

**Teachers' Retirement System of Louisiana  
Board of Trustees  
Upon Adjournment of Executive Committee – Thursday  
August 3, 2017**

**MEMBERS PRESENT:** Dr. Jerry Baudin, Holly Gildig, David Hennigan, Ricky Julien, Sr., Robert Lawyer, Kathy Manning, Rick McGimsey (Commissioner's Designee), Dr. Tia Mills, Neshelle Nogess, John Parauka, Representative J. Kevin Pearson, Carlos Sam, and Dr. James Taylor

**MEMBERS ABSENT:** Dr. Sheryl Abshire, Jim Napper (Treasurer's Designee), Senator Barrow Peacock, and State Superintendent John White

**STAFF PRESENT:** Maureen Westgard, Stuart Cagle, Phil Griffith, Dana Vicknair, Adam Averite, Ed Branagan, Dana Brown, Gabrielle Brown-Morgan, Maurice Coleman, Randall Harrison, Lisa Honore`, Lynnne Johnson, Jeff LaCour, Steve Marangos, Dionne Rabalais, Davario Stevenson, Matt Tessier, Katherine Whitney, Charlene Wilson, Laurie Wright, and Lisa Barousse

**OTHERS PRESENT:** Shelley Johnson, Foster & Foster Actuaries and Consultants; and Laura Gail Sullivan, Louisiana Senate

Each member of the Board received the following:

1. August 2017 Board Book
2. Investment Committee Meeting August 3, 2017, Performance Report – June 30, 2017
3. Investment Committee Presentations from Aon Hewitt Investment Consulting, Inc.; Hamilton Lane Advisors, LLC; and Westwood Management Corp.
4. *2017 GASB Valuation Actuarial Assumptions* – Shelley Johnson, Foster & Foster Actuaries and Consultants
5. *TRSL STATISTICS FY 2016 - FY 2017*
6. *TRSL 2017 Fiscal Year Goals, Major projects by Balanced Scorecard Area*

Dr. Baudin called the meeting to order at 3:05 p.m. Mr. Hennigan 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 July 7, 2017  
(Including Minutes of Committee Meetings held July 6 and 7, 2017)**

ON MOTION OF MS. MANNING, SECONDED BY MS. NOGESS, AND CARRIED, the Board voted to approve the Minutes of the meeting of the TRSL Board of Trustees held July 7, 2017 (Including Minutes of Committee Meetings held July 6 and 7, 2017).

**Investment Committee Report**

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

**Executive Committee Report**

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

**Board Chair Update**

Dr. Baudin asked Trustees to complete the Annual Evaluation of TRSL Director form and forward to the Board Chair by August 23, 2017 – for review at the September Personnel Committee Meeting.

**Director's Update**

Ms. Westgard updated the Board on the following items:

- TRSL received required General Fund contribution payments from the Department of Education (\$32,500) and LSU Ag Center (\$1.8 million)
- September Board Meeting will be a one day meeting on Thursday, September 7<sup>th</sup>
- Trustee Portal – Trustees will receive an email containing log-in information; September Board meeting materials will be accessed through the portal

On a point of personal privilege Mr. Cagle announced his retirement effective January 2, 2018. October 20, 2017 will be his last day in the office.

On a point of personal privilege Ms. Westgard announced her retirement effective December 31, 2017, and her last full day in the office will be October 18, 2017. Ms. Westgard has accepted a position as the Executive Director of NCTR, effective January 1, 2018.

Both Ms. Westgard and Mr. Cagle expressed their heart-felt appreciation for the dedication and support of the Board and staff over their tenure at TRSL.

**Adjournment**

ON MOTION OF MR. PARAUKA, SECONDED BY DR. MILLS, and CARRIED the Board adjourned at 3:15 p.m.

**Teachers' Retirement System of Louisiana  
Subcommittee to Review Responses to  
Solicitation for Proposals for REIT Manager  
8:30 a.m. – Thursday  
August 3, 2017**

- MEMBERS PRESENT:** Robert Lawyer, Kathy Manning, and David Hennigan
- MEMBERS ABSENT:** Jim Napper (Treasurer's Designee) and Dr. Sheryl Abshire
- OTHER MEMBERS PRESENT:** Dr. Jerry Baudin, Holly Gildig, Ricky Julien, Sr., Rick McGimsey (Commissioner's Designee), Dr. Tia Mills, Neshelle Nogess, John Parauka, Representative J. Kevin Pearson, Carlos Sam, and Dr. James Taylor
- STAFF PRESENT:** Maureen Westgard, Stuart Cagle, Phil Griffith, Dana Vicknair, Dana Brown, Maurice Coleman, Lisa Honore, Adam Averite, Davario Stevenson, Jeff LaCour, Matt Tessier, Katherine Whitney, Debbie Boudreaux, and Lisa Barousse
- OTHERS PRESENT:** Scott Coopriider, Rishi Devaldia, and Russ Ivinjack, Aon Hewitt Investment Consulting, Inc.; Margaret Corley, Louisiana Senate; Ryan Gremillion, Louisiana Department of Education; and Rodney Watson, Louisiana Retired Teachers' Association

**Roll Call**

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

**Review Proposals and Recommend Finalists to be Interviewed**

Mr. Griffith gave a brief overview of the REIT Manager SFP process. Scott Coopriider of Aon Hewitt presented an overview of the following firms' responses to the REIT Manager SFP: AEW Capital Management, L.P.; Brookfield Investment Management Inc.; CenterSquare Investment Management, Inc.; Cohen & Steers Capital Management, Inc; Dimensional Fund Advisors LP; and Principal Real Estate Investors, LLC.

ON MOTION OF MS. MANNING, SECONDED BY MR. HENNIGAN, AND CARRIED, the Subcommittee voted to recommend to the Investment Committee that the following be interviewed as finalists for REIT Manager: AEW Capital Management, L.P.; Brookfield Investment Management Inc.; Dimensional Fund Advisors LP; and Principal Real Estate Investors, LLC.

**Adjournment**

ON MOTION OF MR. HENNIGAN, SECONDED BY MS. MANNING, AND CARRIED, the Committee voted to adjourn at 9:07 a.m.

**Teachers' Retirement System of Louisiana  
Investment Committee  
Upon Adjournment of Subcommittee to Review Responses to  
Solicitations for Proposals for REIT Manager – Thursday  
August 3, 2017**

**MEMBERS PRESENT:** Kathy Manning, Robert Lawyer, David Hennigan, Holly Gildig, Jim Napper (Treasurer's Designee), Neshelle Nogess, Representative J. Kevin Pearson, Rick McGimsey (Commissioner's Designee), Dr. Jerry Baudin, and Dr. James Taylor

**MEMBERS ABSENT:** Dr. Sheryl Abshire and Senator Barrow Peacock

**OTHER MEMBERS PRESENT:** Ricky Julien, Sr., Dr. Tia Mills, John Parauka, and Carlos Sam

**STAFF PRESENT:** Maureen Westgard, Stuart Cagle, Phil Griffith, Dana Vicknair, Adam Averite, Dana Brown, Maurice Coleman, Lisa Honore`, Jeff LaCour, Davario Stevenson, Matt Tessier, Katherine Whitney, Debbie Boudreaux, and Lisa Barousse

**OTHERS PRESENT:** Scott Coopriider, Rishi Devaldia, and Russ Ivinjack, Aon Hewitt Investment Consulting, Inc.; Paul Yett, Matt Silverio, Jerry Gates, and Ben Afcroft, Hamilton Lane Advisors, LLC; Margaret Corley and Laura Gail Sullivan, Louisiana Senate; Rodney Watson, Louisiana Retired Teachers' Association; Shelley Johnson, Foster & Foster Actuaries and Consultants; and Kim Calhoun, Mark Freeman, and Grant Taber, Westwood Management Corp.

**Roll Call**

Ms. Manning called the meeting to order at 9:09 a.m. The secretary called the roll and a quorum was established. Ms. Manning appointed Dr. Taylor to serve on the Committee as an alternate for Dr. Abshire.

**Report of Subcommittee to Review Responses to Solicitation for Proposals for REIT Manager**

Mr. Lawyer presented the report of the Subcommittee to Review Responses to the SFP for REIT Manager.

ON MOTION OF MR. LAWYER, SECONDED BY MRS. GILDIG, AND CARRIED, the Committee voted to approve the following report of the Subcommittee to Review Responses to the SFP for REIT Manager:

*“ON MOTION OF MS. MANNING, SECONDED BY MR. HENNIGAN, AND CARRIED, the Subcommittee voted to recommend to the Investment Committee that the following be interviewed as finalists for REIT Manager: AEW Capital Management, L.P.; Brookfield Investment Management Inc.; Dimensional Fund Advisors LP; and Principal Real Estate Investors, LLC.”*

### **Portfolio Review – Private Market and Real Estate**

Scott Coopridger of Aon Hewitt, and Maurice Coleman and Phil Griffith (TRSL) reviewed Private Market Manager - Hamilton Lane Advisors, LLC. The review included background, commitments, performance, compliance, and record keeping as manager for TRSL's private market investments.

### **Review of 2018 Fiscal Year Private Market Strategic Plan**

Paul Yett, Matthew Silverio, and Jerry Gates of Hamilton Lane Advisors, L.L.C., presented an overview of private markets and the 2018 Fiscal Year Private Market Strategic Plan. The presentation qualified for 1.5 hours of Investment Education.

ON MOTION OF MS. NOGESS, SECONDED BY MR. LAWYER, AND CARRIED, the Committee voted to adopt the report on the 2018 Fiscal Year Private Market Strategic Plan.

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

Mr. Silverio presented the private market update.

Mr. Silverio reviewed a potential alternative investment in Hark Capital II, 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 August 3, 2017, pertaining to investments in Hark Capital II, L.P. (up to \$25 million), subject to final term negotiations completed within the timeline established by the Hamilton Lane contract.

Mr. Yett reviewed a potential alternative investment in NGP Natural Resources XII, L.P.

ON MOTION OF MR. LAWYER, 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 August 3, 2017, pertaining to investments in NGP Natural Resources XII, L.P., (up to \$50 million), subject to final term negotiations completed within the timeline established by the Hamilton Lane contract.

### **Private Market Annual Committee Reports**

Mr. Silverio presented Private Market Annual Reports on American Securities Partners VI & VII, L.P.; Apollo Investment Fund VI, VII, VIII, L.P.; Blackstone Energy Partners & II, L.P.; Campus-Clarion Student Housing Partners, L.P.; Green Equity Investors V, VI, VII, L.P.; GSO Capital Opportunities Fund II & III L.P.; GSO Energy Select Opportunities Fund, L.P.; Kelso Investment Associates IX, L.P.; TPG Growth II & III, L.P.; and Warburg Pincus Private Equity X, L.P.

ON MOTION OF MR. LAWYER, SECONDED BY DR. BAUDIN, AND CARRIED, the Committee voted to receive the annual reports as presented.

### **TRSL 2017 Venture Capital Separate Account Update**

Mr. Silverio and Mr. Yett presented the Venture Capital Separate Account Update.

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

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

#### **Monthly Investment Review**

Mr. Ivinjack presented Aon Hewitt's August 3, 2017 portfolio summary report. Mr. Griffith presented an overview of TRSL's total plan and public and private market investments. Staff and Consultant reviewed performance of TRSL investments through June 30, 2017.

#### **Portfolio Review**

Mr. Delvadia and Mr. Brown reviewed SMID Managers Westwood Management Corp. and William Blair. Kim Calhoun, Mark Freeman, and Grant Taber presented Westwood's portfolio review.

### **Adjournment**

ON MOTION OF MR. LAWYER, SECONDED BY DR. TAYLOR, AND CARRIED, the Committee voted to adjourn at 1:59 p.m.



**Teachers' Retirement System of Louisiana  
Executive Committee  
Upon Adjournment of Investment Committee – Thursday  
August 3, 2017**

**MEMBERS PRESENT:** Dr. Jerry Baudin, Robert Lawyer, Jim Napper (Treasurer's Designee), Holly Gildig, Carlos Sam, and David Hennigan

**MEMBERS ABSENT:** Dr. Sheryl Abshire

**OTHER MEMBERS PRESENT:** Ricky Julien, Sr., Kathy Manning, Rick McGimsey (Commissioner's Designee), Dr. Tia Mills, Neshelle Nogess, John Parauka, Representative J. Kevin Pearson, and Dr. James Taylor

**STAFF PRESENT:** Maureen Westgard, Stuart Cagle, Phil Griffith, Dana Vicknair, Adam Averite, Ed Branagan, Dana Brown, Gabrielle Brown-Morgan, Maurice Coleman, Lisa Honore`, Jeff LaCour, Steve Marangos, Dionne Rabalais, Davario Stevenson, Matt Tessier, Katherine Whitney, Charlene Wilson, Laurie Wright, Debbie Boudreaux, and Lisa Barousse

**OTHERS PRESENT:** Shelley Johnson, Foster & Foster Actuaries and Consultants; and Margaret Corley and Laura Gail Sullivan, Louisiana Senate

**Roll Call**

Dr. Baudin called the meeting to order at 2:00 p.m. The secretary called the roll and a quorum was established.

**Discussion of Meeting with Legislative Auditor's Office Regarding 2017 Valuation**

Ms. Westgard, Mr. Cagle, and Mrs. Johnson presented an update on the meeting with the Legislative Auditor's Office regarding TRSL's 2017 valuation. The presentation qualified as .75 hour of actuarial education for Trustees.

**Director's Fiscal Year Update**

Mrs. Vicknair reviewed FY 2016-2017 Workload Volumes. Mr. Cagle reviewed the 2017 Fiscal Year Goals Status as of June 30, 2017.

ON MOTION OF MR. LAWYER, SECONDED BY MRS. GILDIG, AND CARRIED, the Committee voted to receive the status report as presented.

**Adjournment**

ON MOTION OF MR. HENNIGAN, SECONDED BY MR. LAWYER, AND CARRIED, the Committee voted to adjourn at 3:00 p.m.