

**Teachers' Retirement System of Louisiana
Board of Trustees
Upon Adjournment of Executive Committee – Friday
May 5, 2017**

MEMBERS PRESENT: Dr. Sheryl Abshire, Dr. Jerry Baudin, Holly Gildig, David Hennigan, Ricky Julien, Sr., Robert Lawyer, Kathy Manning, Jim Napper (Treasurer's Designee), Neshelle Nogess, John Parauka, Carlos Sam, and Dr. James Taylor

MEMBERS ABSENT: Rick McGimsey, (Commissioner's Designee), Dr. Tia Mills, Senator Barrow Peacock, Representative J. Kevin Pearson, and State Superintendent John White

STAFF PRESENT: Maureen Westgard, Stuart Cagle, Dana Vicknair, Phil Griffith, Roy Mongrue, Jr., Donna Ackerman, Krassimira Antonova, Ed Branagan, Dana Brown, Gabrielle Brown-Morgan, Beverly Campbell, Darrel Chenevert, Maurice Coleman, Melanie Deville, Randy Fekete, Jeff George, Leslie Hadrick, Jennifer Haire, Carla Hale, Randall Harrison, Aricka Hart, Lisa Honore`, Cliff Horn, Robyn Jenkins-King, Linnie Johnson, Jeff LaCour, Philip Landry, Lisa LeBlanc, Steve Marangos, Dionne Rabalais, Brandi Russell, Sharon Savignol, Shawn Sewell, Kacy Smith, Melanie Soileau, Davorio Stevenson, Matt Tessier, Brad Venable, Katherine Whitney, Duke Williams, Charlene Wilson, Laurie Wright, Latasha Young, and Lisa Barousse

OTHERS PRESENT: Rodney Watson, Louisiana Retired Teachers' Association and Ryan Gremillion, Louisiana Dept. of Education

Each member of the Board received the following:

1. May 2017 Board Book
2. Investment Committee Meeting May 4, 2017, Performance Report – March 31, 2017
3. Investment Committee Presentations from Aon Hewitt Investment Consulting, Inc.; Hamilton Lane Advisors, LLC; Apollo Global Management, LLC; Baird Advisors; J.P. Morgan Asset Management; Artisan Partners Limited Partnership; and MFS Institutional Advisors
4. *2017 Bills Affecting TRSL by Category; 2017 Regular Legislative Session Legislation AFFECTING TRSL As of May 4, 2017; and 2017 Regular Legislative Session Legislation MONITORED by TRSL Board As of May 4, 2017*
5. *2017 Service Superstars – TRSL's got Talent, Public Service Recognition Week 2017*

Dr. Baudin called the meeting to order at 9:05 a.m. Mr. Lawyer 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 April 7, 2017 (Including Minutes of Committee Meetings held April 6 and 7, 2017)

ON MOTION OF DR. TAYLOR, SECONDED BY MR. PARAUKA, AND CARRIED, the Board voted to approve the Minutes of the meeting of the TRSL Board of Trustees held April 7, 2017 (including minutes of committee meetings held April 6 and 7, 2017).

Investment Committee Report

ON MOTION OF DR. ABSHIRE, SECONDED BY MR. HENNIGAN, 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 MR. LAWYER, SECONDED BY MR. PARAUKA, AND CARRIED, the Board voted to accept the report of the Legislative Committee.

Executive Committee Report

ON MOTION OF DR. BAUDIN, SECONDED BY MRS. GILDIG, AND CARRIED, the Board voted to accept the report of the Executive Committee.

Recognition of Staff Service Awards

Dr. Baudin thanked TRSL staff for their hard work and dedication and recognized TRSL's longest-serving staff members. Dr. Abshire and Ms. Westgard also commended and thanked staff for their public service and contributions to TRSL.

Director's Update

- Public Service Recognition Week activities for TRSL employees
- Trustee Education Hours Update in June

➤ Report on Candidates Who Have Qualified for the 2017 Trustee Elections

District 1 (Special Election)

- Britt L. Colon, Principal, Ascension Parish School District
- Neshelle S. Nogess, Director of Sales & Use Tax, St. James Parish School Board

Superintendents (Special Election)

- Paul E. Nelson, Ph.D., Tensas Parish School Board
- Carlos J. Sam, East Feliciana Public Schools

School Food Service

- Kelly Thompson, Supervisor, Child Nutrition Program, LaSalle Parish School Board

Retirees

- Jerry J. Baudin, Ph.D., Baton Rouge
- Eula M. Brown Beckwith, New Orleans
- David E. Gullatt, Ph.D., Simsboro
- Sharon Guy Hornsby, Greensburg
- W. Harry Ingalls, Pineville
- Walter C. Lee, Shreveport
- Frank Vine, Zachary
- Irvin R. West, Jr., Hammond
- Terrence "Terry" Young, Jr., Metairie

Adjournment

ON MOTION OF MS. NOGESS, SECONDED BY MS. MANNING, AND CARRIED, the Board voted to adjourn at 9:30 a.m.

**Teachers' Retirement System of Louisiana
Investment Committee
8:30 a.m. – Thursday
May 4, 2017**

MEMBERS PRESENT: Dr. Sheryl Abshire, Robert Lawyer, David Hennigan, Holly Gildig, Jim Napper (Treasurer's Designee), Rick McGimsey (Commissioner's Designee), Dr. Jerry Baudin, Dr. James Taylor, and Carlos Sam

MEMBERS ABSENT: Senator Barrow Peacock and Representative J. Kevin Pearson

OTHER MEMBERS PRESENT: Ricky Julien, Sr., Kathy Manning, Dr. Tia Mills, Neshelle Nogess, John Parauka, and Carlos Sam

STAFF PRESENT: Maureen Westgard, Stuart Cagle, Dana Vicknair, Phil Griffith, Roy Mongrue, Jr., Dana Brown, Maurice Coleman, Jeff LaCour, Davorio Stevenson, Katherine Whitney, Duke Williams, Debbie Boudreaux, and Lisa Barousse

OTHERS PRESENT: Shelley Johnson, Foster & Foster Actuaries and Consultants; Matt Silverio, Hamilton Lane Advisors, LLP; Scott Coopriider, Russ Ivinjack, and Rishi Delvadia, Aon Hewitt Investment Consulting, Inc.; Joshua "Josh" Harris, Heather Berger, and Holly McMullen, Apollo Global Management, LLC; Warren D. Pierson, Meghan H. Dean, and Richard A. Whittow, Baird Advisors; Barbara Miller, Peter Simons, John Nicely, III, and Jeffrey Fox, J.P. Morgan Asset Management; Eileen Kwei, Artisan Partners Limited Partnership; and Camille Humphries Lee and Kimberly G. Hyland, MFS Institutional Advisors, Inc.

Roll Call

Dr. Abshire called the meeting to order at 8:38 a.m. The secretary called the roll and a quorum was established. Dr. Abshire appointed Dr. Taylor and Mr. Sam to serve on the Committee as alternates for Ms. Manning and Ms. Nogess. Ms. Manning and Ms. Nogess arrived after roll call.

Private Market Update and Review of Potential Private Market Investments

Matthew Silverio of Hamilton Lane Advisors, L.L.C., appeared before the Committee to present private market items. Mr. Silverio presented the private market update.

CVC Capital Partners VII, LP.

Mr. Silverio reviewed a potential alternative investment in CVC Capital Partners VII, LP.

ON MOTION OF MR. LAWYER, SECONDED BY DR. BAUDIN, AND CARRIED, consistent with the alternative investment guidelines, the Committee voted to receive the Hamilton Lane report, including the due-diligence process dated May 4, 2017, pertaining to investments in CVC Capital Partners VII, LP (up to \$100 million) subject to final term negotiations completed within the timeline established by the Hamilton Lane contract.

Apollo Investment Fund IX, LP.

Mr. Silverio reviewed a potential alternative investment in Apollo Investment Fund IX, LP.

Joshua "Josh" Harris, Apollo Global Management Co-Founder, gave a presentation on the private market environment and opportunities. Heather Berger and Holly McMullen of Apollo were also present. The presentation qualified as one hour of Investment Education for Trustees.

ON MOTION OF MR. LAWYER, SECONDED BY DR. BAUDIN, AND CARRIED, consistent with the alternative investment guidelines, the Committee voted to receive the Hamilton Lane report, including the due-diligence process dated May 4, 2017, pertaining to investments in Apollo Investment Fund IX, LP (up to \$125 million) subject to final term negotiations completed within the timeline established by the Hamilton Lane contract.

Private Market Annual Committee Reports

Mr. Silverio presented the Annual Committee Reports on TCV VIII, LP and TCV IX, L.P.

ON MOTION OF DR. BAUDIN, SECONDED BY MRS. GILDIG, AND CARRIED, the Committee voted to receive the reports as presented.

Interview Finalists and Recommend Successful Candidate Firms for Core Fixed Income Manager

Mr. Coopriider presented an overview of the finalist firms: Baird Advisors and J.P. Morgan Asset Management.

Warren D. Pierson, Meghan H. Dean, and Richard A. Whittow of Baird Advisors; and Barbara Miller, Peter Simons, John Nicely, III, and Jeffrey Fox of J.P. Morgan Asset Management appeared before the Committee to be interviewed.

The Committee ranked each firm from 1 to 2, with 1 ranking the highest.

	Baird	JP Morgan
Mrs. Gildig	2	1
Mr. Hennigan	2	1
Mr. Lawyer	2	1
Mr. McGimsey	1	2
Mr. Napper	2	1
Dr. Taylor	2	1
Dr. Baudin	1	2
Dr. Abshire	2	1
	14	10

J.P. Morgan ranked the highest.

ON MOTION OF MR. LAWYER, SECONDED BY MR. HENNIGAN, AND CARRIED, the Committee voted to hire J.P. Morgan as Core Fixed Income Manager, subject to fee negotiation.

Presentation and Approval of Solicitation for Proposals for Core Plus Manager

Mr. Griffith presented the SFP for Core Plus Manager.

ON MOTION OF DR. BAUDIN, SECONDED BY MR. NAPPER, AND CARRIED, the Committee voted to approve the SFP for Core Plus Manager.

Real Estate Investment Trusts (REITS) Presentation – Aon Hewitt

Mr. Coopridier, Mr. Ivinjack, and Mr. Delvadia of Aon Hewitt presented *U.S. / Global REITs (Real Estate Investment Trusts)*. The presentation qualified as one-half hour of Investment Education for Trustees.

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 through March 31, 2017. Mr. Ivinjack presented Aon Hewitt's May 4, 2017 portfolio summary report.

Portfolio Review

Mr. Delvadia and Mr. Brown reviewed the following Managers.

- International Equity Developed
Baillie Gifford Overseas Limited (ACWI)
LSV Asset Management (ACWI)
- International Large
Artisan Partners Limited Partnership (Growth)
MFS Institutional Advisors, Inc. (Value)

Eileen Kwei of Artisan Partners Limited Partnership; and Camille Humphries Lee and Kimberly G. Hyland of MFS Institutional Advisors, Inc. presented their firms' respective annual reviews.

Adjournment

ON MOTION OF MRS. GILDIG, SECONDED BY DR. BAUDIN, AND CARRIED, the Committee voted to adjourn at 3:12 p.m.

**Teachers' Retirement System of Louisiana
Legislative Committee
8:30 a.m. – Friday
May 5, 2017**

- MEMBERS PRESENT:** Robert Lawyer, Jim Napper (Treasurer's Designee), Dr. James Taylor, Carlos Sam, Dr. Sheryl Abshire, John Parauka, and Dr. Jerry Baudin
- MEMBERS ABSENT:** Rick McGimsey (Commissioner's Designee), Senator Barrow Peacock, and Representative J. Kevin Pearson
- OTHER MEMBERS PRESENT:** Holly Gildig, David Hennigan, Ricky Julien, Sr., Kathy Manning, and Neshelle Nogess
- STAFF PRESENT:** Maureen Westgard, Stuart Cagle, Dana Vicknair, Phil Griffith, Roy Mongrue, Jr., Ed Branagan, Dana Brown, Gabrielle Brown-Morgan, Maurice Coleman, Lisa Honore`, Jeff LaCour, Steve Marangos, Dionne Rabalais, Davorio Stevenson, Matt Tessier, Katherine Whitney, Duke Williams, Charlene Wilson, Laurie Wright, Debbie Boudreaux, and Lisa Barousse
- OTHERS PRESENT:** 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.

Update and Discussion of 2017 Regular Legislative Session

Ms. Westgard presented an update on the following meetings:

- Senate Retirement Committee – April 24th
- House Retirement Committee - April 27th
- House Retirement and Senate Education Scheduled for May 11th

Legislation Affecting TRSL

Ms. Westgard presented a status update on bills affecting TRSL, including committee and floor actions on the bills as of May 4th.

Legislation Monitored by TRSL

Ms. Whitney presented a status update on legislation monitored by TRSL.

Update on Budget

The Joint Legislative Committee on the Budget (JLCB) has not yet scheduled a meeting to hear TRSL's 2017-2018 budget. TRSL has removed a 4% raise for staff and reduced the turnover reduction.

Adjournment

ON MOTION OF DR. BAUDIN, SECONDED BY DR. ABSHIRE, AND CARRIED, the Committee voted to adjourn at 8:51 a.m.

**Teachers' Retirement System of Louisiana
Executive Committee
Upon Adjournment of Legislative Committee – Friday
May 5, 2017**

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

OTHER MEMBERS PRESENT: Ricky Julien, Sr., Kathy Manning, Neshelle Nogess, John Parauka, and Dr. James Taylor

STAFF PRESENT: Maureen Westgard, Stuart Cagle, Dana Vicknair, Phil Griffith, Roy Mongrue, Jr., Ed Branagan, Dana Brown, Gabrielle Brown-Morgan, Maurice Coleman, Lisa Honore`, Jeff LaCour, Steve Marangos, Dionne Rabalais, Davorio Stevenson, Matt Tessier, Katherine Whitney, Duke Williams, Charlene Wilson, Laurie Wright, Debbie Boudreaux, and Lisa Barousse

OTHERS PRESENT: Rodney Watson, Louisiana Retired Teachers' Association

Roll Call

Dr. Baudin called the meeting to order at 8:52 a.m. The secretary called the roll and a quorum was established.

Presentation of Proposed Meeting Dates for 2018

Ms. Westgard presented the Proposed Meeting Dates for 2018 (for review and subsequent approval at the June Executive Committee meeting).

Reminder - Tier 2.1 Disclosure Form Due May 15, 2017

Ms. Westgard reminded trustees that the Tier 2.1 Disclosure form must be submitted to the Board of Ethics by May 15, 2017. Any questions should be directed to Mr. Mongrue.

Adjournment

ON MOTION OF MR. NAPPER, SECONDED BY DR. ABSHIRE, AND CARRIED, the Committee voted to adjourn at 8:57 a.m.