

**Teachers' Retirement System of Louisiana
Board of Trustees
Upon Adjournment of Executive Committee – Friday
April 6, 2018**

MEMBERS PRESENT: Dr. Jerry Baudin, Britt Colon, David Hennigan, Ricky Julien, Sr., Robert Lawyer, Dr. Tia Mills, Jim Napper (Treasurer's Designee), Dr. Paul Nelson, John Parauka, Dr. James Taylor, and Kelly Thompson

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

STAFF PRESENT: Dana Vicknair, Katherine Whitney, Phil Griffith, Jeff LaCour, Roy Mongrue, Jr., Lisa Honore`, Adam Averite, Ed Branagan, Dana Brown, Gabrielle Brown-Morgan, Maurice Coleman, Stephanie Daigle, Andrea Guntz, Randall Harrison, Stephanie Henderson, Sandra Jelks, Linnie Johnson, Stefan Jovicic, Steve Marangos, Don Milner, Tiara Pickens, Dionne Rabalais, Davorio Stevenson, Matt Tessier, Charlene Wilson, Laurie Wright, Shanaquoa Wright, and Lisa Barousse

OTHERS PRESENT: Shelley Johnson, Foster & Foster Actuaries and Consultants; and Rodney Watson, Louisiana Retired Teachers' Association

Each member of the Board received the following:

1. April 2018 Board Book
2. Investment Committee Meeting April 5, 2018, Performance Report – February 28, 2018
3. Investment Committee Presentations from Aon Hewitt Investment Consulting, Inc.; Hamilton Lane Advisors, LLC; Mercer; Great Lakes Advisors; Quantitative Management Associates, LLC; Rothschild Asset Management, Inc.; and The Boston Company
4. *2018 Regular Legislative Session Legislation AFFECTING TRSL April 5, 2018 and 2018 Regular Legislative Session Legislation MONITORED by TRSL Board April 5, 2018*
5. *Personal Financial Disclosure* presentation by Katherine Whitney and Roy Mongrue
6. *2018 Investing in Louisiana – The Economic Impact of Louisiana's Largest Public Retirement System* brochure

Dr. Baudin called the meeting to order at 9:35 a.m. Dr. Mills 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 March 1, 2018
(Including Minutes of Committee Meetings March 1, 2018)**

ON MOTION OF MR. JULIEN, SECONDED BY DR. TAYLOR, AND CARRIED, the Board voted to approve the Minutes of the meeting of the TRSL Board of Trustees held March 1, 2018 (including Minutes of committee meetings held March 1, 2018).

Investment Committee Report

ON MOTION OF MR. LAWYER, SECONDED BY DR. MILLS, 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 and to approve the recommendations contained therein.

Executive Committee Report

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

Introduction of Newly Hired Staff

The following employees were hired by TRSL during the period 01/01/18 through 03/31/18 and were introduced by Laurie Wright, Matt Tessier, and Gabrielle Brown-Morgan: Stefan Jovicic, Stephanie Henderson, and Tiara Pickens, Retirement Benefits Analysts; Sandra Jelks, Attorney 3 and Shanaquoa Wright, Administrative Coordinator 4.

Director's Update

Mrs. Vicknair updated the Board on the following:

- 2018 Board of Trustees elections for Retirees, District 1, District 7, Colleges and Universities, and Superintendents deadline to qualify is April 30, 2018 at 4:30 p.m.
- TRSL "In Your Neighborhood" pilot program
- *2018 Investing in Louisiana – The Economic Impact of Louisiana's Largest Public Retirement System* brochure

Adjournment

ON MOTION OF DR. NELSON, SECONDED BY MRS. THOMPSON, AND CARRIED, the Board voted to adjourn at 10:00 a.m.

**Teachers' Retirement System of Louisiana
Subcommittee to Review Responses to Solicitation for Proposals for
International Large Cap Growth Manager
9:00 a.m. – Thursday
April 5, 2018**

MEMBERS PRESENT: Robert Lawyer, Dr. James Taylor, and Jim Napper (Treasurer's Designee)

MEMBERS ABSENT: Dr. Sheryl Abshire and Holly Gildig

OTHER MEMBERS PRESENT: Dr. Jerry Baudin, Britt Colon, David Hennigan, Ricky Julien, Sr., Rick McGimsey (Commissioner's Designee), Dr. Tia Mills, John Parauka, and Kelly Thompson

STAFF PRESENT: Dana Vicknair, Katherine Whitney, Phil Griffith, Jeff LaCour, Roy Mongrue, Jr., Lisa Honore, Adam Averite, Dana Brown, Maurice Coleman, Davorio Stevenson, Debbie Boudreaux, and Lisa Barousse

OTHERS PRESENT: Scott Coopriider, Rishi Delvadia, and Russ Ivinjack, Aon Hewitt Investment Consulting, Inc.

Roll Call - Mr. Lawyer called the meeting to order at 9:00 a.m. The secretary called the roll and a quorum was established.

Review Proposals and Recommend Finalists to be Interviewed

Phil Griffith (TRSL) and Scott Coopriider of Aon Hewitt Investment Consulting presented an overview of responses to the SFP for International Large Cap Growth Manager by: Artisan Partners Limited Partnership; J.P. Morgan Asset Management; MFS Institutional Advisors, Inc.; and William Blair Investment Management.

ON MOTION OF DR. TAYLOR, SECONDED BY MR. NAPPER, AND CARRIED, the Subcommittee voted to recommend to the Investment Committee that incumbent Artisan Partners Limited Partnership be retained as International Large Cap Growth Manager, subject to fee negotiations.

Adjournment - ON MOTION OF DR. TAYLOR, SECONDED BY MR. NAPPER, AND CARRIED, the Committee voted to adjourn at 9:32 a.m.

**Teachers' Retirement System of Louisiana
Investment Committee
Upon Adjournment of Subcommittee to Review Responses to
Solicitation for Proposals for International Large Cap Growth Manager
Thursday – April 5, 2018**

MEMBERS PRESENT: Robert Lawyer, David Hennigan, Jim Napper (Treasurer's Designee), Dr. James Taylor, Dr. Paul Nelson, Rick McGimsey (Commissioner's Designee), Dr. Jerry Baudin, and John Parauka

MEMBERS ABSENT: Dr. Sheryl Abshire, Holly Gildig, Senator Barrow Peacock, and Representative J. Kevin Pearson

OTHER MEMBERS PRESENT: Britt Colon, Ricky Julien, Sr., and Kelly Thompson

STAFF PRESENT: Dana Vicknair, Katherine Whitney, Phil Griffith, Jeff LaCour, Roy Mongrue, Jr., Lisa Honore`, Adam Averite, Ed Branagan, Dana Brown, Maurice Coleman, Davorio Stevenson, Debbie Boudreaux, and Lisa Barousse

OTHERS PRESENT: Paul Yett and Matt Silverio, Hamilton Lane Investment Advisors, LLC; Scott Coopriider, Rishi Delvadia, and Russ Ivinjack, Aon Hewitt Investment Consulting, Inc.; Andrew Ness, Will Dillard, and Mike Paolucci, Mercer; Tom Kiley, Jon Quigley, and Laurie Watson, Great Lakes Advisors; Stacie Mintz and Kevin O'Rourke, Quantitative Management Associates, LLC; Michael Woods, Daniel Oshinskie, and Joseph Shelly, Rothschild Asset Management, Inc.; Elizabeth Slover and Jerry Navarrete, The Boston Company; and Shelley Johnson, Foster & Foster Actuaries and Consultants

Roll Call

Mr. Lawyer called the meeting to order at 9:34. The secretary called the roll and a quorum was established. Mr. Lawyer appointed Mr. Parauka to serve as an alternate for Mrs. Gildig.

Report of Subcommittee to Review Responses to Solicitation for Proposals for International Large Cap Growth Manager

Mr. Lawyer presented the report of the Subcommittee to Review Responses to Solicitations for Proposals for International Large Cap Growth Manager.

ON MOTION OF DR. BAUDIN, SECONDED BY MR. PARAUKA, AND CARRIED, the Committee voted to approve the following report of the Subcommittee to Review Responses to the SFP for International Large Cap Growth Manager:

“ON MOTION OF DR. TAYLOR, SECONDED BY MR. NAPPER, AND CARRIED, the Subcommittee voted to recommend to the Investment Committee that incumbent Artisan Partners Limited Partnership be retained as International Large Cap Growth Manager, subject to fee negotiations.”

Private Market Update and Review of Potential Private Market Investments

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

Mr. Silverio reviewed a potential investment in GSO Energy Select Opportunities Fund II, L.P.

ON MOTION OF MR. PARAUKA, SECONDED BY DR. TAYLOR, AND CARRIED, consistent with alternative investment guidelines, the Committee voted to receive the Hamilton Lane report, including the due-diligence process dated April 5, 2018 pertaining to investments in GSO Energy Select Opportunities Fund II, L.P. (up to \$75 million), subject to final term negotiations completed within the timeline established by the Hamilton Lane contract.

Mr. Yett reviewed a potential investment in Sares Regis Multifamily Value- Add Fund III, L.P.

ON MOTION OF DR. BAUDIN, SECONDED BY DR. NELSON, AND CARRIED, consistent with the alternative investment guidelines, the Committee voted to receive the Hamilton Lane report, including the due-diligence process dated April 5, 2018 pertaining to investments in Sares Regis Multifamily Value-Add Fund III, L.P. (up to \$50 million), subject to final term negotiations completed within the timeline established by the Hamilton Lane contract.

Quarterly Summary of Alternative Assets and Real Estate

Maurice Coleman presented the Quarterly Summary of Alternative Assets and Real Estate (for the period ended December 31, 2017).

ON MOTION OF MR. HENNIGAN, SECONDED BY DR. TAYLOR, AND CARRIED, the Committee voted to receive the Quarterly Summary of Alternative Assets and Real Estate as presented.

Optional Retirement Plan (ORP) Quarterly Review

Andrew Ness, Will Dillard, and Mike Paolucci of Mercer presented the ORP Quarterly Review for the period ended December 31, 2017.

ON MOTION OF DR. BAUDIN, SECONDED BY MR. PARAUKA, AND CARRIED, the Committee voted to receive the ORP Quarterly Review as presented.

Interview Finalists and Recommend Successful Candidate Firm for SMID Core Manager

Phil Griffith (TRSL) and Rishi Delvadia and Scott Coopridier (Aon Hewitt) presented an overview of the finalist firms for SMID Core Manager: Great Lakes Advisors; Quantitative Management Associates, LLC; and Rothschild Asset Management, Inc. Representatives from each firm as listed below appeared before the Committee to be interviewed.

- Great Lakes Advisors - Tom Kiley, Jon Quigley, and Laurie Watson
- Quantitative Management Associates, LLC - Stacie Mintz and Kevin O'Rourke
- Rothschild Asset Management, Inc. - Michael Woods, Daniel Oshinskier, and Joseph Shelly

The Committee ranked each firm from 1 to 3, with 1 ranking the highest.

	Great Lakes	QMA	Rothschild
Dr. Baudin	3	1	2
Mr. Hennigan	2	1	3
Mr. Lawyer	3	1	2
Mr. Napper	1	2	3
Dr. Nelson	2	3	1
Mr. Parauka	3	1	2
Dr. Taylor	2	3	1
Total	16	12	14

Quantitative Management Associates, LLC ranked highest followed by Rothschild Asset Management, Inc. and Great Lakes Advisors, respectively.

DR. BAUDIN MADE A MOTION to hire Quantitative Management Associates for SMID Core Manager, subject to fee negotiation. MR. HENNIGAN SECONDED THE MOTION, and DR. TAYLOR OBJECTED TO THE MOTION. The secretary called the roll. THE MOTION PASSED by a vote of 5 yeas and 2 nays, with Mr. Hennigan, Mr. Lawyer, Mr. Napper, Mr. Parauka and Dr. Baudin voting yea, and Dr. Nelson and Dr. Taylor voting nay.

Presentation and Approval of Solicitation for Proposals for Global High Yield Manager

Mr. Griffith presented the SFP for Global High Yield Manager.

ON MOTION OF DR. TAYLOR, SECONDED BY DR. BAUDIN, AND CARRIED, the Committee voted to approve the SFP for Global High Yield Manager.

Appoint Subcommittee to Review Responses to Solicitation for Proposals for Small Cap Value Manager

Mr. Lawyer appointed the following to serve on the Subcommittee to Review the SFP for Small Cap Value Manager: Mrs. Gildig as Chair, Dr. Abshire, Mr. Lawyer, Mr. Hennigan, and Mr. Napper.

Capital Market Update and Review of TRSL Investments

4th Quarter and Monthly Investment Review

Mr. Griffith presented an overview of TRSL's total plan and public and private market investments. Mr. Coopridier presented Aon Hewitt's 2017 4th Quarter Investment Review. Mr. Ivinjack presented the monthly investment review. Staff and Consultant reviewed performance of TRSL investments through December 31, 2017.

Portfolio Review

Mr. Delvadia and Dana Brown reviewed Large Cap Growth Managers, Morgan Stanley and The Boston Company.

Elizabeth Slover and Jerry Navarrete presented The Boston Company's annual portfolio review.

Adjournment

ON MOTION OF MR. PARAUKA, SECONDED BY MR. HENNIGAN, AND CARRIED, the Committee voted to adjourn at 3:15 p.m.

**Teachers' Retirement System of Louisiana
Legislative Committee
8:30 a.m. – Friday
April 6, 2018**

MEMBERS PRESENT: Robert Lawyer, Rick McGimsey (Commissioner's Designee), Jim Napper (Treasurer's Designee), Dr. James Taylor, Ricky Julien, Sr., Dr. Jerry Baudin, and Dr. Tia Mills

MEMBERS ABSENT: Dr. Sheryl Abshire, Holly Gildig, Senator Barrow Peacock, and Representative J. Kevin Pearson

OTHER MEMBERS PRESENT: Britt Colon, David Hennigan, Dr. Paul Nelson, John Parauka, and Kelly Thompson

STAFF PRESENT: Dana Vicknair, Katherine Whitney, Phil Griffith, Jeff LaCour, Roy Mongrue, Jr., Lisa Honore`, Adam Averite, Ed Branagan, Dana Brown, Maurice Coleman, Andrea Guntz, Robyn Jenkins-King, Steve Marangos, Dionne Rabalais, Davorio Stevenson, Matt Tessier, Charlene Wilson, Laurie Wright, Debbie Boudreaux, and Lisa Barousse

OTHERS PRESENT: Shelley Johnson, Foster & Foster Actuaries and Consultants; Margaret Corley and Laura Gail Sullivan, Louisiana Senate; Rodney Watson, Louisiana Retired Teachers' Association; and Shane Riddle, Louisiana Association of Educators

Roll Call

Mr. Lawyer called the meeting to order at 8:30 a.m. The secretary called the roll and a quorum was established. Mr. Lawyer appointed Dr. Mills to serve as an alternate for Dr. Abshire.

Update and Discussion of 2018 Legislative Sessions

Special Session

Mrs. Vicknair updated the Committee on the Special Session which convened February 19, 2018 and adjourned March 5, 2018.

Update on Meetings

Mrs. Vicknair updated the Committee on the following meetings:

- Senate Retirement Committee – March 12, 2018
- House Retirement Committee – March 15 and March 29, 2018
- Senator Milkovich – March 2, 2018
- Representative Ivey – March 23, 2018
- JLCB meeting – TRSL Budget – tentatively scheduled for May

Legislation Affecting TRSL

Mrs. Vicknair updated the Committee on legislation affecting TRSL, including new bills filed since the March Legislative Committee meeting.

ON MOTION OF DR. BAUDIN, SECONDED BY MR. NAPPER, AND CARRIED, the Committee voted to **oppose** SB 530 by Senator Milkovich.

ON MOTION OF MR. NAPPER, SECONDED BY DR. MILLS, AND CARRIED, the Committee voted to **remain neutral** on HB 696 by Representative Pearson.

Legislation Monitored by TRSL

Ms. Whitney updated the Committee on legislation monitored by TRSL.

Adjournment

ON MOTION OF MR. NAPPER, SECONDED BY DR. MILLS, AND CARRIED, the Committee voted to adjourn at 8:58 a.m.

Teachers' Retirement System of Louisiana
Executive Committee
Upon Adjournment of Legislative Committee – Friday
April 6, 2018

MEMBERS PRESENT: Dr. Jerry Baudin, Robert Lawyer, Jim Napper (Treasurer's Designee), Dr. James Taylor, and David Hennigan

MEMBERS ABSENT: Dr. Sheryl Abshire and Holly Gildig

OTHER MEMBERS PRESENT: Britt Colon, Ricky Julien, Sr., Rick McGimsey (Commissioner's Designee), Dr. Tia Mills, Dr. Paul Nelson, John Parauka, and Kelly Thompson

STAFF PRESENT: Dana Vicknair, Katherine Whitney, Phil Griffith, Jeff LaCour, Roy Mongrue, Jr., Lisa Honore`, Adam Averite, Ed Branagan, Dana Brown, Maurice Coleman, Andrea Guntz, Dionne Rabalais, Davorio Stevenson, Matt Tessier, Charlene Wilson, Laurie Wright, Debbie Boudreaux, and Lisa Barousse

OTHERS PRESENT: Shelley Johnson, Foster & Foster Actuaries and Consultants; and Rodney Watson, Louisiana Retired Teachers' Association

Roll Call

Dr. Baudin called the meeting to order at 8:59 a.m. The secretary called the roll and a quorum was established.

Presentation and Approval of Audit Reports by TRSL Audit Staff

Ms. Guntz presented the Compliance Audit Reports: *Limited Scope Reviews – April 2018* and *Retirees Returning to Work – April 2018*.

ON MOTION OF DR. TAYLOR, SECONDED BY MR. HENNIGAN, AND CARRIED, the Committee voted to approve the Audit Reports as presented.

Presentation of Quarterly Litigation Reports

Mr. Mongrue presented the Quarterly Litigation Reports.

ON MOTION OF MR. NAPPER, SECONDED BY DR. TAYLOR, AND CARRIED, the Committee voted to receive the Quarterly Litigation Reports.

Review of Tier 2.1 Disclosure Form Due May 15, 2018

Ms. Whitney and Mr. Mongrue presented "Personal Financial Disclosure" and reviewed the Tier 2.1 Disclosure Form which must be filed with the Louisiana Board of Ethics on or before May 15, 2018. The presentation qualified as one-half hour of Rules and Regulations Education for Trustees.

Adjournment

ON MOTION OF MR. LAWYER, SECONDED BY MR. HENNIGAN, AND CARRIED, the Committee voted to adjourn at 9:31 a.m.