

**Teachers' Retirement System of Louisiana
Board of Trustees
Upon Adjournment of Legislative Committee – Tuesday
December 6, 2011**

MEMBERS PRESENT: Anne H. Baker, Dr. William C. "Bill" Baker, Eula Beckwith, Holly B. Gildig, Kathy Hattaway, Joyce Haynes, Superintendent Darryl C. Kilbert, Robert Lawyer, Joe A. Potts, Jr., Dr. Dominic Salinas, and Carlos Sam

MEMBERS ABSENT: Dr. Sheryl Abshire, Senator D.A. "Butch" Gautreaux, Jim Napper (Treasurer's Designee), Representative J. Kevin Pearson, and Acting State Superintendent Ollie Tyler

STAFF PRESENT: Maureen H. Westgard, Stuart Cagle, Phil Griffith, Roy Mongrue, Jr., Dana Vicknair, Roth Aymond, Trudy Berthelot, Dana Brown, Jim Buras, Maurice Coleman, Lisa Honore, Ronnie Mazie, Melinda Parker, Matt Tessier, Katherine Whitney, Charlene Wilson, Pamela Young, Dana Lee Haltom, and Lisa Barousse

OTHERS PRESENT: Shelley Johnson, SJ Actuarial Associates; Laura Gail Sullivan and Lauren Bailey, Louisiana Senate; Anna Dearmon, Division of Administration

Each member of the Board received the following:

1. *December 2011 Board Book*
2. *Investment Committee Meeting–December 5, 2011, Performance Report–October 30, 2011*
3. Investment Committee Presentation Booklets from Hewitt EnnisKnupp; Hamilton Lane; and BNY Mellon
4. Committee of the Whole Presentations: *Getting Started in Hedge Funds* –Hewitt EnnisKnupp; *Fundamentals of Fiduciary Responsibility* - Robert Klausner, Klausner, Kauffmann, Jensen & Levinson; and *Overview of Plan Designs* - Shelley Johnson, SJ Actuarial Associates and Brad Heinrichs, Foster & Foster
5. Comprehensive Annual Financial Report (CAFR) and the Popular Annual Financial Report (PAFR) for Fiscal Year Ended June 30, 2011
6. December 2011 TRSL's Boardroom Beacon, Step by Step: Planning for Retirement

Mrs. Baker called the meeting to order at 10:10 a.m. Dr. Salinas 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 8, 2011 (Including Minutes of Committee Meetings held November 7 and 8, 2011)

ON MOTION OF MRS. BECKWITH, SECONDED BY MR. LAWYER, AND CARRIED, the Board voted to approve the Minutes of the meeting of the TRSL Board of Trustees held November 8, 2011 (including minutes of committee meetings held November 7 and 8, 2011).

Investment Committee Report

ON MOTION OF DR. SALINAS, SECONDED BY MRS. BECKWITH, 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 MRS. HAYNES, SECONDED BY MR. POTTS, AND CARRIED, the Board voted to accept the report of the Elections Committee and to approve the recommendations contained therein.

Dr. Salinas in the Chair

Committee of the Whole Report

ON MOTION OF MRS. BAKER, SECONDED BY MRS. BECKWITH, AND CARRIED, the Board voted to accept the report of the Committee of the Whole.

Executive Committee Report

ON MOTION OF MRS. BAKER, SECONDED BY MRS. BECKWITH, AND CARRIED, the Board voted to accept the report of the Executive Committee and to approve the recommendations contained therein.

Mrs. Baker in the Chair

Legislative Committee Report

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

Presentation of the TRSL Comprehensive and Popular Annual Financial Reports for Fiscal Year ended June 30, 2011

Mr. Cagle presented the TRSL Comprehensive and Popular Annual Financial Reports for Fiscal Year Ended June 30, 2011. Mrs. Beckwith commended the staff on the excellent work put into the CAFR and PAFR.

ON MOTION OF MR. LAWYER, SECONDED BY MRS. BECKWITH, AND CARRIED, the Board voted to approve the TRSL Comprehensive and Popular Annual Financial Reports for Fiscal Year Ended June 30, 2011.

Presentation of TRSL Board of Trustees Self-Evaluation

Mrs. Baker presented the TRSL Board of Trustees Self-Evaluation. Mrs. Baker thanked the Board and staff for their input into the evaluation.

Mrs. Beckwith commented that the Boardroom Beacon has been very helpful and a great asset to the constituency. Mrs. Baker thanked the TRSL staff for the tremendous job they do for the System.

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

Director's Update

Ms. Westgard updated the Board on the following items:

- With assistance of the TRSL Employer Support Group – Desoto Parish School Board reported 100% of outstanding sick leave records, and LSU, LSU-Shreveport, and UNO have reported 100% of annual leave balances
- Boardroom Beacon – Step by Step: Planning for Retirement

Presentation of Resolutions Honoring Eula Beckwith, Senator D.A. "Butch" Gautreaux, Dominic Salinas, and Gavin Vitter

Mrs. Baker noted that Resolutions honoring their service were presented to Eula Beckwith, Senator D.A. "Butch" Gautreaux, Dominic Salinas, and Gavin Vitter and each resolution would be included in the official record. Mrs. Baker thanked them for their service on the Board.

ON MOTION OF MR. POTTS, SECONDED BY DR. BAKER, AND CARRIED, the Board voted to include the Resolutions in the minutes of the meeting.

Mr. Potts, Ms. Hattaway, Mrs. Beckwith, and Dr. Salinas thanked and commended retiring board members and staff.

Board Chair Comments

Mrs. Baker made comments on TRSL's accomplishments and challenges during 2011.

Adjournment

ON MOTION OF MRS. BECKWITH, SECONDED BY DR. SALINAS, AND CARRIED, the Board voted to adjourn at 11:00 a.m.

Teachers' Retirement System of Louisiana
Investment Committee
8:30 a.m. – Monday
December 5, 2011

MEMBERS PRESENT: Dr. Dominic Salinas, Dr. William C. "Bill" Baker, Superintendent Darryl C. Kilbert, Eula Beckwith, Jim Napper (Treasurer's Designee), Anne H. Baker, Robert Lawyer and Holly Gildig

MEMBERS ABSENT: Dr. Sheryl Abshire, Senator D.A. "Butch" Gautreaux and Representative J. Kevin Pearson

OTHER MEMBERS PRESENT: Kathy Hattaway, Joyce Haynes, Joe Potts, Jr., Carlos Sam

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

OTHERS PRESENT: John Parauka, Trustee-elect; Scott Coopridger, Hewitt EnnisKnupp; Paul Yett, Hamilton Lane; Anna Dearmon, Division of Administration; Ray Kronz and Mike McDermott of BNY Mellon Asset Servicing; and Shelley Johnson, SJ Actuarial Associates

Roll Call

Dr. Salinas called the meeting to order at 8:30 a.m. The secretary called the roll and a quorum was established. Dr. Salinas appointed Mr. Lawyer and Mrs. Gildig to serve on the Committee as alternates for Dr. Abshire and Ms. Hattaway.

Ms. Westgard introduced Trustee-elect John Parauka. Each trustee introduced themselves to Mr. Parauka.

Private Market Update and Review of Potential Private Market Investments

Paul Yett of Hamilton Lane Advisors, L.L.C. presented a private market update and reviewed potential alternative investments in Platinum Equity Fund and Green Equity Investors, VI, L.P.

ON MOTION OF MR. LAWYER, SECONDED BY SUPERINTENDENT KILBERT, AND CARRIED, consistent with the alternative investment guidelines, the Committee voted to receive the Hamilton Lane report, including the due-diligence process dated December 5, 2011, pertaining to investments in Platinum Equity Fund (up to \$50 million).

ON MOTION OF DR. BAKER, SECONDED BY MRS. BECKWITH, AND CARRIED, consistent with the alternative investment guidelines, the Committee voted to receive the Hamilton Lane report, including the due-diligence process dated December 5, 2011, pertaining to investments in Green Equity Investors VI, L.P. (up to \$50 million).

Mr. Yett updated the Committee on global volatility and its effect on the private equity market.

Presentation and Approval of the Schedule of Investment Searches for 2012

Mr. Griffith presented the proposed investment search schedule for 2012. Mr. Griffith and Scott Coopridger, Hewitt EnnisKnupp noted that there would not be a large cap core search.

ON MOTION OF MRS. BECKWITH, SECONDED BY MRS. GILDIG, AND CARRIED, the Committee voted to approve the timelines for the Emerging Market Debt, Core Fixed Income, Core Plus Fixed Income and Hedge Fund manager searches for 2012.

Presentation and Approval of the Schedule of Managers' Portfolio Reviews for 2012

Mr. Griffith presented the schedule of active managers' portfolio reviews for 2012.

ON MOTION OF MRS. GILDIG, SECONDED BY DR. BAKER, AND CARRIED, the Committee voted to approve the managers' review schedule for 2012.

Presentation of Annual Investment Manager Proxy Voting Report

Mr. Brown presented the annual investment manager proxy voting report.

ON MOTION OF SUPERINTENDENT KILBERT, SECONDED BY MR. LAWYER, AND CARRIED, the Committee voted to receive the annual investment manager proxy voting report.

Review of TRSL Investments

Mr. Griffith presented an overview of TRSL's total plan and public market investments. Scott Coopridier of Hewitt EnnisKnupp appeared before the Committee to present the December 5, 2011 Meeting Packet. Staff and consultant reviewed performance of TRSL investments through October 31, 2011.

Mr. Coopridier reviewed public and private investment benchmarks and presented proposed changes to TRSL benchmarks.

ON MOTION OF MRS. BECKWITH, SECONDED BY SUPERINTENDENT KILBERT, AND CARRIED, the Committee voted to approve the manager benchmarks as presented by the consultants.

Annual Review and Update on Securities Lending

Ray Kronz and Mike McDermott of BNY Mellon Asset Servicing appeared before the Committee to give a review and update on securities lending. The presentation qualified for one-half hour of Investment Education.

ON MOTION OF DR. BAKER, SECONDED BY MR. LAWYER, AND CARRIED, the Committee voted to receive the annual review and update on securities lending.

Adjournment

ON MOTION OF MRS. BECKWITH, SECONDED BY MRS. GILDIG, AND CARRIED, the Committee voted to adjourn at 11:48 a.m.

**Teachers' Retirement System of Louisiana
Elections Committee
Upon Adjournment of Investment Committee – Monday
December 5, 2011**

MEMBERS PRESENT: Joyce Haynes, Kathy Hattaway, Holly Gildig, Joe Potts, Jr., Robert Lawyer, Jim Napper (Treasurer's Designee), Anne H. Baker, and Dr. William C. "Bill" Baker

MEMBERS ABSENT: Dr. Sheryl Abshire

OTHER MEMBERS PRESENT: Eula Beckwith, Superintendent Darryl C. Kilbert, Dr. Dominic Salinas, and Carlos Sam

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

OTHERS PRESENT: John Parauka, Trustee-elect; Scott Coopriider, Hewitt EnnisKnupp; Anna Dearmon, Division of Administration; and Shelley Johnson, SJ Actuarial Associates

Roll Call

Mrs. Haynes called the meeting to order at 11:50 a.m. The secretary called the roll and a quorum was established. Mrs. Haynes appointed Dr. Baker to serve on the Committee as an alternate for Dr. Abshire.

Receive and Approve District 4 Runoff Election Results

Mrs. Haynes read the District 4 runoff election results. Mr. David A. Hennigan received 639 votes (70.84%) and Ms. Emma Shepard, Ed.S. received 263 votes (29.16%). Mr. Hennigan was elected with 70.84% of the vote.

ON MOTION OF MR. POTTS, SECONDED BY MS. HATTAWAY AND CARRIED, the Committee voted to receive and approve the 2012 runoff election results for District 4.

Adjournment

ON MOTION OF DR. BAKER, SECONDED BY MRS. GILDIG, AND CARRIED, the Committee voted to adjourn at 11:55 a.m.

**Teachers' Retirement System of Louisiana
Committee of the Whole
12:45 p.m. – Monday
December 5, 2011**

- MEMBERS PRESENT:** Anne H. Baker, Dr. William C. "Bill" Baker, Eula Beckwith, Holly B. Gildig, Kathy Hattaway, Joyce Haynes, Superintendent Darryl C. Kilbert, Robert Lawyer, Jim Napper (Treasurer's Designee), Joe A. Potts, Jr., Dr. Dominic Salinas, and Carlos Sam
- MEMBERS ABSENT:** Dr. Sheryl Abshire, Senator D.A. "Butch" Gautreaux, Representative J. Kevin Pearson, and Acting State Superintendent Ollie Tyler
- STAFF PRESENT:** Maureen H. Westgard, Stuart Cagle, Phil Griffith, Roy Mongrue, Jr., Dana Vicknair, Dana Brown, Maurice Coleman, Melinda Parker, Matt Tessier, Katherine Whitney, Desiree Marshall, Dana Lee Haltom, and Lisa Barousse
- OTHERS PRESENT:** Laura Gail Sullivan and Lauren Bailey, Louisiana Senate; Charles Hall, Hall Actuarial Associates, Robert Klausner, Klausner, Kauffman, Jensen & Levinson; Shelley Johnson, SJ Actuarial Associates; Peter Hill and Scott Coopriider, Hewitt EnnisKnupp; Brad Heinrichs, Foster & Foster

Roll Call

Mrs. Baker called the meeting to order at 12:55 p.m. The secretary called the roll and a quorum was established.

Trustee Education Presentations

Mrs. Baker welcomed the presenters to the meeting and introduced the speakers and noted that each presentation would count as education for trustees.

- a. *Getting Started in Hedge Funds* – Peter Hill, Hewitt EnnisKnupp (*Qualified as one hour of Investment Education*)
- b. *Fundamentals of Fiduciary Responsibility* - Robert Klausner, Klausner, Kauffmann, Jensen & Levinson (*Qualified as one hour of Fiduciary/Ethics Education*)

- c. Actuarial – *Overview of Plan Designs* - Shelley Johnson, SJ Actuarial Associates and Brad Heinrichs, Foster & Foster (*Qualified as one hour of Actuarial Education*)

Mrs. Baker thanked the presenters for their excellent presentations.

Adjournment

ON MOTION OF DR. BAKER, SECONDED BY DR. SALINAS AND CARRIED, the Committee voted to adjourn at 4:18 p.m.

**Teachers' Retirement System of Louisiana
Executive Committee
8:30 a.m. – Tuesday
December 6, 2011**

- MEMBERS PRESENT:** Anne H. Baker, Dr. William C. "Bill" Baker, Eula Beckwith, Dr. Dominic Salinas, and Kathy Hattaway
- MEMBERS ABSENT:** Dr. Sheryl Abshire
- OTHER MEMBERS PRESENT:** Holly Gildig, Joyce Haynes, Superintendent Darryl C. Kilbert, Robert Lawyer, Jim Napper (Treasurer's Designee), Joe A. Potts, Jr. and Carlos Sam
- STAFF PRESENT:** Maureen H. Westgard, Stuart Cagle, Phil Griffith, Roy Mongrue, Jr., Dana Vicknair, Dana Brown, Maurice Coleman, Melinda Parker, Matt Tessier, Katherine Whitney, Pamela Young, Dana Lee Haltom, and Lisa Barousse
- OTHERS PRESENT:** Robert Klausner, Klausner, Kauffman, Jensen & Levinson; Shane Riddle, Louisiana Association of Educators; Shelley Johnson, SJ Actuarial Associates; Laura Gail Sullivan and Lauren Bailey, Louisiana Senate; Anna Dearmon, Division of Administration

Roll Call

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

Update on Potential Litigation Regarding:

- Priestley School of Architecture and Construction, Inc.
- Firstline Schools, Inc. – John Dibert Community School
- Algiers Charter School Association

Superintendent Kilbert and Mr. Napper recused themselves from the discussion regarding Priestley School due to Superintendent Kilbert's position as Superintendent of the Orleans Parish School Board and Mr. Napper's position with the Treasurer's Office. Superintendent Kilbert and Mr. Napper were not present during the discussion regarding Priestley.

DR. SALINAS MOVED to convene into Executive Session to discuss potential litigation regarding Priestley School and Orleans Parish School Board; Firstline Schools, Inc. – John Dibert Community School; and Algiers Charter School Association, and that Ms. Westgard, Mr. Cagle, Mr. Mongrue, Mr. Klausner, and Ms. Whitney remain in the room. MRS. BECKWITH SECONDED THE MOTION.

The secretary called the roll. The vote was unanimous and the Committee convened into Executive Session.

MS. HATTAWAY MOVED to reconvene into Regular Session. DR. SALINAS SECONDED THE MOTION. The secretary called the roll. The vote was unanimous and the Committee reconvened into Regular Session.

Update on Charter School Participation in TRSL

Mr. Mongrue presented an update on charter school participation in TRSL. TRSL has filed a proof of claim in Priestley's bankruptcy. Relative to the Private Letter Request, the IRS has sent notice asking for comments on rulemaking regarding what constitutes a governmental plan.

Review and Approval of Installment Payment Agreement for the Purchase of Military Service under La. R.S. 11:153

Ms. Whitney presented the draft Installment Payment Agreement for the purchase of military service.

ON MOTION OF DR. SALINAS, SECONDED BY MRS. BECKWITH, AND CARRIED, the Committee voted to approve the draft Installment Payment Agreement and authorize the TRSL Director and General Counsel to make any amendments which are determined necessary.

Adjournment

ON MOTION OF MRS. BECKWITH, SECONDED BY DR. SALINAS, AND CARRIED, the Committee voted to adjourn at 8:59 a.m.

**Teachers' Retirement System of Louisiana
Legislative Committee
Upon Adjournment of Executive Committee – Tuesday
December 6, 2011**

MEMBERS PRESENT: Dr. William C. "Bill" Baker, Robert Lawyer, Joyce Haynes, Kathy Hattaway, Jim Napper (Treasurer's Designee), Anne H. Baker, and Dr. Dominic Salinas

MEMBERS ABSENT: Dr. Sheryl Abshire

OTHER MEMBERS PRESENT: Eula Beckwith, Holly Gildig, Superintendent Darryl C. Kilbert, Joe A. Potts, Jr., and Carlos Sam

STAFF PRESENT: Maureen H. Westgard, Stuart Cagle, Phil Griffith, Roy Mongrue, Jr., Dana Vicknair, Dana Brown, Maurice Coleman, Melinda Parker, Matt Tessier, Katherine Whitney, Pamela Young, Dana Lee Haltom, and Lisa Barousse

OTHERS PRESENT: Shane Riddle, Louisiana Association of Educators; Shelley Johnson, SJ Actuarial Associates; Laura Gail Sullivan and Lauren Bailey, Louisiana Senate; Anna Dearmon, Division of Administration; and Frank Endom, Hammond & Sills

Roll Call

Dr. Baker called the meeting to order at 9:00 a.m. The secretary called the roll and a quorum was established. Dr. Baker appointed Dr. Salinas to serve on the Committee as an alternate for Dr. Abshire.

Discussion of Potential Legislation for the 2012 Regular Legislative Session

Ms. Johnson presented information on actuarial cost methods – projected unit credit v. entry age normal.

ON MOTION OF MRS. BAKER, SECONDED BY DR. SALINAS, AND CARRIED, the Committee voted to direct staff to prepare legislation to amend the applicable statute to change TRSL's current valuation method from projected unit credit to entry age normal.

Ms. Westgard updated the Committee on the progress of the Consolidation Study and potential issues for the legislative session.

Mr. Napper suggested there be a discussion regarding proposing legislation to clarify procedures regarding delinquent contributions.

Dr. Baker asked Trustees to contact himself or the Director with any ideas regarding legislation.

Adjournment

ON MOTION OF MR. LAWYER, SECONDED BY DR. SALINAS AND CARRIED, the Committee voted to adjourn at 9:57 a.m.