

Teachers' Retirement System of Louisiana
Board of Trustees
8401 United Plaza Blvd., 4th Floor, Baton Rouge, LA 70809
Upon Adjournment of Executive Committee - Friday
April 9, 2021

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

MEMBERS ABSENT: Lotte Delaney, Senator Cleo Fields, Ryan Gremillion (State Superintendent's Designee), Representative Lance Harris, Ricky Julien, Sr., and Kelly Thompson

STAFF PRESENT: Katherine Whitney, Douglas Swenson, Phil Griffith, Kenneth L. "Trey" Roche, III, Jeff LaCour, Lisa Honore', Dana Brown, Maurice Coleman, and Lisa Barousse

OTHERS PRESENT: Shelley Johnson, Foster & Foster Actuaries and Consultants' William "Joey" David, House Retirement Committee; and Robert Schmidt, Kean Miller

Each member of the Board received the following:

1. April 2021 Board Book
2. Investment Committee Meeting April 8, 2021, Performance Report – February 28, 2021
3. Investment Committee Presentations from Hamilton Lane Advisors, LLC; Aon Investments; Mercer; American Century Investment Management, Inc.; Driehaus Capital Management LLC; and Oberweis Asset Management, Inc.
4. *2021 Regular Legislative Session Legislation Affecting TRSL as of April 7, 2021* and *2021 Regular Legislative Session Legislation Monitored by TRSL as of April 7, 2021* – TRSL staff
5. *TRSL Projected Contributions and Contribution Rates (Source: 6/30/2019 Baseline Projection)* – TRSL Staff
6. *Senate Bill 22 (Impact Scenarios)* – TRSL Staff
7. *TRSL Discount Rate: Purpose, Components, and Impacts* – Shelley Johnson, Foster & Foster Actuaries and Consultants

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

ON MOTION OF DR. MILLS, SECONDED BY DR. TAYLOR, AND CARRIED, the Board voted to approve the Minutes of the meeting of the TRSL Board of Trustees held March 4, 2021 (including Minutes of committee meetings held March 4, 2021).

Investment Committee Report

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

Elections Committee Report

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

Legislative Committee Report

ON MOTION OF MS. NOGESS, SECONDED BY DR. TAYLOR, AND CARRIED, the Board voted to accept the report of the Legislative Committee in globo, and to approve the recommendations contained therein.

Executive Committee Report

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

Introduction of Newly Hired Staff

Ms. Whitney informed the Committee that six new employees were hired during the period 01/01/21 and 03/31/21 - Accounting Department: Shakira York; IT Department: Ryan Supple; Legal Department: Kenneth L. “Trey” Roche, III; Retirement Department: Michael Birotte, Bethany Elam, and Catherine Mosley. Ms. Whitney referred Trustees to page 9 and 10 in the Board Book, which provides a picture and brief bio of each hiree.

Director's Update

Ms. Whitney updated the Committee on the following items:

COVID 19 – TRSL

Adjournment

ON MOTION OF DR. MILLS, SECONDED BY DR. TAYLOR, AND CARRIED,
the Board voted to adjourn at 11:19 a.m.

Teachers' Retirement System of Louisiana
Subcommittee to Review Responses to SFP for Emerging Markets Equity Manager
8401 United Plaza Blvd., 4th Floor, Baton Rouge, LA 70809
8:30 a.m. – Thursday
April 8, 2021

MEMBERS PRESENT: Dr. Jerry Baudin, David Hennigan, Neshelle Nogess, Jim Napper (Treasurer's Designee), and Dr. James Taylor

OTHER MEMBERS PRESENT: Rick McGimsey (Commissioner's Designee), Dr. Tia Mills, Dr. Paul Nelson, and Dr. Tom Stafford

STAFF PRESENT: Katherine Whitney, Douglas Swenson, Phil Griffith, Kenneth L. "Trey" Roche, III, Jeff LaCour, Lisa Honore, Dana Brown, Maurice Coleman, and Lisa Barousse

OTHERS PRESENT: Scott Coopriider and Rishi Delvadia, Aon Investments; and William "Joey" David, House Retirement Committee

Roll Call

Dr. Baudin called the meeting to order at 8:30 a.m. The secretary called the roll and a quorum was established.

Review Responses to Solicitation for Proposals for Emerging Markets Equity Manager and Recommend Finalists to be Interviewed

Mr. Coopriider, Mr. Ivinjack, and Mr. Devaldia of Aon Investments presented an overview of the responses to the SFP for Emerging Markets Equity Manager candidates: Growth – Axiom, Columbia Threadneedle, Sands Capital, and William Blair; Value – Franklin Templeton, Man Numeric, Robeco, and Wells Fargo.

ON MOTION OF MR. HENNIGAN, SECONDED BY DR. TAYLOR, AND CARRIED, the Subcommittee voted to recommend to the Investment Committee that the following be interviewed as finalists for Emerging Markets Equity Manager:

Growth – Columbia Threadneedle and William Blair Growth
Value - Franklin Templeton and Wells Fargo

Adjournment

ON MOTION OF MR NAPPER, SECONDED BY MR. HENNIGAN AND CARRIED, the Committee voted to adjourn at 9:26 a.m.

**Teachers' Retirement System of Louisiana
Investment Committee
8401 United Plaza Blvd., 4th Floor, Baton Rouge, LA 70809
Upon Adjournment of Subcommittee to Review Responses to
Solicitation for Proposals for Emerging Markets Equity Manager – Thursday
April 8, 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, and Dr. Tom Stafford

MEMBERS ABSENT: Holly Gildig, Senator Cleo Fields, and Representative Lance Harris

OTHER MEMBERS PRESENT: Dr. Tia Mills

STAFF PRESENT: Katherine Whitney, Douglas Swenson, Philip Griffith, Kenneth L. "Trey" Roche, III, Jeff LaCour, Lisa Honore, Ed Branagan, Dana Brown, Maurice Coleman, and Lisa Barousse

OTHERS PRESENT: Scott Coopridger, Rishi Delvadia, and Russ Ivinjack, Aon Investments; Matt Silverio and Ben Eckroth, Hamilton Lane Advisors, LLC; Chris Thach and Will Dillard, Mercer; Trevor Gurwich, Jim Shore and Walt McGhee American Century Investment Management, Inc.; Dan Burr, David Mouser, and David McElroy, Driehaus Capital Management LLC; Ralf Scherschmidt, Jeff Papp, and Brian Lee, Oberweis Asset Management, Inc.; and William "Joey" David, House Retirement Committee

Roll Call

Mr. Hennigan called the meeting to order at 9:28 a.m. The secretary called the roll and a quorum was established.

Report of Subcommittee to Review Responses to Solicitation for Proposals for Emerging Markets Equity Manager

Dr. Baudin presented the report of the Subcommittee to Review Responses to Solicitation for Proposals for Emerging Markets Equity Manager, including the following action.

“ON MOTION OF MR. HENNIGAN, SECONDED BY DR. TAYLOR, AND CARRIED, the Subcommittee voted to recommend to the Investment Committee that the following be interviewed as finalists for Emerging Markets Equity Manager: Growth - Columbia Threadneedle and William Blair Growth; and Value - Franklin Templeton and Wells Fargo.”

ON MOTION OF DR. BAUDIN, SECONDED BY DR. TAYLOR, AND CARRIED, the Committee voted to approve the report of the Subcommittee to Review Responses to Solicitation for Proposals for Emerging Markets Equity Manager and the recommendations contained therein.

TRSL Asset Allocation Primer – Aon Investments

Mr. Coopriider presented *TRSL Asset Allocation Primer*. The presentation qualified as one hour of Investment Education for Trustees.

Private Market Update and Review

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

Mr. Silverio presented the private market update.

Potential Private Market Investments

Mr. Silverio reviewed FCP Realty Fund V, L.P.

ON MOTION OF DR. BAUDIN, SECONDED BY DR. TAYLOR, AND CARRIED, consistent with the alternative investment guidelines, the Committee voted to receive the Hamilton Lane report including the due-diligence process dated April 8, 2021, pertaining to investments in FCP Realty Fund V, L.P. (up to \$50 million) subject to final term negotiations completed within the timeline established by the Hamilton Lane contract.

Mr. Eckroth reviewed Roark Capital Partners VI, L.P.

DR. BAUDIN MOVED to receive the Hamilton Lane report including the due-diligence process dated April 8, 2021, pertaining to investments in Roark Capital Partners VI, L.P. (up to \$50 million) subject to final term negotiations completed within the timeline established by the Hamilton Lane contract. DR. NELSON SECONDED THE MOTION, and MS. NOGESS OBJECTED TO THE MOTION. The secretary called the roll. THE MOTION PASSED by a vote of 5 yeas and 3 nays, with, Dr. Nelson, Mr. McGimsey, Dr Taylor, Dr. Stafford, and Mr. Hennigan voting yea; and Ms. Nogess, Dr. Baudin, and Mr. Napper voting nay.

Private Market Annual Committee Reports

Mr. Eckroth presented Private Market Annual Committee Reports on Balance Point Capital Partners V, L.P.; BC European Capital IX & X, L.P.; Providence Debt Fund III L.P.; Benefit Street Partners Debt Fund IV, L.P.; Castlelake IV & V, L.P.; Castlelake V Dislocated Opportunities, L.P.; Charterhouse Capital Partners X & XI, L.P.; LS Power Equity Partners III & IV, L.P.; Platinum Equity Capital Partners II, III, IV & V, L.P.; and Thomas H. Lee Equity Fund VII, VIII & IX, L.P.

ON MOTION OF MR. MCGIMSEY, SECONDED BY MS. NOGESS, AND CARRIED, the Committee voted to receive the reports as presented.

TRSL 2021 Venture Capital Separate Account Update

Mr. Silverio presented an update on the TRSL 2021 Venture Capital Separate Account.

ON MOTION OF MR. NAPPER, SECONDED BY MR. MCGIMSEY, AND CARRIED, the Committee voted to receive the update on the TRSL 2021 Venture Capital Separate Account.

Presentation and Approval of SFP for Emerging Markets Debt Manager

Mr. Griffith presented the SFP for Emerging Markets Debt Manager.

ON MOTION OF DR. TAYLOR, SECONDED BY DR. BAUDIN, AND CARRIED, the Committee voted to approve the SFP for Emerging Markets Debt Manager.

Appointment of Subcommittee to Review Responses to Solicitation for Proposals for Consultant

Mr. Hennigan appointed the following members to serve on the Subcommittee to Review Responses to the SFP for Consultant: Mr. Hennigan as Chair, Mrs. Gildig, Dr. Baudin, Mr. Napper, and Ms. Nogess.

Optional Retirement Plan (ORP) Quarterly Review (for Period Ended December 31, 2020) - Mercer

Mr. Thach and Mr. Dillard presented the ORP Quarterly Review for period ended December 31, 2020.

ON MOTION OF DR. BAUDIN, SECONDED BY MR. MCGIMSEY, AND CARRIED, the Committee voted to receive the report as presented.

Interview Finalists and Recommend Successful Candidate Firm for International Small Cap Manager

Mr. Griffith, Mr. Coopriker, and Mr. Delvadia presented an overview of the candidate firms for International Small Cap Manager.

Representatives from each firm appeared before the Committee to be interviewed:

1. American Century Investment Management, Inc. - Trevor Gurwich, Jim Shore, and Walt McGhee
2. Driehaus Capital Management LLC - Dan Burr, David Mouser, and David McElroy
3. Oberweis Asset Management, Inc. - Ralf Scherschmidt, Jeff Papp, and Brian Lee

The Committee ranked firms from 1 to 3, with 1 ranking the highest.

| | American Century | Driehaus | Oberweis |
|--------------|------------------|-----------|-----------|
| Ms. Nogess | 2 | 3 | 1 |
| Dr. Baudin | 3 | 2 | 1 |
| Dr. Nelson | 2 | 3 | 1 |
| Mr. Napper | 2 | 3 | 1 |
| Mr. McGimsey | 1 | 2 | 3 |
| Dr. Taylor | 3 | 2 | 1 |
| Dr. Stafford | 3 | 2 | 1 |
| Mr. Hennigan | 3 | 2 | 1 |
| Total | 19 | 19 | 10 |

Oberweis ranked highest (with a total of 10), followed by American Century and Driehaus, whose ranking each totaled 19.

ON MOTION OF MR. NAPPER, SECONDED BY MS. NOGESS, AND CARRIED, the Committee voted to hire Oberweis Asset Management, Inc. as International Small Cap Manager, subject to fee negotiation.

Capital Market Update and Review of TRSL Investments

Quarterly Investment Review - Mr. Coopridier presented the Quarterly Investment Review for the period ended December 31, 2020.

Monthly Investment Review - Mr. Griffith presented an overview of TRSL's total plan and public and private market investments. Mr. Ivinjack presented the Aon's Monthly Investment Review. Staff and Consultant reviewed performance of TRSL investments through February 28, 2021.

Portfolio Review

Mr. Delvadia and Mr. Brown reviewed the following Large Cap Growth managers: Counterpoint Global (formerly Morgan Stanley) and The BNY Mellon Company (formerly The Boston Company Asset Management).

Adjournment

ON MOTION OF DR. BAUDIN, SECONDED BY DR. NELSON, AND CARRIED, the Committee voted to adjourn at 4:00 p.m.

**Teachers' Retirement System of Louisiana
Elections Committee
8401 United Plaza Blvd., 4th Floor, Baton Rouge, LA 70809
8:30 a.m. – Friday
April 9, 2021**

- MEMBERS PRESENT:** Dr. Tia Mills, Rick McGimsey (Commissioner's Designee), Dr. James Taylor, Jim Napper (Treasurer's Designee), Dr. Tom Stafford, Dr. Paul Nelson and Holly Gildig (Ex Officio)
- MEMBERS ABSENT:** Ricky Julien, Sr. and Ryan Gremillion, (State Superintendent's Designee)
- OTHER MEMBERS PRESENT:** Dr. Jerry Baudin, David Hennigan, and Neshelle Nogess
- STAFF PRESENT:** Katherine Whitney, Douglas Swenson, Philip Griffith, Kenneth L. "Trey" Roche, III, Jeff LaCour, Lisa Honore, Dana Brown, Maurice Coleman, and Lisa Barousse
- OTHERS PRESENT:** Shelley Johnson, Foster & Foster Actuaries and Consultants; Cindy Rougeou and Tina Grant, Louisiana State Employees' Retirement System (LASERS); and Rodney Watkins, Louisiana Retired Teachers' Association (LRTA)

Roll Call

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

Receive Primary Election Results for District 7 - Special Election

Dr. Mills read the election results for **District 7 Special Election** as follows: Suzanne Breaux received 173 votes (50%), Kelly Allen received 87 votes (25.14%), and Vicki Chauvin Guilbeau received 86 votes (24.86%).

A run-off election will be held between Suzanne Breaux and Kelly Allen who received 50% and 25.14% of the vote, respectively.

ON MOTION OF MR. MCGIMSEY, SECONDED BY DR. NELSON, AND CARRIED, the Committee voted to receive and approve the primary special election results for District 7.

Adjournment

ON MOTION OF MR. NAPPER, SECONDED BY DR. TAYLOR, AND CARRIED, the Committee voted to adjourn at 8:35 a.m.

**Teachers' Retirement System of Louisiana
Legislative Committee
8401 United Plaza Blvd., 4th Floor, Baton Rouge, LA 70809
Upon Adjournment of Elections Committee – Friday
April 9, 2021**

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

MEMBERS ABSENT: Lotte Delaney, Senator Cleo Fields, Representative Lance Harris, and Ricky Julien, Sr.

OTHER MEMBERS PRESENT: Dr. Tia Mills and Dr. Tom Stafford

STAFF PRESENT: Katherine Whitney, Douglas Swenson, Philip Griffith, Kenneth L. "Trey" Roche, III, Jeff LaCour, Lisa Honore, Dana Brown, Maurice Coleman, and Lisa Barousse

OTHERS PRESENT: Shelley Johnson, Foster & Foster Actuaries and Consultants; Cindy Rougeou and Tina Grant, Louisiana State Employees' Retirement System (LASERS); Rodney Watkins, Louisiana Retired Teachers' Association (LRTA); William "Joey" David, House Retirement Committee; and Robert Schmidt, Kean Miller

Roll Call

Ms. Nogess called the meeting to order at 8:36 a.m. The secretary called the roll and a quorum was established. Ms. Nogess appointed Dr. Taylor to serve on the Committee as an alternate for Mr. Julien.

Update and Discussion of 2021 Legislative Session

Ms. Whitney presented an overview of legislation affecting TRSL. The Committee took positions on the bills as follows:

ON MOTION OF DR NELSON, SECONDED BY MR. HENNIGAN, AND CARRIED, the Committee voted to **SUPPORT SB 24** by Senator Price.

ON MOTION OF DR. TAYLOR, SECONDED BY DR. NELSON, AND CARRIED, the Committee voted to **OPPOSE SB 22** by Senator Peacock.

ON MOTION OF MR. HENNIGAN SECONDED BY DR. NELSON, AND CARRIED, the Committee voted to **REMAIN NEUTRAL on HB 22** by Representative LaCombe.

ON MOTION OF DR. NELSON, SECONDED BY MR. HENNIGAN, AND CARRIED, the Committee voted to **SUPPORT HB 516** by Representative Zeringue.

Mr. Roche reviewed legislation being monitored by TRSL.

Adjournment

ON MOTION OF MR. NAPPER, SECONDED BY MR. HENNIGAN, AND CARRIED, the Committee voted to adjourn at 9:46 a.m.

**Teachers' Retirement System of Louisiana
Executive Committee
8401 United Plaza Blvd., 4th Floor, Baton Rouge, LA 70809
Upon Adjournment of Legislative Committee – Friday
April 9, 2021**

MEMBERS PRESENT: Holly Gildig, David Hennigan, Neshelle Nogess, Dr. Jerry Baudin, Dr. Tia Mills, and Jim Napper (Treasurer's Designee)

MEMBERS ABSENT: Ricky Julien, Sr.,

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

STAFF PRESENT: Katherine Whitney, Douglas Swenson, Philip Griffith, Kenneth L. "Trey" Roche, III, Jeff LaCour, Lisa Honore, Dana Brown, Maurice Coleman, Andrea Guntz, Matt Tessier, and Lisa Barousse

OTHERS PRESENT: Shelley Johnson, Foster & Foster Actuaries and Consultants; William "Joey" David, House Retirement Committee; and Robert Schmidt, Kean Miller

Roll Call

Mrs. Gildig called the meeting to order at 9:53 a.m. The secretary called the roll and a quorum was established.

TRSL Discount Rate – Purpose, Components and Impact - Shelley Johnson, Foster & Foster Actuaries and Consultants

Ms. Johnson presented *TRSL Discount Rate – Purpose, Components and Impact*. The presentation qualified as one hour of Actuarial Education.

Presentation and Review of Administrative Rules Regarding Chapter 15 (Optional Retirement Plan (ORP))

Mr. Roche reviewed proposed changes to Administrative Rules Regarding Chapter 15 (Optional Retirement Plan (ORP)). The rules will be presented for approval in May.

ON MOTION OF DR. BAUDIN, SECONDED BY MR. HENNIGAN, AND CARRIED, the Committee voted to receive the proposed changes to Administrative Rules Chapter 15 as presented.

Presentation and Review of Administrative Rules Regarding Chapter 11 (Voluntary Deductions from Retiree Benefits Payroll)

Mr. Roche reviewed proposed changes to Administrative Rules Regarding Chapter 11 (Voluntary Deductions from Retiree Benefits Payroll). The rules will be presented for approval in May.

ON MOTION OF DR, BAUDIN, SECONDED BY DR, TAYLOR, AND CARRIED, the Committee voted to receive the proposed changes to Administrative Rules Chapter 11 as presented.

Presentation and Approval of Quarterly Compliance Audit Reports

Ms. Guntz presented the Quarterly Compliance Audit Reports.

ON MOTION OF DR. BAUDIN, SECONDED BY MS. NOGESS, AND CARRIED, the Committee voted to approve the Audit Reports as presented.

Review of Tier 2.1 Disclosure Form Due May 15, 2021

Mr. Roche presented an overview of the Tier 2.1 Financial Disclosure Form which must be filed by Trustees with the Louisiana Board of Ethics on or before May 15, 2021.

Presentation of Quarterly Litigation Reports

Mr. Roche presented the Quarterly Litigation Reports.

Update and Discussion of *Kevin Cope and Roger Laine vs. LSU and TRSL*

MR. HENNIGAN MOVED AND MS. NOGESS SECONDED A MOTION to convene into Executive Session to review and discuss potential litigation related to *Kevin Cope & Roger Laine v. Board of Supervisors of Louisiana State University and A & M College and Teacher Retirement System of Louisiana*, Number 633,758, Division D, 19th Judicial District Court, Parish of East Baton Rouge, State of Louisiana, with the Director, Deputy Director, Executive Counsel, Deputy General Counsel, and Mr. Schmidt of Kean Miller to remain in the room. A roll-call vote was taken.

The vote was unanimous with Mrs. Gildig, Mr. Hennigan, Ms. Nogess, Dr. Baudin, Dr. Mills, and Mr. Napper voting yea. The Committee convened into Executive Session.

MR. NAPPER MOVED AND DR. BAUDIN 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, Dr. Mills, and Mr. Napper voting yea. The Committee reconvened into Regular Session.

ON MOTION OF MR. HENNIGAN, SECONDED BY MS. NOGESS, AND CARRIED, the Committee voted to receive the Quarterly Litigation Reports.

Adjournment

ON MOTION OF MR. HENNIGAN, SECONDED BY MS. NOGESS, AND CARRIED, the Committee voted to adjourn at 11:13 a.m.