

**Teachers' Retirement System of Louisiana  
Board of Trustees  
Upon Adjournment of Executive Committee – Friday  
July 13, 2018**

- MEMBERS PRESENT:** Dr. Jerry Baudin, Britt Colon, Holly Gildig, David Hennigan, Ricky Julien, Sr., Robert Lawyer, Dr. Tia Mills, Jim Napper (Treasurer's Designee), Dr. Paul Nelson, John Parauka, and Dr. James Taylor
- MEMBERS ABSENT:** Dr. Sheryl Abshire, Rick McGimsey (Commissioner's Designee), Senator Barrow Peacock, Representative J. Kevin Pearson, Kelly Thompson, and State Superintendent John White
- STAFF PRESENT:** Dana Vicknair, Katherine Whitney, Phil Griffith, Jeff LaCour, Douglas Swenson, Lisa Honore, Adam Averite, Ed Branagan, Dana Brown, Maurice Coleman, Andrea Guntz, Randall Harrison, Linnie Johnson, Steve Marangos, Will Merrill, Dionne Rabalais, Davorio Stevenson, Matt Tessier, Luis Welchez, Charlene Wilson, Jennifer Kennedy, Cassundria Alexander, and Lisa Barousse
- OTHERS PRESENT:** Ryan Gremillion, Louisiana Department of Education; Rodney Watson, Louisiana Retired Teachers' Association; and Shelley Johnson, Foster & Foster Actuaries and Consultants

Each member of the Board received the following:

1. July 2018 Board Book
2. Investment Committee Meeting July 12, 2018, Performance Report – May 31, 2018
3. Investment Committee Presentations from Aon Hewitt Investment Consulting, Inc.; Hamilton Lane Advisors, LLC; Cabot Properties, Inc.; Federal Capital Partners; and Mercer
4. CEM Benchmarking presentation: *Teachers' Retirement System of Louisiana Pension Administration Benchmarking Report 2017*
5. *TRSL Equal Opportunity Affirmative Action Plan, July 13, 2018*
6. *TRSL Statistics FY 2017-FY 2018; TRSL Retirements (FY 2004 - FY 2018)*
7. *TRSL Retirees, June 2018 Vol 27, No 1*

Dr. Baudin called the meeting to order at 9:35 a.m. Mr. Hennigan 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 June 7, 2018  
(Including Minutes of Committee Meetings Held June 7, 2018)**

ON MOTION OF DR. TAYLOR, SECONDED BY MR. JULIEN, AND CARRIED, the Board voted to approve the Minutes of the Meeting of the TRSL Board of Trustees held June 7, 2018 (Including Minutes of Committee Meetings held June 7, 2018)

**Elections Committee Report**

ON MOTION OF MR. NAPPER, SECONDED BY MR. PARAUKA, 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 MRS. GILDIG, SECONDED BY MR. JULIEN, AND CARRIED, the Board voted to accept the report of the Investment Committee and to approve the recommendations contained therein.

**Executive Committee Report**

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

**Introduction of Staff Hired During the Period 04/01/18 through 07/02/18**

Katherine Whitney introduced Jennifer Kennedy and Cassundria Alexander, Retirement Benefits Analysts in the Retirement Department. Mrs. Vicknair introduced Douglas Swenson, Executive Counsel in the Legal Department.

**Director's Update**

Ms. Vicknair updated the Board on the following items:

- LAPERS Annual Seminar – September 16-18, 2017, Marriott Hotel, New Orleans
- Director's Evaluation form will be uploaded to the portal for completion and submission to Dr. Baudin prior to the September Board meeting
- Trustee Education Reminder - education hours must be completed by August 31, 2018

- Donna Ackerman is being honored for her standout customer service by the Louisiana Department of State Civil Service. Ms. Ackerman is currently featured in Civil Service Employee Spotlight, a new series which highlights the positive impact state workers have in Louisiana

### **Adjournment**

ON MOTION OF MR. NAPPER, SECONDED BY MR. PARAUKA, AND CARRIED, the Board voted to adjourn at 9:55 a.m.

**Teachers' Retirement System of Louisiana  
Elections Committee  
8:30 a.m. – Thursday  
July 12, 2018**

**MEMBERS PRESENT:** Jim Napper (Treasurer's Designee) Ricky Julien, Sr., John Parauka, David Hennigan, Holly Gildig, and Dr. Jerry Baudin

**MEMBERS ABSENT:** Dr. Tia Mills and Kelly Thompson

**OTHER MEMBERS PRESENT:** Dr. Sheryl Abshire, Britt Colon, Robert Lawyer, Dr. Paul Nelson, and Dr. James Taylor

**STAFF PRESENT:** Dana Vicknair, Katherine Whitney, Jeff LaCour, Douglas Swenson, Lisa Honore, Adam Averite, Ed Branagan, Dana Brown, Maurice Coleman, Will Merrill, Debbie Boudreaux, and Lisa Barousse

**OTHERS PRESENT:** Rodney Watson, Louisiana Retired Teachers' Association

**Roll Call**

Mr. Napper called the meeting to order at 8:30 a.m. The secretary called the roll and a quorum was established.

**Receive Primary Election Results for Retiree Representative**

Mr. Napper read the primary election results as follows:

	<b>Retiree Representative</b>	<b>No.</b>	<b>Pct.</b>
1	Marion "Coach" Bonura	357	6.33
2	Nita Chambers	580	10.2
3	Bob Crowley	251	4.45
4	Brian J. Hales	231	4.10
5	Robert Lawyer	287	5.09
6	James A. Taylor Sr., J.D.,	2694	47.7
7	Irvin R. West	374	6.63
8	Bonnie B. Wilson	204	3.62
9	Terrence "Terry" Young, Jr.	274	4.86

A run-off election will be held between Dr. James Taylor and Nita Chambers who received 47.77% and 10.28% of the vote, respectively.

ON MOTION OF MR. HENNIGAN, SECONDED BY MR. PARAUKA, AND CARRIED, the Committee voted to receive and approve the primary election results for Retiree Representative for the term January 1, 2019 through December 31, 2022.

**Adjournment**

ON MOTION OF MRS. GILDIG, SECONDED BY MR. JULIEN, AND CARRIED, the Committee voted to adjourn at 8:35 a.m.

**Teachers' Retirement System of Louisiana  
Subcommittee to Review Responses to Solicitation for Proposals for  
Mid Cap Growth Manager  
Upon Adjournment of Elections Committee – Thursday  
July 12, 2018**

**MEMBERS PRESENT:** Holly Gildig, Dr. Sheryl Abshire, Jim Napper (Treasurer's Designee), Robert Lawyer, and Dr. James Taylor

**OTHER MEMBERS PRESENT:** Dr. Jerry Baudin, Britt Colon, David Hennigan, Ricky Julien, Sr., Dr. Paul Nelson, and John Parauka

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

**OTHERS PRESENT:** Treasurer John Schroder; and Scott Coopridier and Rishi Delvadia, Aon Hewitt Investment Consulting, Inc.

**Roll Call**

Mrs. Gildig called the meeting to order at 8:37 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 Coopridier and Rishi Delvadia (Aon Hewitt) presented an overview of the following firm's responses to the SFP for Mid Cap Growth Manager: Eagle Asset Management, Inc.; MFS Institutional Advisors, Inc; Voya Investment Management; and Westfield Capital Management Co., L.P.

ON MOTION OF MR. LAWYER, SECONDED BY DR. TAYLOR, AND CARRIED, the Subcommittee voted to recommend to the Investment Committee that incumbent Voya Investment Management be retained as Mid Cap Growth Manager, subject to fee negotiations.

**Adjournment**

ON MOTION OF DR. ABSHIRE, SECONDED BY MR. LAWYER, AND CARRIED, the Committee voted to adjourn at 9:15 a.m.

**Teachers' Retirement System of Louisiana  
Investment Committee  
Upon Adjournment of Subcommittee to Review Responses to  
Solicitation for Proposals for Mid Cap Growth Manager  
Thursday – July 12, 2018**

**MEMBERS PRESENT:** Dr. Sheryl Abshire, Holly Gildig, Robert Lawyer, David Hennigan, Jim Napper, (Treasurer's Designee), Dr. James Taylor, Dr. Paul Nelson, and Dr. Jerry Baudin

**MEMBERS ABSENT:** Rick McGimsey (Commissioner's Designee), Senator Barrow Peacock, and Representative J. Kevin Pearson

**OTHER MEMBERS PRESENT:** Britt Colon, Ricky Julien, Sr., and John Parauka

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

**OTHERS PRESENT:** Treasurer John Schroder and Tammy Woods, Louisiana Department of the Treasury; Matt Silverio and Steve Gruber, Hamilton Lane Investment Advisors, LLC.; Franz Colloredo-Mansfield and Caitlin Healey, Cabot Properties, Inc.; Esko Korhonen and Lacy Rice, Federal Capital Partners; Scott Coopriider and Rishi Delvadia, Aon Hewitt Investment Consulting, Inc.; Andrew Ness and Will Dillard, Mercer; Rodney Watson, Louisiana Retired Teachers' Association; and Shelley Johnson, Foster & Foster Actuaries and Consultants

**Roll Call**

Dr. Abshire called the meeting to order at 9:16 a.m. The secretary called the roll and a quorum was established.

**Report of Subcommittee to Review Responses to Solicitation for Proposals for Mid Cap Growth Manager**

Mrs. Gildig presented the report of the Subcommittee to Review Responses to the SFP for Mid Cap Growth Manager.

ON MOTION OF MRS. GILDIG, SECONDED BY DR. TAYLOR, AND CARRIED, the Committee voted to approve the following report of the Subcommittee to Review Responses to the SFP for Mid Cap Growth Manager:

*"ON MOTION OF MR. LAWYER, SECONDED BY DR. TAYLOR, AND CARRIED, the Subcommittee voted to recommend to the Investment Committee that incumbent Voya Investment Management be retained as Mid Cap Growth Manager, subject to fee negotiations."*

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

Matt Silverio, and Steve Gruber of Hamilton Lane Advisors, L.L.C., appeared to present private market items. Mr. Silverio presented the private market update.

Mr. Gruber reviewed a potential investment in Cabot Industrial Core Fund II, L.P.

Franz Colloredo-Mansfield and Caitlin Healey of Cabot Properties, Inc. appeared before the Committee to give a presentation on the fund.

ON MOTION OF MR. LAWYER, SECONDED BY DR. BAUDIN, AND CARRIED, consistent with alternative investment guidelines, the Committee voted to receive the Hamilton Lane report, including the due-diligence process dated July 12, 2018 pertaining to investments in Cabot Industrial Core Fund II, L.P. (up to \$50 million), subject to final term negotiations completed within the timeline established by the Hamilton Lane contract.

Mr. Gruber reviewed a potential investment in FCP Realty Fund IV, L.P.

Esko Korhonen and Lacy Rice of Federal Capital Partners appeared before the Committee to give a presentation on the fund.

ON MOTION OF MR. LAWYER, SECONDED BY MR. NAPPER, AND CARRIED, consistent with alternative investment guidelines, the Committee voted to receive the Hamilton Lane report, including the due-diligence process dated July 12, 2018 pertaining to investments in FCP Realty Fund IV, L.P. (up to \$50 million), subject to final term negotiations completed within the timeline established by the Hamilton Lane contract.

Mr. Silverio reviewed a potential investment Blackstone Energy Partners III, L.P.

ON MOTION OF DR. BAUDIN, SECONDED BY MR. HENNIGAN, AND CARRIED, consistent with alternative investment guidelines, the Committee voted to receive the Hamilton Lane



report, including the due-diligence process dated July 12, 2018 pertaining to investments in Blackstone Energy Partners III, L.P. (up to \$75 million), subject to final term negotiations completed within the timeline established by the Hamilton Lane contract.

Mr. Silverio reviewed a potential investment Technology Crossover Ventures X, L.P.

ON MOTION OF DR. BAUDIN, SECONDED BY MR. NAPPER, AND CARRIED, consistent with alternative investment guidelines, the Committee voted to receive the Hamilton Lane report, including the due-diligence process dated July 12, 2018 pertaining to investments in Technology Crossover Ventures X, L.P. (up to \$50 million), subject to final term negotiations completed within the timeline established by the Hamilton Lane contract.

Mr. Silverio reviewed a potential investment TPG Partners VIII, L.P.

ON MOTION OF MR. LAWYER, SECONDED BY MR. HENNIGAN, AND CARRIED, consistent with alternative investment guidelines, the Committee voted to receive the Hamilton Lane report, including the due-diligence process dated July 12, 2018 pertaining to investments in TPG Partners VIII, L.P. (up to \$50 million), subject to final term negotiations completed within the timeline established by the Hamilton Lane contract.

### **Private Market Annual Meeting Notes**

Mr. Silverio of Hamilton Lane Advisors, L.L.C. presented private market annual reports on GSO Capital Opportunities Fund II & III, L.P.; GSO Energy Select Opportunities Fund, L.P.; ICG Europe Fund V & VI, L.P.; Roark Capital Partners III, IV & V, L.P.; Roark Capital Partners II Sidecar, L.P.; and TCV VIII & IX, L.P.

ON MOTION OF MR. NAPPER, SECONDED BY MRS. GILDIG, AND CARRIED, the Committee voted to receive the Hamilton Lane private market annual reports as presented.

### **TRSL 2018 Venture Capital Separate Account Update**

Mr. Silverio of Hamilton Lane Advisors, L.L.C., appeared before the Committee to give an update on the TRSL 2018 Venture Capital Separate Account.

ON MOTION OF DR. BAUDIN, SECONDED BY DR. TAYLOR, AND CARRIED, the Committee voted to receive the update on the TRSL 2018 Venture Capital Separate Account.

**Quarterly Summary of Alternative Assets and Real Estate (for period ended March 31, 2018)**

Maurice Coleman presented the Quarterly Summary of Alternative Assets and Real Estate (for the period ended March 31, 2018).

ON MOTION OF DR. TAYLOR, SECONDED BY MR. HENNIGAN, AND CARRIED, the Committee voted to receive the Quarterly Summary of Alternative Assets and Real Estate (for the period ended March 31, 2018).

**Appoint Subcommittee to Review Responses to Solicitation for Proposals for Large Cap Value Manager**

Dr. Abshire appointed the following to serve on the Subcommittee to Review Responses to Solicitation for Proposals for Large Cap Value manager: Mr. Hennigan as Chair, Dr. Abshire, Dr. Taylor, Dr. Nelson, and Mr. Napper.

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

**1<sup>st</sup> Quarter and Monthly Investment Review**

Mr. Griffith presented an overview of TRSL's total plan and public and private market investments. Mr. Delvadia presented Aon Hewitt's 2018 1st Quarter Investment Review. Mr. Coopriider presented the Monthly Investment Review. Staff and Consultant reviewed performance of TRSL investments through May 31, 2018.

**Portfolio Review**

Mr. Delvadia and Dana Brown reviewed International Small Cap Managers: Mondrian Investment Partners and Dimensional Fund Advisors; and International Large Cap Managers: MFS Advisors, Inc. (Value) and Artisan Partners Limited Partnership (Growth).

**Optional Retirement Plan (ORP) Quarterly Review (for period ended March 31, 2018)**

Andrew Ness and Will Dillard of Mercer presented the Optional Retirement Plan (ORP) Quarterly Review for March 31, 2018.

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

### Annual Review of Investment Custodian

Davorio Stevenson presented a report on the annual evaluation of the investment custodian bank – BNY Mellon Asset Services.

ON MOTION OF DR. TAYLOR SECONDED BY MR. HENNIGAN AND CARRIED, the Committee voted to receive the report on the annual evaluation of the investment custodian bank.

### Annual Evaluation of Investment Consulting Firms - Aon Hewitt Investment Consulting, Inc. and Mercer

Dr. Abshire asked for a motion to convene into Executive Session.

MR. HENNIGAN MOVED, AND MRS. GILDIG SECONDED A MOTION to convene into Executive Session to review and discuss the professional competency of the general investment consultant and optional retirement plan (ORP) consultant, with the Director and the Chief Investment Officer to remain in the room. A roll-call vote was taken. The vote was unanimous, with Mrs. Gildig, Mr. Lawyer, Mr. Hennigan, Dr. Taylor, Dr. Nelson, Dr. Baudin, and Dr. Abshire voting yea, and the Committee convened into Executive Session.

DR. BAUDIN MOVED AND MR. HENNIGAN SECONDED A MOTION to reconvene into Regular Session. A roll-call vote was taken. The vote was unanimous, with Mrs. Gildig, Mr. Lawyer, Mr. Hennigan, Dr. Taylor, Dr. Nelson, Dr. Baudin, and Dr. Abshire voting yea, and the Committee reconvened in Regular Session.

ON MOTION OF DR. BAUDIN, SECONDED BY MR. HENNIGAN, AND CARRIED, the Committee voted to approve the annual evaluations of the consultant firms, Mercer and Aon Hewitt.

### Adjournment

ON MOTION OF MRS. GILDIG, SECONDED BY DR. TAYLOR, AND CARRIED, the Committee voted to adjourn at 2:49 p.m.

**Teachers' Retirement System of Louisiana  
Executive Committee  
8:30 a.m. – Friday  
July 13, 2018**

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

**MEMBERS ABSENT:** Dr. Sheryl Abshire

**OTHER MEMBERS PRESENT:** Britt Colon, Ricky Julien, Sr., Dr. Tia Mills, Dr. Paul Nelson, and John Parauka

**STAFF PRESENT:** Dana Vicknair, Katherine Whitney, Phil Griffith, Jeff LaCour, Douglas Swenson, Lisa Honore, Adam Averite, Ed Branagan, Dana Brown, Maurice Coleman, Andrea Guntz, Steve Marangos, Will Merrill, Dionne Rabalais, Davorio Stevenson, Matt Tessier, Charlene Wilson, Debbie Boudreaux, and Lisa Barousse

**OTHERS PRESENT:** Mike Heale, CEM Benchmarking, Inc.; Ryan Gremillion, Louisiana Department of Education; Rodney Watson, Louisiana Retired Teachers' Association; Shelley Johnson, Foster & Foster Actuaries and Consultants

**Roll Call**

Dr. Baudin called the meeting to order at 8:30 a.m. The secretary called the roll and a quorum was established.

**Annual CEM Administrative Benchmarking Report**

Mike Heale of CEM Benchmarking, Inc. presented the annual CEM Administrative Benchmarking Report.

ON MOTION OF MR. LAWYER, SECONDED BY DR. TAYLOR, AND CARRIED, the Committee voted to receive the report.

### **Presentation and Approval of Quarterly Compliance Audit Results**

Andrea Guntz presented Compliance Audit Reports on Retirees Returning to Work and Limited Scope Reviews.

ON MOTION OF MRS. GILDIG, SECONDED BY MR. NAPPER, AND CARRIED, the Committee voted to approve the Audit Reports as presented.

### **Annual Recap of Internal and Compliance Audits Performed in Fiscal Year 2017-2018**

Ms. Guntz presented the Annual Recap of Internal and Compliance Audits Performed in Fiscal Year 2017-2018.

ON MOTION OF DR. TAYLOR, SECONDED BY MR. LAWYER, AND CARRIED, the Committee voted to receive the Annual Recap of Internal and Compliance Audits Performed in Fiscal Year 2017-2018.

### **Presentation and Approval of the TRSL Annual Audit Plan for Fiscal Year 2018-2019**

Ms. Guntz presented the TRSL Annual Audit Plan for Fiscal Year 2018-2019.

ON MOTION OF MR. LAWYER, SECONDED BY MRS. GILDIG, AND CARRIED, the Committee voted to approve Annual Audit Plan for Fiscal Year 2017-2018.

### **Presentation of Proposed Update to Audit Charters**

Ms. Guntz presented the Proposed Update to Audit Charters.

ON MOTION OF MR. LAWYER SECONDED BY DR. TAYLOR, AND CARRIED, the Committee voted to receive the Proposed Update to Audit Charters (for approval at the next Executive Committee meeting).

### **Update on 2018-19 Affirmative Action Plan**

Ms. Rabalais presented an update on the 2018-2019 Affirmative Action Plan. TRSL was notified by Civil Service in a letter dated June 4, 2018 that the updated plan was approved.

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

### **Approval of the Louisiana Compliance Questionnaire (for release to outside audit firm)**

Mr. LaCour presented the Louisiana Compliance Questionnaire.

ON MOTION OF MR. LAWYER, SECONDED BY MR. HENNIGAN, AND CARRIED, the Committee voted to approve Louisiana Compliance Questionnaire.

### **Presentation of Quarterly Litigation Reports**

Mr. Swenson 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 FY 2017-2018 Workload Volumes**

Ms. Whitney reviewed the 2017-2018 Workload Volumes.

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

### **Presentation and Approval of Proposed Meeting Dates for 2019**

Mrs. Vicknair presented the proposed TRSL 2019 Board of Trustees meeting dates.

ON MOTION OF MR. LAWYER, SECONDED BY DR. TAYLOR, AND CARRIED, the Committee voted to adopt the following dates for the Board of Trustees' 2019 meetings: January 10 & 11, February 7 & 8, March 7 & 8, April 4 & 5, May 2 & 3, June 6 & 7, July 11 & 12, August 1 & 2, September 5 & 6, October 3 & 4, November 7 & 8, and December 5 & 6.

### **Discussion Regarding August 2018 Board and Committee Meetings**

Mrs. Vicknair apprised the Board that staff reviewed scheduling and tentative agendas for August and September, and it is staff's recommendation to cancel the August Committee and Board meetings. Those items scheduled for August can be moved to September and the Investment Timelines updated for the remainder of the year.

ON MOTION OF DR. TAYLOR, SECONDED BY MRS. GILDIG, AND CARRIED, the Board voted to cancel the August 2 and 3, 2018 TRSL Committee and Board meetings and update the Investment Active Manager Portfolio Reviews and Search Timelines as presented.

**Adjournment**

ON MOTION OF MR. HENNIGAN, SECONDED BY MRS. GILDIG, the Committee voted to adjourn at 9:25 a.m.