

**Teachers' Retirement System of Louisiana  
Board of Trustees  
Upon Adjournment of Executive Committee – Friday  
November 4, 2016**

**MEMBERS PRESENT:** Robert Lawyer, Dr. Sheryl Abshire, Dr. Jerry Baudin, Holly Gildig, Kathy Hattaway, Joyce Haynes, David Hennigan, Rick McGimsey, (Commissioner's Designee), Dr. Tia Mills, Neshelle Nogess, John Parauka, and Dr. James Taylor

**MEMBERS ABSENT:** Jim Napper (Treasurer's Designee), Senator Barrow Peacock, Representative J. Kevin Pearson, Carlos Sam, and State Superintendent John White

**STAFF PRESENT:** Maureen Westgard, Stuart Cagle, Phil Griffith, Dana Vicknair, Roy Mongrue, Jr., Dana Brown, Maurice Coleman, Melanie Deville, Randall Harrison, Lisa Honore, Lynn Johnson, Jeff LaCour, Dionne Rabalais, Katherine Whitney, Charlene Wilson, Laurie Wright, and Lisa Barousse

**OTHERS PRESENT:** Shelley Johnson, Foster & Foster Actuaries and Consultants

Each member of the Board received the following:

1. November 2016 Board Book
2. Investment Committee Meeting November 3, 2016, Performance Report – September 30, 2016
3. Investment Committee Presentations: Aon Hewitt Investment Consulting, Inc.; Hamilton Lane Advisors, LLC; and AllianceBernstein, L.P.
4. *TRSL's Comprehensive Annual Financial Report and Popular Annual Financial Report for Fiscal Year Ended June 30, 2016 (Draft)*

Mr. Lawyer called the meeting to order at 9:55 a.m. Dr. Abshire 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 October 7, 2016 (Including Minutes of Committee Meetings held October 6 and 7, 2016)**

ON MOTION OF MR. PARAUKA, SECONDED BY MS. HATTAWAY, AND CARRIED, the Board voted to approve the Minutes of the meeting of the TRSL Board of Trustees held October 7, 2016 (Including Minutes of Committee Meetings held October 6 and 7, 2016).

### **Investment Committee Report**

ON MOTION OF MS. HATTAWAY, SECONDED BY MRS. HAYNES, 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. BAUDIN, SECONDED BY DR. MILLS, AND CARRIED, the Board voted to accept the report of the Legislative Committee.

### **Personnel Committee Report**

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

### **Budget & Finance Committee Report**

ON MOTION OF MS. HATTAWAY, SECONDED BY DR. ABSHIRE, AND CARRIED, the Board voted to accept the report of the Budget & Finance Committee and to approve the recommendations contained therein.

### **Executive Committee Report**

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

### **Director's Update**

- Distribution of 2016 Board Self Evaluation Survey and Pledge of Allegiance and Committee Assignment Sheets for 2017
- Trustees must complete Preventing Sexual Harassment Training by December 31, 2016
- 2016 United Way – Although effects from the August flood and subsequent reduced campaign timeframe were expected to have an impact, TRSL raised a record \$8173.75. Ms. Westgard recognized and thanked Melanie Deville, who coordinates the campaign each year.

**Adjournment**

ON MOTION OF MR. HENNIGAN, SECONDED BY DR. ABSHIRE, AND CARRIED, the Committee voted to adjourn at 10:15 a.m.

**Teachers' Retirement System of Louisiana  
Investment Committee  
12:00 p.m. – Thursday**

- MEMBERS PRESENT:** Kathy Hattaway, David Hennigan, Dr. Jerry Baudin, Jim Napper (Treasurer's Designee), Holly Gildig, Joyce Haynes, Rick McGimsey (Commissioner's Designee), Robert Lawyer, and John Parauka
- MEMBERS ABSENT:** Dr. Sheryl Abshire, Senator Barrow Peacock, and Representative J. Kevin Pearson
- OTHER MEMBERS PRESENT:** Dr. Tia Mills, Neshelle Nogess, and Dr. James Taylor
- STAFF PRESENT:** Maureen Westgard, Stuart Cagle, Phil Griffith, Dana Vicknair, Roy Mongrue, Jr., Dana Brown, Maurice Coleman, Katherine Whitney, Debbie Boudreaux, and Lisa Barousse
- OTHERS PRESENT:** Paul Yett, Matt Silverio, and Jerry Gates, Hamilton Lane Advisors, LLC; Scott Coopriider, Russ Ivinjack, and Rishi Delvadia, Aon Hewitt Investment Consulting, Inc.; and Bruce Aronow and Craig Schorr, AllianceBernstein, L.P.

**Roll Call**

Ms. Hattaway called the meeting to order at 12:00 p.m. The secretary called the roll and a quorum was established. Ms. Hattaway appointed Mr. Parauka to serve on the Committee as an alternate for Dr. Abshire.

**Oaths of Office**

Mr. Mongrue administered Oaths of Office to Dr. Tia Mills representing District 3, and Neshelle Nogess representing District 1.

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

Paul Yett, Matt Silverio, and Jerry Gates of Hamilton Lane Advisors, L.L.C., appeared before the Committee to present private market items.

Mr. Yett presented the private market update.

Mr. Silverio and Mr. Yett reviewed a potential alternative investment in Trident VII, LP.

ON MOTION OF MR. LAWYER, SECONDED BY MRS. GILDIG, AND CARRIED, consistent with the alternative investment guidelines, the Committee voted to receive the Hamilton Lane report including the due-diligence process dated November 3, 2016, pertaining to investments in Trident VII, LP (up to \$75 million) subject to final term negotiations completed within the timeline established by the Hamilton Lane contract.

### **Core Real Estate Review**

Mr. Gates reviewed TRSL Core Real Estate Managers JP Morgan Asset Management, MetLife Real Estate Investors, and Prudential Global Investment. Mr. Gates notified the Committee that an additional \$50 million will be invested in the MetLife Fund and that Hamilton Lane affirms the position in all three funds.

### **Presentation and Review of the Schedule of Manager Portfolio Reviews for 2017**

Mr. Griffith presented the Schedule of Manager Portfolio Reviews for 2017.

ON MOTION OF DR. BAUDIN, SECONDED BY MR. PARAUKA, AND CARRIED, the Committee voted to receive the Schedule of Manager Portfolio Reviews for 2017.

### **Presentation and Review of the Schedule of Investment Searches for 2017**

Mr. Griffith presented the Schedule of Investment Searches for 2017.

ON MOTION OF DR. BAUDIN, SECONDED BY MR. NAPPER, AND CARRIED, the Committee voted to receive the Schedule of Investment Searches for 2017.

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

Scott Coopridier, Russ Ivinjack, and Rishi Delvadia, of Aon Hewitt Investment Consulting, Inc. (AHIC) appeared before the Committee to present the 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. Mr. Ivinjack and Mr. Coopridier presented Aon Hewitt's November 3, 2016 portfolio summary report. Staff and Consultant reviewed performance of TRSL investments through September 30, 2016.

### Portfolio Review

Mr. Delvadia and Mr. Brown reviewed Small Cap Managers: AllianceBernstein, L.P. (Growth) and Mesirow Financial (Value); and Global High Yield Manager: AllianceBernstein, L.P.

- Bruce Aronow and Craig Schorr of AllianceBernstein presented their firm's annual portfolio review.
- Mesirow was scheduled to appear before the Committee but due to transportation issues was unable to appear and will be rescheduled.

### Adjournment

ON MOTION OF DR. BAUDIN, SECONDED BY MR. PARAUKA, AND CARRIED, the Committee voted to adjourn at 2:54 p.m.

**Teachers' Retirement System of Louisiana  
Legislative Committee  
Upon Adjournment of Investment Committee – Thursday  
November 3, 2016**

- MEMBERS PRESENT:** Dr. Jerry Baudin, Jim Napper (Treasurer's Designee), Dr. James Taylor, Joyce Haynes, Robert Lawyer, and Holly Gildig
- MEMBERS ABSENT:** Dr. Sheryl Abshire, Rick McGimsey (Commissioner's Designee), Senator Barrow Peacock, Representative J. Kevin Pearson, and Carlos Sam
- OTHER MEMBERS PRESENT:** Kathy Hattaway, David Hennigan, Dr. Tia Mills, Neshelle Nogess, and John Parauka
- STAFF PRESENT:** Maureen Westgard, Stuart Cagle, Dana Vicknair, Roy Mongrue, Jr., Katherine Whitney, Debbie Boudreaux, and Lisa Barousse
- OTHERS PRESENT:** Shelley Johnson, Foster & Foster, Actuaries and Consultants

**Roll Call**

Dr. Baudin called the meeting to order at 2:58 p.m. The secretary called the roll and a quorum was established. Dr. Baudin appointed Mrs. Gildig to serve on the Committee as an alternate for Mr. Sam.

**General Discussion of 2017 Legislative Session**

Ms. Westgard updated the Committee on the 2017 Regular Session, which will convene at noon on Monday, April 10, 2017 and adjourn no later than 6:00 p.m. on June 8, 2017.

Ms. Westgard also updated the Committee on the final recommendations from the Louisiana Task Force on Structural Changes in Budget and Tax Policy, and on the recent Pew report which listed Louisiana as one of the top five states which has established an effective funding plan.

Upcoming meetings:

- November 30<sup>th</sup> - PRSAC meeting to approve TRSL valuation
- December 8<sup>th</sup> - Joint meeting of the Senate and House Retirement Committees – to review the PRSAC-approved valuations and provide education for retirement committee members

**Adjournment**

ON MOTION OF MR. NAPPER, SECONDED BY MRS. GILDIG, AND CARRIED, the Committee voted to adjourn at 3:14 p.m.



**Teachers' Retirement System of Louisiana  
Personnel Committee  
Upon Adjournment of Legislative Committee - Thursday  
November 3, 2016**

**MEMBERS PRESENT:** Joyce Haynes, Dr. James Taylor, Dr. Jerry Baudin, John Parauka, Kathy Hattaway, Holly Gildig, Robert Lawyer, and Dr. Tia Mills

**MEMBERS ABSENT:** Dr. Sheryl Abshire

**OTHER MEMBERS PRESENT:** David Hennigan, Jim Napper (Treasurer's Designee), and Neshelle Nogess

**STAFF PRESENT:** Maureen Westgard, Stuart Cagle, Phil Griffith, Dana Vicknair, Roy Mongrue, Jr., Dana Brown, Maurice Coleman, Debbie Boudreaux, and Lisa Barousse

**Roll Call**

Mrs. Haynes called the meeting to order at 3:15 p.m. The secretary called the roll and a quorum was established. Mrs. Haynes appointed Dr. Mills to serve on the Committee as an alternate for Dr. Abshire.

**Annual Performance Evaluations**

DR. TAYLOR MOVED and DR. BAUDIN SECONDED a motion to convene into Executive Session to discuss the Director's evaluations of TRSL unclassified staff and the performance evaluation of the Director, as related to their character and professional competence, with the Director to remain for the unclassified staff evaluations only. The secretary called the roll. The vote was unanimous with Dr. Baudin, Mrs. Gildig, Ms. Hattaway, Dr. Mills, Mr. Parauka, Dr. Taylor, Mr. Lawyer, and Mrs. Haynes voting yea. The Committee convened into Executive Session.

DR. TAYLOR MOVED and DR. BAUDIN SECONDED a motion to reconvene into Regular Session. The secretary called the roll. The vote was unanimous with Dr. Baudin, Mrs. Gildig, Ms. Hattaway, Dr. Mills, Mr. Parauka, Dr. Taylor, Mr. Lawyer, and Mrs. Haynes voting yea. The Committee reconvened into Regular Session.

ON MOTION OF DR. BAUDIN, SECONDED BY MRS. GILDIG, AND CARRIED, the Committee voted to receive the performance evaluations of the unclassified staff for the 2015-2016 rating period.

ON MOTION OF MR. LAWYER, UNANIMOUSLY SECONDED, AND CARRIED, the Committee voted to approve the performance evaluation of the Director for the 2015-2016 rating period.

ON MOTION OF DR. BAUDIN, SECONDED BY MS. HATTAWAY, AND CARRIED, the Committee voted to authorize the Board Chair to execute an amendment to extend the Director's contract.

Mr. Lawyer, Dr. Baudin, Mr. Parauka, and Mr. Napper thanked and commended staff for their outstanding work.

### **Adjournment**

ON MOTION OF DR. BAUDIN, SECONDED BY DR. MILLS, AND CARRIED, the Committee voted to adjourn at 3:55 p.m.

Teachers' Retirement System of Louisiana  
Budget & Finance Committee  
8:30 a.m. - Friday  
November 4, 2016

- MEMBERS PRESENT:** Kathy Hattaway, Holly Gildig, David Hennigan, Dr. Jerry Baudin, Dr. Sheryl Abshire, Dr. James Taylor, Robert Lawyer, and Rick McGimsey (Commissioner's Designee)
- MEMBERS ABSENT:** Carlos Sam
- OTHER MEMBERS PRESENT:** Joyce Haynes, Dr. Tia Mills, Jim Napper (Treasurer's Designee), Neshelle Nogess, and John Parauka
- STAFF PRESENT:** Maureen Westgard, Stuart Cagle, Phil Griffith, Dana Vicknair, Roy Mongrue, Jr., Dana Brown, Maurice Coleman, Lisa Honore, Jeff LaCour, Steve Marangos, Dionne Rabalais, Katherine Whitney, Charlene Wilson, Laurie Wright, Debbie Boudreaux, and Lisa Barousse
- OTHERS PRESENT:** Shelley Johnson, Foster & Foster Actuaries and Consultants; and Tim Mathis, Louisiana House Fiscal Division

**Roll Call**

Ms. Hattaway called the meeting to order at 8:30 a.m. The secretary called the roll and a quorum was established. Ms. Hattaway appointed Mr. McGimsey to serve on the Committee as an alternate for Mr. Sam.

**Review, Discuss and Approve the Proposed 2017-2018 Louisiana Retirement Systems Building Fund Budget**

Mrs. Vicknair presented the proposed 2017-2018 Louisiana Retirement Systems Building Fund Budget.

ON MOTION OF MR. LAWYER, SECONDED BY DR. ABSHIRE, AND CARRIED, the Committee voted to approve the 2017-2018 Louisiana Retirement Systems Building Fund Budget.

**Review, Discuss and Approve the Proposed 2017-2018 Louisiana Teachers' Retirement System Administrative Operating Budget**

Mr. Cagle presented the proposed 2017-2018 Louisiana Teachers' Retirement System Administrative Operating Budget.

ON MOTION OF DR. BAUDIN, SECONDED BY MRS. GILDIG, AND CARRIED, the Committee voted to approve the 2017-2018 Louisiana Teachers' Retirement System Administrative Operating Budget and authorize the Director and Deputy Director to make adjustments as needed and brief the Board on such actions.

**Review, Discuss, and Approve the 2017-2018 Department of Education Payment Amount and Notification of Payment Due for Act 228 of 1944; Act 568 of 1952; Act 27 of 1957; and Act 440 of 1960**

Mr. Cagle reviewed the Department of Education payment amount and notification of payment due for Act 228 of 1944; Act 568 of 1952; Act 27 of 1957; and Act 440 of 1960.

ON MOTION OF DR. ABSHIRE, SECONDED BY MR. HENNIGAN, AND CARRIED, the Committee voted to approve the notification of payment due for Fiscal Year 2017-2018.

**Update on Notification to LSU AgCenter of Payment Due for Fiscal Year 2017-2018**

Mr. Cagle updated the Committee on the notification of payment due for Fiscal Year 2017-2018, which was sent to the LSU AgCenter on October 10, 2016.

**Adjournment**

ON MOTION OF DR. BAUDIN, SECONDED BY MRS. GILDIG, AND CARRIED, the Committee voted to adjourn at 8:44 a.m.

**Teachers' Retirement System of Louisiana  
Executive Committee  
Upon Adjournment of Budget & Finance Committee – Friday  
November 4, 2016**

**MEMBERS PRESENT:** Robert Lawyer, Dr. Sheryl Abshire, Dr. Jerry Baudin, Kathy Hattaway, Joyce Haynes, David Hennigan, and Jim Napper (Treasurer's Designee)

**OTHER MEMBERS PRESENT:** Holly Gildig, Rick McGimsey, (Commissioner's Designee), Dr. Tia Mills, Neshelle Nogess, John Parauka, and Dr. James Taylor

**STAFF PRESENT:** Maureen Westgard, Stuart Cagle, Phil Griffith, Dana Vicknair, Roy Mongrue, Jr., Dana Brown, Maurice Coleman, Lisa Honore, Jeff LaCour, Steve Marangos, Dionne Rabalais, Katherine Whitney, Charlene Wilson, Laurie Wright, Debbie Boudreaux, and Lisa Barousse

**OTHERS PRESENT:** Shelley Johnson, Foster & Foster Actuaries and Consultants; Michelle Cunningham and Terri Kito, Duplantier, Hrapmann, Hogan & Maher, L.L.P.; and Tim Mathis, Louisiana House Fiscal Division

**Roll Call**

Mr. Lawyer called the meeting to order at 8:45 a.m. The secretary called the roll and a quorum was established.

**Presentation of Proposed Drafts of the Comprehensive Annual Financial Report (CAFR) and the Popular Annual Financial Report (PAFR) for Fiscal Year Ended June 30, 2016**

Mrs. Wilson presented proposed drafts of the CAFR and the PAFR for Fiscal Year Ended June 30, 2016.

ON MOTION OF DR. BAUDIN, SECONDED BY MS. HATTAWAY, AND CARRIED, the Committee voted to receive the proposed drafts of the CAFR and the PAFR for Fiscal Year ended June 30, 2016.

**Presentation of the Annual Audit by Duplantier, Hrapmann, Hogan & Maher, L.L.P. for Fiscal Year Ended June 30, 2016**

Michelle Cunningham and Terri Kito of Duplantier, Hrapmann, Hogan & Maher, L.L.P., presented the Annual Audit for Fiscal Year Ended June 30, 2016.

Mr. Parauka noted that TRSL's funded ratio has increased since last year.

ON MOTION OF MR. HENNIGAN, SECONDED BY DR. ABSHIRE, AND CARRIED, the Committee voted to approve the Annual Audit for Fiscal Year ended June 30, 2016, as presented.

**Presentation of the Audit of the Louisiana Retirement Systems Building Fund for Fiscal Year Ended June 30, 2016**

Mrs. Vicknair presented the Annual Audit of the Louisiana Retirement Systems Building Fund.

ON MOTION OF DR. BAUDIN, SECONDED BY MR. NAPPER, AND CARRIED, the Committee voted to approve the Audit of the Louisiana Retirement Systems Building Fund for Fiscal Year ended June 30, 2016 as presented.

**Presentation and Review of Board Governance Manual Policy Number 100.3 (Election of Trustees)**

Dr. Honore` reviewed recommendations to implement best practices for TRSL Board elections and Ms. Whitney presented proposed amendments to Board Governance Manual Policy Number 100.3 (Election of Trustees), for approval in December.

ON MOTION OF DR. BAUDIN, SECONDED BY MS. HATTAWAY, AND CARRIED, the Committee voted to receive the proposed amendments to Board Governance Manual Policy Number 100.3 (Election of Trustees).

**Review and Discussion of Actuarial Services Contract**

Ms. Westgard updated the Committee on TRSL's actuarial services contract, which will be up for renewal at the end of this year.

ON MOTION OF MR. NAPPER, SECONDED BY MRS. HAYNES, AND CARRIED, the Committee voted to authorize the Director and General Counsel to take steps necessary to secure actuarial services for TRSL.

## Adjournment

ON MOTION OF MR. NAPPER, SECONDED BY DR. BAUDIN, AND CARRIED, the Committee voted to adjourn at 9:48 a.m.

