

**Teachers' Retirement System of Louisiana  
Board of Trustees  
Upon Adjournment of Executive Committee – Friday  
March 4, 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 Gavin L. Vitter

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

**STAFF PRESENT:** Maureen Westgard, Stuart Cagle, Roy Mongrue, Jr., Philip Griffith, Dana Vicknair, Roth Aymond, Trudy Berthelot, Jim Buras, Dana Brown, Maurice Coleman, Doris Dumas, Lisa Honore, Jeff LaCour, Melinda Parker, Katherine Whitney, Charlene Wilson, and Lisa Barousse

**OTHERS PRESENT:** Shelley Johnson, SJ Actuarial Associates

Each member of the Board received the following:

1. *March 2011 Board Book*
2. *Investment Committee Meeting–March 3, 2011, Performance Report–January 31, 2011*
3. Investment Committee Presentation Booklets from Hamilton Lane; Summit Partners; BC Capital; Hewitt EnnisKnupp; Golden Capital Management, LLC; Madison Square Investors LLC; and UBS Global Asset Management, Inc.
4. Draft legislation relative to TRSL providing for continued payment of the unfunded accrued liability portion of employer contributions after participation ceases (SLS 11RS103 Draft 3/3/11)
5. Correspondence of January 25, 2011 from Charles Hall, Hall Actuarial Associates, to Maureen Westgard, relative to Permanent Benefit Increases and Proposed Working Concept
6. Correspondence of March 3, 2011 from Shelley Johnson, SJ Actuarial Associates to Maureen Westgard, relative to Estimate of Projected FY 2012-2013 Employer Contribution Rate
7. Revised Tier 2.1 Financial Personal Disclosure Form

8. Presentation by Shelley Johnson, SJ Actuarial Associates - *Unfunded Accrued Liability History 1989 to Present, Teachers' Retirement System of Louisiana*
9. Article titled "New Senator gets committee assignments" that appeared February 23, 2011 in The Advocate (Baton Rouge, LA)
10. Article titled "School systems argue state should pay retirement costs" that appeared February 18, 2011 in The News Star (Monroe, LA)
11. Article titled "Tell us how to balance state budget" that appeared February 23, 2011 in the Daily World (Opelousas, LA)
12. Article titled "State cannot ignore reform" that appeared February 19, 2011 in The News Star (Monroe, LA)
13. Article titled "Retiring Boomers Find 401(k) Plans Fall Short" that appeared February 19, 2011 in The Wall Street Journal ([www.wsj.com](http://www.wsj.com), New York, NY)
14. Article titled "Republicans Take Aim at Pension Disclosure" that appeared February 22, 2011 in The Wall Street Journal ([www.wsj.com](http://www.wsj.com), New York, NY)
15. Article titled "Pension Funds Strained, States Look at 401(k) Plans" that appeared February 28, 2011 in the New York Times (New York, NY)
16. Article titled "Blame Wall Street, Not Hard Working Americans, for the Pension Funds Fiasco" that appeared February 26, 2011 on The Huffington Post website ([www.huffingtonpost.com](http://www.huffingtonpost.com), New York, NY)
17. Article titled "Public pensions are the least of our worries" that appeared February 23, 2011 on the Market Watch website ([www.marketwatch.com](http://www.marketwatch.com))
18. Article titled "States Mull Shift in Worker Pensions" that appeared March 1, 2011 in The Wall Street Journal ([www.wsj.com](http://www.wsj.com), New York, NY)
19. *TRSL's Boardroom Beacon, "Actuarial Smoothing", March 2011*

Mrs. Baker called the meeting to order at 11:15 a.m. Mrs. Haynes 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 February 8, 2011 (including minutes of committee meetings held February 7 and 8, 2011).**

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

### **Investment Committee Report**

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

*Dr. Salinas in the Chair.*

### **Executive Committee Report**

ON MOTION OF MRS. BAKER, SECONDED BY MRS. GILDIG, 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.*

### **Director's Update**

Ms. Westgard updated the Board on the following items:

- DROP Interest
- District 3 Election Postcard Error – (see attached letter from VR Election Services)
- Mrs. Baker and Mr. Cagle will be traveling to Washington D.C. to make congressional visits. Mr. Cagle will also attend the NASRA Winter meeting. Federal legislative focus this year is on Financial Reporting of Pension Systems and GPO/WEP.

### **Adjournment**

ON MOTION OF MRS. GILDIG, SECONDED BY MR. LAWYER, AND CARRIED, the Committee voted to adjourn at 11:30 a.m.



March 3, 2011

To: Board of Directors  
Subject: District 3 Postcard – misspelled word

We have researched the spelling error on the District 3 postcard and find:

Our graphics department could not open the .pdf's that were sent to us so they recreated the postcards. We need to be able to open the documents to put on the proper postal indicia. The postcards then need to be set-up for the printer (based on the number required for each District) in either a 2, 3 or 4 up sheet for printing.

The proofer missed the misspelled word on the District 3 postcard. No other postcard contained the error.

We have supplied the proper postal indicia to TRSL communications to be placed on future postcards and will send a final proof of each prior to print.

We apologize for the error and will extend a full credit of \$1,198.70 for the postcard.

Sincerely,

*Karl Koelker*

Election Director  
VR Election Services

**Teachers' Retirement System of Louisiana  
Investment Committee  
8:30 a.m. – Thursday  
March 3, 2011**

- MEMBERS PRESENT:** Dr. Sheryl Abshire, Dr. William C. "Bill" Baker, Superintendent Darryl C. Kilbert, Kathy Hattaway, Eula Beckwith, Jim Napper (Treasurer's Designee), Robert Lawyer, and Anne H. Baker
- MEMBERS ABSENT:** Senator D.A. "Butch" Gautreaux and Representative J. Kevin Pearson
- OTHER MEMBERS PRESENT:** Holly B. Gildig, Joyce Haynes, Robert Lawyer, Joe A. Potts, Jr., Dr. Dominic Salinas, and Gavin L. Vitter
- 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, Hamilton Lane; Joe Trustey, Summit Partners; Amy Richards and Stefano Quadria-Curzio, BC Capital; Scott Coopriker, Russ Ivinjack, and Jamie McAllister, Hewitt EnnisKnupp; Jeff Moser and Jon Cangalosi, of Golden Capital Management, LLC; Harvey Fram and Veda Pai-Panandiker, Madison Square Investors LLC; and Tom Digenan, Steve Wilde, and Kitty Martin, UBS Global Asset Management Inc.

**Roll Call**

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

Dr. Abshire appointed Mr. Lawyer to serve on the Committee as an alternate for Dr. Salinas (Dr. Salinas arrived at 8:45 a.m.).

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

Paul Yett of Hamilton Lane Advisors, L.L.C., appeared before the Committee to present a private market update and to review potential alternative investments in Summit Partners Growth Equity Fund VIII, L.P. and BC European Capital IX.

### ➤ **Summit Partners Growth Equity Fund VIII, L.P.**

Joe Trustey of Summit Partners appeared before the Committee to make a presentation concerning an investment with Summit Partners Growth Equity Fund VIII, L.P.

ON MOTION OF MRS. BECKWITH, 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 March 3, 2011 pertaining to investments in Summit Partners Growth Equity Fund VIII, L.P. (up to \$75 million).

### ➤ **BC European Capital IX**

Amy Richards and Stefano Quadria-Curzio of BC Capital appeared before the Committee to make a presentation concerning an investment with BC European Capital IX.

ON MOTION OF MR. NAPPER, SECONDED BY MS. HATTAWAY, AND CARRIED, consistent with the alternative investment guidelines, with a waiver of the seven-day written notice period, the Committee voted to receive the Hamilton Lane report, including the due-diligence process dated March 3, 2011 pertaining to investments in BC European Capital IX (up to \$75 million).

## **Private Market Investments Annual and Advisory Committee Reports**

Mr. Yett presented reports on Kohlberg & Company, Starwood Capital Group, and Energy Capital Partners.

ON MOTION OF MR. NAPPER, SECONDED BY SUPERINTENDENT KILBERT, AND CARRIED, the Committee voted to receive private market annual and advisory committee reports on Kohlberg & Company, Starwood Capital Group, and Energy Capital Partners.

## **Presentation and Review of Solicitations for Proposals (SFP) for Global Fixed Income Managers (for subsequent approval at April 2011 meeting)**

Mr. Griffith presented the SFP for Global Fixed Income Managers.

ON MOTION OF MRS. BECKWITH, SECONDED BY MR. LAWYER, AND CARRIED, the Committee voted to receive the SFP for global fixed income managers for subsequent approval at the April 2011 Investment Committee meeting.

### **Discussion of Asset Class Descriptions (Qualifies as Investment Education for Trustees)**

Scott Coopridier, Russ Ivinjack, and Jamie McAllister of Hewitt EnnisKnupp appeared before the Committee to give a presentation on Asset Class Descriptions. The presentation qualified for 1.75 hours of Investment Education.

### **Public Market Update and Review of TRSL Investments**

Mr. Griffith and Dana Brown presented an overview of TRSL's total plan and public market investments. Scott Coopridier, Russ Ivinjack and Jamie McAllister of Hewitt EnnisKnupp presented their March 3, 2011 meeting packet. Staff and consultants reviewed performance of TRSL investments through January 31, 2011.

### **Portfolio Reviews: Active Large-Cap Core**

Mr. Brown, Mr. Coopridier and Mr. Ivinjack gave an overview of the firms managing the Active Large-Cap Core portfolio. The following representatives presented their firm's annual portfolio review:

Jeff Moser and Jon Cangalosi of Golden Capital Management, LLC  
Harvey Fram and Veda Pai-Panandiker of Madison Square Investors, LLC  
Tom Digenan, Steve Wilde, and Kitty Martin of UBS Global Asset Management, Inc.

### **Adjournment**

ON MOTION OF MRS. BECKWITH, SECONDED BY MS. HATTAWAY, AND CARRIED, the Committee voted to adjourn at 3:50 pm.

**Teachers' Retirement System of Louisiana  
Legislative Committee  
8:30 a.m. – Friday  
March 4, 2011**

- MEMBERS PRESENT:** Dr. William C. "Bill" Baker, Robert Lawyer, Joyce Haynes, Kathy Hattaway, Jim Napper (Treasurer's Designee), Dr. Dominic Salinas, Holly Gildig, and Anne H. Baker
- MEMBERS ABSENT:** Dr. Sheryl Abshire, Senator D.A. "Butch" Gautreaux, and Representative J. Kevin Pearson
- OTHER MEMBERS PRESENT:** Eula Beckwith, Superintendent Darryl C. Kilbert, Joe A. Potts, Jr., and Gavin L. Vitter
- STAFF PRESENT:** Maureen Westgard, Stuart Cagle, Philip Griffith, Roy Mongrue, Jr., Dana Vicknair, Roth Aymond, Trudy Berthelot, Dana Brown, Jim Buras, Maurice Coleman, Doris Dumas, Randall Harrison, Lisa Honore, Jeff LaCour, Melinda Parker, Katherine Whitney, Charlene Wilson, Dana Lee Haltom, and Lisa Barousse
- OTHERS PRESENT:** Charles Hall, Hall Actuarial Associates; Shelley Johnson, SJ Actuarial Associates; Shane Riddle, Louisiana Association of Educators; Steve Monaghan, Louisiana Federation of Teachers; Matt Tessier, Louisiana House of Representatives; Graig Luscombe, Louisiana Retired Teachers' Association; and Laura Gail Sullivan, Louisiana Senate

**Roll Call**

Dr. Baker called the meeting to order at 8:30 a.m. The secretary called the roll and a quorum was established. Dr. Baker appointed Dr. Salinas and Mrs. Gildig as alternates for Dr. Abshire and Mr. Vitter (Mr. Vitter arrived at 8:40 a.m.).

**Update on Proposed Working Concept for Funding Future PBIs (Qualifies as Actuarial Education for Trustees)**

Ms. Westgard and Charles Hall presented an update on the proposed working concept for funding future PBIs. The presentation qualified for .5 hours of Actuarial Education for trustees.

Mr. Lawyer in the chair.

DR. BAKER made a MOTION to refer the working concept to Senator Gautreaux for consideration. Dr. Salinas SECONDED THE MOTION and Mr. Napper OBJECTED TO THE MOTION. The secretary called the roll.

Sen. Gautreaux	absent	
Mrs. Gildig	y	
Ms. Hattaway	y	
Mrs. Haynes	y	
Mr. Lawyer	y	
Mr. Napper		n
Rep. Pearson	absent	
Dr. Salinas	y	
Mrs. Baker	y	
Dr. Baker	y	

The MOTION to refer the working concept to Senator Gautreaux for consideration CARRIED by a vote of 7 yeas and 1 nay.

Dr. Baker in the chair.

### Update on Interim Legislative and Executive Committee Meetings

Ms. Westgard presented an update on the following meetings:

- PRSAC – February 22, 2011  
Ms. Westgard discussed the estimate of projected FY 2012-2013 employer contribution rate prepared by Shelley Johnson, SJ Actuarial Associates (the Board authorized the Director to request the estimate at the February meeting).
- Funding Review Panel – February 24, 2011  
Ms. Westgard gave an overview of recommendations made by the panel to the Legislature.
- LSERS Court Case – February 14, 2011  
Summary judgment hearing was held regarding employer contribution rate. The matter was taken under advisement by the Judge.
- BESE – February 16, 2011  
An agenda item relative to a Lafayette Charter School Withdrawal from TRSL was removed from the agenda.

**Discussion of Potential & Prefiled Legislation for the 2011 Regular Legislative Session**

Ms. Westgard and Mr. Mongrue updated the Committee on a draft of legislation relative to TRSL and providing for continued payment of the unfunded accrued liability portion of employer contributions after participation ceases. Senator Gautreaux intends to sponsor the legislation.

ON MOTION OF MRS. HAYNES, SECONDED BY MRS. GILDIG, AND CARRIED, the Committee voted to support legislation which provides for continued payment of the unfunded accrued liability portion of employer contributions after participation ceases, as presented, to be submitted for filing at the 2011 Regular Legislative Session.

**Adjournment**

ON MOTION OF MS. HATTAWAY, SECONDED BY DR. SALINAS, AND CARRIED, the Committee voted to adjourn at 10:05 a.m.

Teachers' Retirement System of Louisiana  
Executive Committee  
Upon Adjournment of Legislative Committee – Friday  
March 4, 2011

**MEMBERS PRESENT:** Anne. H. Baker, Dr. William C. "Bill" Baker, Eula Beckwith, Joyce Haynes, Dr. Dominic Salinas, and Kathy Hattaway

**MEMBERS ABSENT:** Dr. Sheryl Abshire

**OTHER MEMBERS PRESENT:** Holly B. Gildig, Superintendent Darryl C. Kilbert, Robert Lawyer, Jim Napper (Treasurer's Designee), Joe A. Potts, Jr., and Gavin L. Vitter

**STAFF PRESENT:** Maureen Westgard, Stuart Cagle, Philip Griffith, Roy Mongrue, Jr., Dana Vicknair, Roth Aymond, Trudy Berthelot, Dana Brown, Jim Buras, Maurice Coleman, Randall Harrison, Lisa Honore, Jeff LaCour, Melinda Parker, Katherine Whitney, Charlene Wilson, Dana Lee Haltom, and Lisa Barousse

**OTHERS PRESENT:** Shelley Johnson, SJ Actuarial Associates; Steve Monaghan, Louisiana Federation of Teachers; Matt Tessier, Louisiana House of Representatives; and Laura Gail Sullivan, Louisiana Senate

**Roll Call**

Mrs. Baker called the meeting to order at 10:15 a.m. The secretary called the roll and a quorum was established.

**Overview of Ethics Reporting**

Mr. Mongrue gave an overview of Ethics reporting requirements relative to Tier 2.1 Personal Financial Disclosure.

**Unfunded Accrued Liability History - 1989 to Present – Shelley Johnson, SJ Actuarial Associates (Qualifies as Actuarial Education for Trustees)**

Ms. Johnson made a presentation entitled *Unfunded Accrued Liability History 1989 to Present, Teachers' Retirement System of Louisiana*. The presentation qualified for .50 hours of Actuarial Science education for trustees.

ON MOTION OF MRS. BECKWITH, SECONDED BY MRS. HAYNES, AND CARRIED, the committee voted to receive the report.

**Update on Employer Delinquent Contributions**

Mrs. Baker asked for a motion to convene into executive session to discuss potential litigation regarding Priestley School delinquent contributions, and that Ms. Westgard, Mr. Cagle, and Mr. Mongrue remain in the room.

Superintendent Kilbert recused himself and was not present during the discussion regarding Priestley due to his position as Superintendent of the Orleans Parish School Board

Mrs. Haynes MOVED to convene into executive session to discuss potential litigation regarding Priestley School delinquent contributions, and that Ms. Westgard, Mr. Cagle, and Mr. Mongrue remain in the room. Dr. Salinas SECONDED THE MOTION. A roll-call vote was taken.

Dr. Abshire	absent
Dr. Baker	y
Mrs. Beckwith	y
Ms. Hattaway	y
Mrs. Haynes	y
Dr. Salinas	y
Mrs. Baker	y

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

ON MOTION OF MRS. HAYNES, SECONDED BY MS. HATTAWAY, AND CARRIED, the committee reconvened into regular session.

A roll-call vote was taken.

Dr. Abshire	absent
Dr. Baker	y
Mrs. Beckwith	y
Ms. Hattaway	y
Mrs. Haynes	y
Dr. Salinas	y
Mrs. Baker	y

The vote was unanimous and the Committee reconvened into Regular Session.

**Adjournment**

ON MOTION OF DR. SALINAS, SECONDED BY MRS. HAYNES, AND CARRIED, the Committee voted to adjourn at 11:05 a.m.