisiana House of Representatives

**Roll Call**

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

**Review, Discuss, and Approve the Proposed 2015-2016 Louisiana Retirement Systems Building Fund Budget**

Ms. Westgard presented the proposed 2015-2016 Louisiana Retirement Systems Building Fund Budget.

ON MOTION OF MR. HENNIGAN, SECONDED BY MR. POTTS, AND CARRIED, the Committee voted to approve the 2015-2016 Louisiana Retirement Systems Building Fund Budget.

**Review, Discuss, and Approve the Proposed 2015-2016 Louisiana Teachers' Retirement Systems Administrative Operating Budget**

Ms. Westgard presented the proposed 2015-2016 Louisiana Teachers' Retirement System Administrative Operating Budget.

ON MOTION OF DR. BAKER, SECONDED BY MR. LAWYER, AND CARRIED, the Committee voted to approve the 2015-2016 Louisiana Teachers' Retirement System Administrative Operating Budget.

**Review, Discuss, and Approve the 2015-2016 Department of Education Payment Amount and Notification of Payment Due for Act 228 of 1944; Act 27 of 1957; Act 440 of 1960; and Act 568 of 1952**

Ms. Westgard presented the Department of Education Payment Amount and Notification of Payment Due for Act 228 of 1944; Act 27 of 1957; Act 440 of 1960; and Act 568 of 1952.

ON MOTION OF MR. HENNIGAN, SECONDED BY MR. POTTS, AND CARRIED, the Committee voted to approve the 2015-2016 Department of Education payment amount and notification of payment due as presented.

**Update on Notification to LSU AgCenter of Payment Due for Fiscal Year 2015-2016**

Ms. Westgard updated the Committee on the notification of payment due for Fiscal Year 2015-2016, which was sent to LSU AgCenter October 8, 2014.

ON MOTION OF MRS. GILDIG, SECONDED BY DR. BAKER, AND CARRIED, the Committee voted to approve the notification of payment due for Fiscal Year 2015-2016 which was sent to LSU AgCenter October 8, 2014.

**Adjournment**

ON MOTION OF DR. BAKER, SECONDED BY MR. LAWYER, AND CARRIED, the Committee voted to adjourn at 8:49 a.m.

Teachers' Retirement System of Louisiana  
Executive Committee  
Upon Adjournment of Budget and Committee – Friday  
November 7, 2014

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

**MEMBERS ABSENT:** Dr. Sheryl R. Abshire

**OTHER MEMBERS PRESENT:** Joyce P. Haynes, David A. Hennigan, Superintendent Alonzo R. Luce, Ashley McNeely (Commissioner's Designee), and John G. Parauka

**STAFF PRESENT:** Maureen Westgard, Stuart Cagle, Roy Mongrue, Jr., Philip Griffith, Dana Vicknair, Ed Branagan, Dana Brown, Maurice Coleman, Lisa Honore`, Jeff LaCour, Steve Marangos, Dionne Rabalais, Katherine Whitney, Charlene Wilson, Laurie Wright, Dana Lee Haltom, and Lisa Barousse

**OTHERS PRESENT:** Shelley Johnson - Foster & Foster, Actuaries and Consultants; Pres Robinson - Louisiana Department of the Treasury; Tim Mathis, Louisiana House of Representatives; Louis McKnight and Shana Pamilar, Hawthorn, Waymouth & Carroll L.L.P.

**Roll Call**

Mr. Lawyer called the meeting to order at 8:50 a.m. The secretary called the roll and a quorum was established.

**Presentation of the Audit of the Louisiana Retirement Systems Building Fund for Fiscal Year Ended June 30, 2014**

Dana Vicknair presented the Annual Audit of the Louisiana Retirement Systems Building Fund by Steven M. DeRouen & Associates for Fiscal Year Ended June 30, 2014.

ON MOTION OF DR. BAUDIN, SECONDED BY MRS. GILDIG, AND CARRIED, the Committee voted to approve the Audit of the Louisiana Retirement Systems Building Fund for Fiscal Year ended June 30, 2014 as presented.

**Presentation of the Annual Audit by Hawthorn, Waymouth & Carroll L.L.P. for Fiscal Year Ended June 30, 2014**

Louis McKnight of Hawthorn, Waymouth & Carroll L.L.P. presented the Annual Audit for Fiscal Year Ended June 30, 2014.

ON MOTION OF DR. BAKER, SECONDED BY MR. POTTS, AND CARRIED, the Committee voted to approve the Annual Audit for Fiscal Year ended June 30, 2014, as presented.

**Presentation of Proposed Drafts of the Comprehensive Annual Financial Report (CAFR) and the Popular Annual Financial Report (PAFR) for Fiscal Year Ended June 30, 2014**

Mr. Cagle presented proposed drafts of the CAFR and the PAFR for Fiscal Year Ended June 30, 2014.

ON MOTION OF MR. POTTS, SECONDED BY DR. BAUDIN, AND CARRIED, the Committee voted to receive the proposed drafts of the CAFR and the PAFR for Fiscal Year ended June 30, 2014.

**Review and Approval of Updated Amortization of Unfunded Actuarial Accrued Liability, June 30, 2015 – Projected**

Shelley Johnson presented Updated Exhibit 7-B, Amortization of Unfunded Actuarial Accrued Liability, June 30, 2015 – Projected.

ON MOTION OF DR. BAUDIN, SECONDED BY DR. BAKER, AND CARRIED, the Committee voted to approve the Updated Exhibit 7-B, Amortization of Unfunded Actuarial Accrued Liability, June 30, 2015 – Projected.

**Adjournment**

ON MOTION OF DR. BAKER, SECONDED BY MR. POTTS, AND CARRIED, the Committee voted to adjourn at 9:15 a.m.