

Teachers' Retirement System of Louisiana
Board of Trustees
Upon Adjournment of Executive Committee - Thursday
January 10, 2019

MEMBERS PRESENT: Dr. Jerry Baudin, Holly Gildig, David Hennigan, Ricky Julien, Sr., Rick McGimsey (Commissioner's Designee), Dr. Tia Mills, Jim Napper (Treasurer's Designee), Dr. Paul Nelson, Neshelle Nogess, John Parauka, Suzette Riddle, Dr. James Taylor, and Kelly Thompson

MEMBERS ABSENT: Senator Barrow Peacock, Representative J. Kevin Pearson, Dr. Tom Stafford, and State Superintendent John White

STAFF PRESENT: Dana Vicknair, Katherine Whitney, Phil Griffith, Douglas Swenson, Jeff LaCour, Lisa Honore', Adam Averite, Ed Branagan, Dana Brown, Maurice Coleman, Melanie Deville, Aiesha Griffin, Andrea Guntz, Randall Harrison, Sharhonda Jenkins, Linnie Johnson, Erin Laley, Steve Marangos, Will Merrill, Dionne Rabalais, Erin St. Pierre, Davorio Stevenson, Matt Tessier, Nicholas Welch, Luis Welchez, 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. January 2019 Board Book
2. Investment Committee Meeting January 20, 2019, Performance Report – November 30, 2018
3. Investment Committee Presentations from Hamilton Lane Advisors, LLC; Castllake; AgIS Capital; Mercer, and Aon Hewitt Investment Consulting, Inc.
4. *TRSL FY 2018 Return-to-Work Report, January 2019*
5. *TRSL 2019 Fiscal Year Goals, Major Projects by Balanced Scorecard Area*
6. *How Does Social Security Impact State Retirement Benefits* by Angie Dowdy, Louisiana Treasury Department
7. *TRSL Retirees December 2018 • Vol 27, No 2*

Dr. Baudin called the meeting to order at 3:04 p.m. Mr. Parauka 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 December 7, 2018 (Including Minutes of Committee Meetings held December 6 and 7, 2018)

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 December 7, 2018 (Including Minutes of Committee Meetings held December 6 and 7, 2018).

Elections Committee Report

ON MOTION OF DR. TAYLOR, SECONDED BY MR. HENNIGAN, 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 MRS. GILDIG, SECONDED BY MRS. THOMPSON, 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 DR. BAUDIN, SECONDED BY MR. JULIEN, AND CARRIED, the Board voted to accept the report of the Executive Committee in globo, and to approve the recommendations contained therein.

Introduction of Newly Hired Staff

Laurie Wright introduced the new employees hired in the Retirement Department during the period October 1, 2018 through December 31, 2018: Erin St. Pierre, Nicholas Welch, and Aiesha Griffin – Retirement Benefits Analysts 1; and Erin Laley – Administrative Assistant 4.

TRSL Board and Staff Ethics Certification

Mrs. Vicknair noted that Ethics Certifications, which certify compliance with all Louisiana state ethics laws and TRSL ethics policy during 2018, were collected from Trustees and staff.

Director's Update

Ms. Vicknair updated the Board on the following items:

- 2019 Board Reference Guide
- 2019 Investment Process and Best Practices

- Mileage Increase from .545 to .58
- 2018 United Way Campaign – recognized Melanie Deville for coordinating the campaign, which raised \$5,505
- 2018 Greater Baton Rouge Food Bank
 - Recognized Sharhonda Jenkins for coordinating contributions to the Food Bank on behalf of TRSL - \$1,359 and 259 pounds of food
 - In addition, Executive Staff donated \$400 in lieu of exchanging Christmas gifts

Adjournment

ON MOTION OF MR. JULIEN, SECONDED BY DR. TAYLOR, AND CARRIED, the Board voted to adjourn at 3:15 p.m.

**Teachers' Retirement System of Louisiana
Elections Committee
9:00 a.m. – Thursday
January 10, 2019**

MEMBERS PRESENT: Dr. James Taylor, Kelly Thompson, Neshelle Nogess, Holly Gildig, Suzette Riddle, and Dr. Jerry Baudin

MEMBERS ABSENT: Ricky Julien, Sr. and Dr. Tom Stafford

OTHER MEMBERS PRESENT: Dr. Tia Mills, Jim Napper (Treasurer's Designee), Dr. Paul Nelson, and John Parauka

STAFF PRESENT: Dana Vicknair, Katherine Whitney, Phil Griffith, Douglas Swenson, Jeff LaCour, Lisa Honore', Ed Branagan, Maurice Coleman, Will Merrill, Davorio Stevenson, Matt Tessier, Debbie Boudreaux, and Lisa Barousse

OTHERS PRESENT: Treasurer John Schroder, and Tyler Bosworth, House Retirement Committee

Roll Call

Dr. Taylor called the meeting to order at 9:00 a.m. The secretary called the roll and a quorum was established.

Oaths of Office

Mr. Swenson administered oaths of office to Dr. James Taylor, representing Retirees; Dr. Paul Nelson, representing Superintendents; Neshelle Nogess, representing District 1; and Suzette Riddle, representing District 7 for the term January 1, 2019 through December 31, 2022.

Dr. Tom Stafford, who was elected to represent Colleges and Universities for the term January 1, 2019 – December 31, 2022, was not present at the meeting. Dr. Stafford will be administered the oath of office at a later date.

2019 Elections Review

Mrs. Vicknair presented the proposed schedules and election materials for the upcoming 2019 Elections for Districts 2, 3, and 4.

ON MOTION OF MS. NOGESS, SECONDED BY DR. BAUDIN, AND CARRIED, the Committee voted to approve the 2019 Schedule of Elections as presented.

ON MOTION OF DR. BAUDIN, SECONDED BY MRS. GILDIG AND CARRIED, the Committee voted to approve the election materials as presented.

Adjournment

ON MOTION OF MRS. GILDIG, SECONDED BY MS. NOGESS, AND CARRIED, the Committee voted to adjourn 9:07.m.

**Teachers' Retirement System of Louisiana
Investment Committee
Upon Adjournment of Elections Committee – Thursday
January 10, 2019**

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

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

OTHER MEMBERS PRESENT: Ricky Julien, Sr., Dr. Tia Mills, Suzette Riddle, and Kelly Thompson

STAFF PRESENT: Dana Vicknair, Katherine Whitney, Phil Griffith, Douglas Swenson, Jeff LaCour, Lisa Honore', Adam Averite, Ed Branagan, Dana Brown, Maurice Coleman, Davorio Stevenson, Matt Tessier, Debbie Boudreaux, and Lisa Barousse

OTHERS PRESENT: Treasurer John Schroder; Shelley Johnson, Foster & Foster Actuaries and Consultants; Tyler Bosworth, House Retirement Committee; Paul Yett and Matt Silverio, Hamilton Lane Advisors, LLC; Rory O'Neill and Gina Peyton; Castl lake; Jeffrey Conrad and Kellen West, AgIS Capital; Andrew Ness and Will Dillard of Mercer; and Scott Coop rider, Rishi Delavadia, and Russ Ivinjack, Aon Hewitt Investment Consultants, Inc.

Roll Call

Mrs. Gildig called the meeting to order at 9:09 a.m. The secretary called the roll and a quorum was established.

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. Yett presented the private market update.

Mr. Silverio reviewed **Castl lake Income Opportunities, L.P.** Rory O'Neill and Gina Peyton of Castl lake appeared before the Committee to give a presentation on the fund.

ON MOTION OF DR. BAUDIN, SECONDED BY MR. NAPPER, 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, 2019, pertaining to investments in Castlelake Income Opportunities, L.P. (up to \$75 million) subject to final term negotiations completed within the timeline established by the Hamilton Lane contract.

Mr. Yett reviewed **Hancock Agricultural Separate Account**.

ON MOTION OF DR. BAUDIN, 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 January 10, 2019, pertaining to investments in Hancock Agricultural Separate Account (up to an additional \$25 million beyond the original \$75 million) subject to final term negotiations completed within the timeline established by the Hamilton Lane contract.

Mr. Silverio reviewed **AgIS Separate Account**.

Jeffrey Conrad and Kellen West of AgIS Capital appeared before the Committee to give a presentation on the fund.

ON MOTION OF DR. BAUDIN, SECONDED BY MR. PARAUKA, 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, 2019, pertaining to investments in AgIS Separate Account (up to \$100 million) subject to final term negotiations completed within the timeline established by the Hamilton Lane contract.

Quarterly Summary of Alternative Assets and Real Estate (for period ended September 30, 2018)

Maurice Coleman presented the Quarterly Summary of Alternative Assets and Real Estate (for the period ended September 30, 2018).

ON MOTION OF MR. PARAUKA, SECONDED BY MR. HENNIGAN, AND CARRIED, the Committee voted to receive the Quarterly Summary of Alternative Assets and Real Estate (for the period ended September 30, 2018).

Optional Retirement Plan Quarterly Review (for period ended September 30, 2018)

Andrew Ness and Will Dillard of Mercer presented the ORP Quarterly Review (for period ended September 30, 2018).

ON MOTION OF MR. NAPPER, SECONDED BY MR. HENNIGAN, AND CARRIED, the Committee voted to receive the ORP Quarterly Review (for period ended September 30, 2018).

Presentation and Approval of Solicitation for Proposals for Core Plus Manager(s)

Mr. Griffith presented the SFP for Core Plus Manager(s).

ON MOTION OF DR. NELSON, SECONDED BY MR. PARAUKA, AND CARRIED, the Committee voted to approve the SFP for Core Plus Manager(s).

Scott Coopridier, Rishi Delvadia, and Russ Ivinjack of Aon Hewitt Investment Consulting, Inc. appeared before the Committee to present the Overlay Program, Manager Custodial Bank, Capital Market Update and TRSL Investment reviews.

Annual Review of Overlay Program Manager

Mr. Delvadia presented the annual review of Parametric, TRSL's overlay manager.

ON MOTION OF DR. TAYLOR, SECONDED BY DR. NELSON, AND CARRIED, the Committee voted to retain Parametric at its current capacity.

Review of TRSL Custodial Bank (BNY Mellon)

Mr. Coopridier presented a review of BNY Mellon's services as Custodial Bank. BNY Mellon's custodial services contract expires June 20, 2019.

ON MOTION OF MR. NAPPER, SECONDED BY MR. HENNIGAN, AND CARRIED, the Committee voted to retain BNY Mellon for custodial, performance, and securities lending services subject to fee negotiations.

Capital Market Update and Review of TRSL Investments

Mr. Griffith presented an overview of TRSL's total plan and public and private market investments. Mr. Coopridier presented the 2018 3rd Quarter Investment Review and Mr. Ivinjack presented the Monthly Investment Review. Staff and Consultant reviewed performance of TRSL investments through November 30, 2018.

Adjournment

ON MOTION OF MR. HENNIGAN, SECONDED BY MS. NOGESS, AND CARRIED, the Committee voted to adjourn at 1:28 p.m.

**Teachers' Retirement System of Louisiana
Executive Committee
Upon Adjournment of Investment Committee – Thursday
January 10, 2019**

MEMBERS PRESENT: Dr. Jerry Baudin, Holly Gildig, David Hennigan, Neshelle Nogess, Dr. James Taylor, John Parauka, and Ricky Julien, Sr.

OTHER MEMBERS PRESENT: Rick McGimsey (Commissioner's Designee), Dr. Tia Mills, Jim Napper (Treasurer's Designee), Dr. Paul Nelson, Suzette Riddle, and Kelly Thompson

STAFF PRESENT: Dana Vicknair, Katherine Whitney, Phil Griffith, Douglas Swenson, Jeff LaCour, Lisa Honore', Adam Averite, Ed Branagan, Maurice Coleman, Andrea Guntz, Cliff Horn, Jerri Mack, Steve Marangos, Will Merrill, 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 Angie Dowdy, Louisiana Treasury Department

Roll Call

Dr. Baudin called the meeting to order at 1:29 p.m. The secretary called the roll and a quorum was established.

Update on Public Retirement Systems Actuarial Committee (PRSAC) Meeting

Mrs. Vicknair presented an update on the January 9, 2019 PRSAC meeting. TRSL's June 30, 2018 valuation was approved.

Presentation and Review of Administrative Rule Regarding Rulemaking Procedures and Commentary

Mr. Swenson presented the Administrative Rule regarding Rulemaking Procedures and Commentary (for approval in February).

ON MOTION OF MR. PARAUKA, SECONDED BY MS. NOGESS, AND CARRIED, the Committee voted to receive the rule as presented.

Presentation and Review of Administrative Rule Regarding USERRA

Mr. Swenson presented the Administrative Rule regarding USERRA (for approval in February).

ON MOTION OF MRS. GILDIG, SECONDED BY MR. JULIEN, AND CARRIED, the Committee voted to receive the rule as presented.

Presentation and Approval of Quarterly Compliance Audit Reports

Ms. Guntz presented the Quarterly Compliance Audit Reports – Retirees Returning to Work and Limited Scope Reviews.

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

Quarterly Litigation Reports

Mr. Swenson presented the Quarterly Litigation Reports.

ON MOTION OF MS. NOGESS, SECONDED BY MRS. GILDIG, AND CARRIED, the Committee voted to approve the Quarterly Litigation Reports as presented.

Presentation and Review of FY 2018 Summary of Annual Return to Work (RTW) Retiree Data

Ms. Whitney presented the Review of FY 2018 Summary of Annual Return to Work Retiree Data.

ON MOTION OF MR. JULIEN, SECONDED BY MR. PARAUKA, AND CARRIED, the Committee voted to receive the Return to Work Report as presented.

Progress Report on TRSL Balanced Scorecard Goals for 2018-2019

Dr. Honore` presented a progress report on the major projects of the TRSL Balanced Scorecard Goals for 2018-2019.

ON MOTION OF MR. HENNIGAN, SECONDED BY MR. PARAUKA, AND CARRIED, the Committee voted to receive the report.

GPO/WEP Presentation

Angie Dowdy, Social Security Program Director, Louisiana Department of the Treasury, presented *How Does Social Security Impact State Retirement Benefits*. The presentation qualified as one hour of Rules and Regulations education for trustees.

Adjournment

ON MOTION OF MR. HENNIGAN, SECONDED BY MR. PARAUKA, AND CARRIED, the Committee voted to adjourn at 2:57 p.m.