

Teachers' Retirement System of Louisiana
Board of Trustees
Upon Adjournment of Executive Committee – Tuesday
January 11, 2011

- MEMBERS PRESENT:** Anne H. Baker, Dr. William C. "Bill" Baker, Eula Beckwith, Holly B. Gildig, Kathy Hattaway, Superintendent Darryl C. Kilbert, Robert Lawyer, Joe A. Potts, Jr., and Gavin L. Vitter
- MEMBERS ABSENT:** Dr. Sheryl Abshire, Senator D.A. "Butch" Gautreaux, Joyce Haynes, Superintendent Paul Pastorek, Jim Napper (Treasurer's Designee), Representative J. Kevin Pearson and Dr. Dominic Salinas
- STAFF PRESENT:** Maureen Westgard, Stuart Cagle, Roy Mongrue, Jr., Philip Griffith, Dana Vicknair, Roth Aymond, Trudy Berthelot, Dana Brown, Jim Buras, Maurice Coleman, Doris Dumas, Randall Harrison, Lisa Honore, Heather Landry, Melinda Parker, Jessica Runnels, Katherine Whitney, Charlene Wilson and Lisa Barousse
- OTHERS PRESENT:** Scott Coopriider, Russ Ivinjack, and Jamie McAllister, Hewitt EnnisKnupp; and Shelley Johnson, SJ Actuarial Associates

Mrs. Baker called the meeting to order at 11:20 a.m. Dr. Baker led the Pledge of Allegiance. The secretary called the roll and a quorum was established.

Each member of the Board received the following:

1. *January 2011 Board Book*
2. *Investment Committee Meeting–January 10, 2011, Performance Report–November 30, 2010*
3. Investment Committee Presentation Booklets from Hamilton Lane, Encap Investments, L.P., American Securities, and Hewitt EnnisKnupp
4. *TRSL Statistics Mid Year FY 2010 – Mid Year FY 2011*
5. *Letter of January 3, 2011 to Ms. Michelle Biagas, Priestley School and Mr. Dennis McSeveney, President, Priestley School Board, from A. Stuart Cagle, Jr., regarding delinquent employer retirement contributions*
6. *TRSL 2011 Fiscal Year Goals, Major Projects by Balanced Scorecard Area*
7. Article titled "The Shameful Attack on Public Employees" that appeared January 5, 2011 on the Wall Street Pit website (www.wallstreetpit.com)

8. Article titled "The Confused Debate About Public Sector Pay and Pensions" that appeared January 6, 2011 on the Atlantic website (www.theatlantic.com)
9. Article titled "Pension Fund Losses Hit States Hard, Data Show" that appeared January 5, 2011 on the New York Times website (www.nytimes.com)
10. *TRSL's Boardroom Beacon, "Actuarial Basics II: Understanding Funding Requirements", January 2011*
11. *TRSL Retirees, December 2010, Vol 19, No 2*

Approval of the Minutes of the Meeting of the TRSL Board of Trustees Held December 7, 2010 (Including Minutes of Committee Meetings Held December 6 & 7, 2010)

ON MOTION OF MRS. BECKWITH, SECONDED BY SUPERINTENDENT KILBERT, AND CARRIED, the Board voted to approve the minutes of the meeting of the TRSL Board of Trustees held December 7, 2010 (including minutes of committee meetings held December 6 & 7, 2010).

Elections Committee Report

ON MOTION OF MS. HATTAWAY, SECONDED BY MR. VITTER, AND CARRIED, the Board voted to accept the report of the Elections Committee and to approve the recommendations contained therein.

Investment Committee Report

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

Dr. Baker in the Chair

Executive Committee Report

ON MOTION OF MRS. BAKER, SECONDED BY MR. LAWYER, 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.

Introduction of Newly Hired Staff Hired by TRSL during the Period October 1, 2010 through December 31, 2010

Mrs. Vicknair introduced Jessica Runnels, Retirement Benefits Analyst 1.
Mr. Cagle introduced Melinda Parker, Policy Planner 3.

TRSL Board and Staff Ethics Certification

Ethics Certifications for 2011, which certify compliance with all Louisiana state ethics laws and TRSL ethics policy, were collected from Trustees and staff.

Director's Update

Ms. Westgard updated the Board on the following:

- 2011 Board Reference Manual
- Board of Trustees Governance Manual
- Ongoing Elevator Repair
- Travel Policy Update – Effective January 1, 2011, the private vehicle standard mileage rate increased from \$0.50 to \$0.51.
- Orientation for new Trustees to be held after the Board meeting
- Act 992 information on TRSL website

Adjournment

ON MOTION OF MRS. BECKWITH, SECONDED BY MR. VITTER, AND CARRIED, the Committee voted to adjourn at 11:45 a.m.

**Teachers' Retirement System of Louisiana
Elections Committee
12:30 p.m. – Monday
January 10, 2011**

- MEMBERS PRESENT:** Kathy Hattaway, Holly B. Gildig, Joe A. Potts, Jr., Robert Lawyer, Jim Napper (Treasurer's Designee), Anne H. Baker, and Dr. William C. "Bill" Baker
- MEMBERS ABSENT:** Joyce Haynes and Dr. Sheryl Abshire
- OTHER MEMBERS PRESENT:** Eula Beckwith, Superintendent Darryl C. Kilbert, and Gavin L. Vitter
- STAFF PRESENT:** Maureen Westgard, Stuart Cagle, Roy Mongrue, Jr., Philip Griffith, Dana Vicknair, Dana Brown, Maurice Coleman, Lisa Honore, Katherine Whitney, Genett Washington, Dana Lee Haltom, and Lisa Barousse
- OTHERS PRESENT:** Paul Yett, Hamilton Lane; Steve Monahan, Alison Ocmant, and Les Landon, Louisiana Federation of Teachers; and Jim Wolff and Prentiss Ferguson, United Federation of College Teachers

Ms. Hattaway called the meeting to order at 12:30 p.m.

Oaths of Office

Roy Mongrue, Jr., General Counsel administered Oaths of Office to the following:

- a. Joe A. Potts, Jr. – District 1
- b. Holly B. Gildig - District 5
- c. Darryl C. Kilbert – Parish & City Superintendents (Interim Appointment)
- d. Robert Lawyer – State Colleges & Universities
- e. William C. "Bill" Baker, Ed.D. – Retirees

Mr. Potts, Mr. Lawyer, and Dr. Baker will serve a four-year term that will expire December 31, 2014. Mrs. Gildig's term will expire December 31, 2012. Superintendent Kilbert will serve as an interim appointee until such time as the election to permanently fill the vacancy is held. Dr. Sheryl Abshire was elected to represent District 7 and will serve a four-year term that will expire December 31, 2014. She will be sworn in at a later date.

The secretary called the roll and a quorum was established. Ms. Hattaway appointed Dr. Baker to serve on the Committee as an alternate for Dr. Abshire.

2011 Elections Review

- a. Review and Approval of the Proposed 2011 Schedule of Regular Elections for:
 - i. District 2
 - ii. District 3
 - iii. District 4
 - iv. Parish & City Superintendents (Special Election)

ON MOTION OF MR. POTTS, SECONDED BY MR. NAPPER, AND CARRIED, the Committee voted to approve the Proposed 2011 Schedule of Regular Elections for District 2, District 3, District 4, and the special election for Parish & City Superintendents.

- b. Review & Approval of Proposed Call for Candidates Postcards for Upcoming Elections

ON MOTION OF DR. BAKER, SECONDED BY MR. LAWYER, AND CARRIED, the Committee voted to approve the proposed Call for Candidates postcards for upcoming elections in District 2, District 3, District 4, and the special election for Parish & City Superintendents, and that the District 3 Call for Candidate Postcard reflect the same language as a regular election Call for Candidate Postcard.

Adjournment

ON MOTION OF MR. LAWYER, SECONDED BY DR. BAKER, AND CARRIED, the Committee voted to adjourn at 12:40 p.m.

Teachers' Retirement System of Louisiana
Investment Committee
Upon Adjournment of Elections Committee – Monday
January 10, 2011

- MEMBERS PRESENT:** Dr. William C. "Bill" Baker, Superintendent Darryl C. Kilbert, Kathy Hattaway, Eula Beckwith, Jim Napper (Treasurer's Designee), Anne H. Baker, Robert Lawyer, and Gavin L. Vitter
- MEMBERS ABSENT:** Dr. Sheryl Abshire, Dr. Dominic Salinas, Senator D.A. "Butch" Gautreaux, and Representative J. Kevin Pearson
- OTHER MEMBERS PRESENT:** Holly B. Gildig and Joe A. Potts, Jr.
- STAFF PRESENT:** Maureen Westgard, Stuart Cagle, Roy Mongrue, Jr., Philip Griffith, Dana Vicknair, Dana Brown, Maurice Coleman, Genett Washington, Dana Lee Haltom, and Lisa Barousse
- OTHERS PRESENT:** Paul Yett, Hamilton Lane; Scott Coopriker, Russ Ivinjack, and Jamie McAllister, Hewitt EnnisKnupp; Michael Fisch, American Securities; Marty Philips and Jason DeLoranzo, EnCap Investments, L.P.; Steve Monahan, Alison Ocmann, and Les Landon, Louisiana Federation of Teachers; and Jim Wolff and Prentiss Ferguson, United Federation of College Teachers

Each Board member introduced themselves and the district or group they represent.

Dr. Baker called the meeting to order at 12:45 p.m. The secretary called the roll and a quorum was established.

Dr. Baker appointed Mr. Lawyer and Mr. Vitter to serve on the Committee as alternates for Dr. Abshire and Dr. Salinas.

Quarterly Transaction Summary of Private Market Investments (for period ended September 30, 2010)

Maurice Coleman presented the quarterly transaction summary of private market investments.

ON MOTION OF MRS. BECKWITH, SECONDED BY MR. NAPPER, AND CARRIED, the Committee voted to receive the *Quarterly Transaction Summary of Private Market Investments* (for the period ended September 30, 2010).

Private Market Investments Annual and Advisory Committee Reports

Paul Yett of Hamilton Lane presented the private market investments annual and advisory committee reports on CVC Capital Partners, Intermediate Capital Group Plc; Providence Equity Partners; Gores Capital Partners; Platinum Equity Capital Partners; and Texas Pacific Group.

ON MOTION OF MR. NAPPER, SECONDED BY MS. HATTAWAY, AND CARRIED, the Committee voted to receive the private market annual and advisory committee reports on CVC Capital Partners, Intermediate Capital Group Plc; Providence Equity Partners; Gores Capital Partners; Platinum Equity Capital Partners; and Texas Pacific Group.

Private Market Update and Review of Potential Private Market Investments

Mr. Yett presented a private market update and reviewed potential alternative investments in EnCap Energy Capital Fund VIII, L.P. and American Securities Partners VI, L.P.

Marty Philips and Jason DeLoranzo of EnCap Investments, L.P., appeared before the Committee to make a presentation concerning an investment with EnCap Energy Capital Fund VIII, L.P.

ON MOTION OF MR. NAPPER, SECONDED BY MRS. BECKWITH, AND CARRIED, consistent with the alternative investment guidelines, the Committee voted to receive the Hamilton Lane report, including the due-diligence process dated January 10, 2011 pertaining to investments in EnCap Energy Capital Fund VIII, L.P. (up to \$50 million).

Michael Fisch of American Securities appeared before the Committee to make a presentation concerning an investment with American Securities Partners VI, L.P.

ON MOTION OF MRS. BECKWITH, SECONDED BY SUPERINTENDENT KILBERT, AND CARRIED, consistent with the alternative investment guidelines, the Committee voted to receive the Hamilton Lane report, including the due-diligence process dated January 10, 2011 pertaining to investments in American Securities Partners VI, L.P. (up to \$50 million).

Public Market Update and Review of TRSL Investments (Consultant and Staff)

Mr. Griffith presented an overview of TRSL's total plan and public market investments. Scott Coopridger, Russ Ivinjack, and Jamie McAllister of Hewitt EnnisKnupp appeared before the Committee to present their January 10, 2011 Meeting Packet. Staff and consultant reviewed performance of TRSL investments through November 30, 2010.

Adjournment

ON MOTION OF MRS. BECKWITH, SECONDED BY MS. HATTAWAY, AND CARRIED, the Committee voted to adjourn at 4:35 p.m.

Teachers' Retirement System of Louisiana
Legislative Committee
8:30 a.m. – Tuesday
January 11, 2011

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

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 Mrs. Gildig to serve on the Committee as an alternate for Dr. Abshire.

Update on Interim Legislative Committee Meetings

Ms. Westgard updated the Committee on the following legislative committee meetings.

- Funding Review Panel – met December 10, 2010; the next meeting is scheduled for January 21, 2011
- Actuarial Target Rate of Return – December 13, 2010 meeting called by the legislative actuary and included TRSL, LASERS, Shelley Johnson and Charles Hall; the next meeting is scheduled for January 14, 2011 and will also include investment staff
- Joint Meeting of Civil Law and Judiciary A and House and Senate Retirement Committees – December 16, 2010, pursuant to study request relative to spousal survivorship benefits in Louisiana public retirement systems and community property rights
- PBI Study Request – meeting to be held during the special session – an exact date has not been set
- Membership of Retirement Boards and Investments Study Request – no information available at this time

Discussion of Potential Legislation for the 2011 Regular Legislative Session

Ms. Westgard outlined potential issues and legislation for the 2011 Regular Legislative Session.

Dr. Baker asked Trustees to contact himself or the director with any ideas regarding legislation. Ms. Westgard reminded Trustees that the Board has not recently supported bills that have a cost.

Approval of the TRSL Legislative Team for the 2011 Regular and Special Session(s) of the Louisiana Legislature

Dr. Baker outlined the roles of the legislative team and trustees regarding testifying and contact with the legislature.

ON MOTION OF MRS. HAYNES, SECONDED BY MR. NAPPER, AND CARRIED, the Committee voted to authorize the Board Chair, Legislative Committee Chair, Director, Deputy Director, General Counsel, Assistant Director, Chief Investment Officer, and Actuaries to represent TRSL at legislative hearings during the 2011 Legislative Session(s).

Dr. Baker introduced Senate staff, Laura Gail Sullivan and Lauren Bailey. Ms. Sullivan asked for authorization to ask the actuaries to make calculations for the estimated cost of a 2% and 3% COLA during the 2011 fiscal year.

ON MOTION OF MRS. BAKER, SECONDED BY MS. HATTAWAY, AND CARRIED, the Committee voted to authorize the actuaries to make calculations of the estimated cost of a 2% and 3% COLA for the 2011 fiscal year.

Adjournment

ON MOTION OF MR. NAPPER, SECONDED BY MR. LAWYER, AND CARRIED, the Committee voted to adjourn at 9:35 a.m.

Teachers' Retirement System of Louisiana
Executive Committee
Upon Adjournment of Legislative Committee – Tuesday
January 11, 2011

- MEMBERS PRESENT:** Anne. H. Baker, Dr. William C. "Bill" Baker, Eula Beckwith, and Kathy Hattaway
- MEMBERS ABSENT:** Dr. Sheryl Abshire, Joyce Haynes, and Dr. Dominic Salinas
- 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, Roy Mongrue, Jr., Philip Griffith, Dana Vicknair, Roth Aymond, Trudy Berthelot, Dana Brown, Jim Buras, Maurice Coleman, Doris Dumas, Lisa Honore, Jeff LaCour, Melinda Parker, Katherine Whitney, Charlene Wilson, Laurie Wright, Desiree Marshall, Dana Lee Haltom, and Lisa Barousse
- OTHERS PRESENT:** Shelley Johnson, SJ Actuarial Associates; and Lauren Bailey and Laura Gail Sullivan, Louisiana Senate Staff;

Mrs. Baker called the meeting to order at 9:43 a.m. The secretary called the roll and a quorum was established.

Appointment of State Medical Disability Board Physicians

Mrs. Vicknair presented the proposed list of State Medical Disability Physicians.

ON MOTION OF MRS. BECKWITH, SECONDED BY DR. BAKER, AND CARRIED, the committee voted to appoint the State Medical Disability Board Physicians as presented.

Presentation of Ethics Appendix to the Board of Trustees Governance Manual

Ms. Whitney presented the Ethics Appendix to the Board of Trustees Governance Manual.

ON MOTION OF MS. HATTAWAY, SECONDED BY DR. BAKER, AND CARRIED, the committee voted to receive the Ethics Appendix to the Board of Trustees Governance Manual.

Presentation and Approval of Audit Reports by TRSL Audit Staff

Mr. LaCour presented Compliance Audit Reports – Retirees Returning to Work and Limited Scope Reviews.

ON MOTION OF DR. BAKER, SECONDED BY MRS. BECKWITH, AND CARRIED, the committee voted to approve the Retirees Returning to Work Audit Report.

ON MOTION OF DR. BAKER, SECONDED BY MRS. BECKWITH, AND CARRIED, the committee voted to approve the Limited Scope Reviews Audit Report.

Progress Report on TRSL Balanced Scorecard Goals for 2010-2011

Ms. Westgard presented a progress report on the TRSL Balanced Scorecard Goals for 2010-2011 and introduced TRSL Department Managers. Mr. Cagle gave an overview of projects. Mr. Cagle and Ms. Westgard commended staff on their work.

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

Quarterly Litigation Report

Mr. Mongrue presented the Quarterly Litigation Report.

ON MOTION OF DR. BAKER, SECONDED BY MS. HATTAWAY, AND CARRIED, the committee voted to receive the Quarterly Litigation Report.

Update on Priestley School 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 from the discussion, due to his position as Superintendent of the Orleans Parish School Board, and was not present during the executive session.

ON MOTION OF MRS. BECKWITH, SECONDED BY HATTAWAY, AND CARRIED, the Committee voted 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.

A roll-call vote was taken. The vote was unanimous.

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

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

A roll-call vote was taken. The vote was unanimous.

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

ON MOTION OF DR. BAKER, SECONDED MRS. BECKWITH, AND CARRIED, the Committee voted to certify the delinquency of contributions of Priestley Charter School in the amount of \$171,043.62, plus interest, which is based on records of previous contributions reporting, and to authorize the Director to proceed with all steps legally available to collect all delinquent contributions of Priestley Charter School, as necessary, including those provided in Title 11 of the Louisiana Revised Statutes.

Adjournment

ON MOTION OF MRS. BECKWITH, SECONDED BY MS. HATTAWAY, AND CARRIED, the Committee voted to adjourn at 11:14 a.m.