

Teachers' Retirement System of Louisiana
Board of Trustees
8401 United Plaza Blvd., 4th Floor, Baton Rouge, LA 70809
Upon Adjournment of Investment Committee - Thursday
March 4, 2021

MEMBERS PRESENT: Holly Gildig, David Hennigan, Dr. Jerry Baudin, Ricky Julien, Sr., Jim Napper (Treasurer's Designee), Dr. Paul Nelson, Neshelle Nogess, Dr. Tom Stafford, and Dr. James Taylor

MEMBERS ABSENT: Lotte Delaney, Senator Cleo Fields, Ryan Gremillion (State Superintendent's Designee), Representative Lance Harris, Rick McGimsey (Commissioner's Designee), Dr. Tia Mills, and Kelly Thompson

STAFF PRESENT: Katherine Whitney, Douglas Swenson, Phil Griffith, Kenneth L. "Trey" Roche, III, Jeff LaCour, Lisa Honore', Maurice Coleman, and Lisa Barousse

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

Each member of the Board received the following:

1. March 2021 Board Book
2. Investment Committee Meeting February 4, 2021, Performance Report – January 31, 2021
3. Investment Committee Presentations from Hamilton Lane Advisors, LLC; Genstar Capital; Hellman & Friedman; Aon Investments; and Western Asset Management
4. *2021 Regular Legislative Session Legislation Affecting TRSL as of March 3, 2021* – TRSL staff
5. *2021 Investing in Louisiana - The Economic Impact of Louisiana's Largest Public Retirement System* – TRSL staff

Mrs. Gildig called the meeting to order at 3:55 p.m. Dr. Baudin 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 February 4, 2021 (Including Minutes of Committee Meetings Held February 4, 2021)

ON MOTION OF MR. HENNIGAN, SECONDED BY MR. JULIEN, AND CARRIED, the Board voted to approve the Minutes of the meeting of the TRSL Board of Trustees held February 4, 2021 (including Minutes of committee meetings held February 4, 2021).

Legislative Committee Report

ON MOTION OF MS. NOGESS, SECONDED BY DR. STAFFORD, AND CARRIED, the Board voted to accept the report of the Legislative Committee in globo.

Executive Committee Report

ON MOTION OF MRS. GILDIG, SECONDED BY MS. NOGESS, AND CARRIED, the Board voted to accept the report of the Executive Committee in globo.

Investment Committee Report

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

Director's Update

Ms. Whitney updated the Board on the following items:

- *2021 Investing in Louisiana - The Economic Impact of Louisiana's Largest Public Retirement System* is in trustee's folders and uploaded to the Board Portal
- Mr. Klausner's Executive Committee education presentation information documents – "A Review of Louisiana Ethics Laws" and "Fiduciary Duty of Trustees" are available in the Board Portal.
- Congratulations to Adam Averite for passing Level 3 of the Chartered Financial Analyst (CFA) exam and obtaining the CFA charter holder designation.

Adjournment

ON MOTION OF MR. NAPPER, SECONDED BY DR. NELSON, AND CARRIED, the Board voted to adjourn at 4:01 p.m.

**Teachers' Retirement System of Louisiana
Legislative Committee
8401 United Plaza Blvd., 4th Floor, Baton Rouge, LA 70809
9:00 a.m. – Thursday
March 4, 2021**

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

MEMBERS ABSENT: Lotte Delaney, Representative Lance Harris, and Senator Cleo Fields

OTHER MEMBERS PRESENT: Ryan Gremillion (State Superintendents' Designee) and Dr. Tom Stafford

STAFF PRESENT: Katherine Whitney, Douglas Swenson, Phil Griffith, Kenneth L. "Trey" Roche, III, Jeff LaCour, Maurice Coleman, and Lisa Barousse

OTHERS PRESENT: Rodney Watson, Louisiana Retired Teachers' Association; William "Joey" David, House Retirement Committee; and Shelley Johnson, Foster & Foster Actuaries and Consultants

Roll Call

Ms. Nogess called the meeting to order at 9:05 a.m. The secretary called the roll and a quorum was established. Ms. Nogess appointed Dr. Taylor to serve on the Committee as an alternate for Ms. Delaney.

Update and Discussion of 2021 Legislative Session

Ms. Whitney presented an overview of legislation affecting TRSL. The Committee will take positions on the bills at the April meeting. Ms. Whitney noted that monitored legislation will be presented next month.

Adjournment

ON MOTION OF MR. HENNIGAN, SECONDED BY MR. JULIEN, AND CARRIED, the Committee voted to adjourn at 9:28 a.m.

**Teachers' Retirement System of Louisiana
Executive Committee
8401 United Plaza Blvd., 4th Floor, Baton Rouge, LA 70809
Upon Adjournment of Legislative Committee – Thursday
March 4, 2021**

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

MEMBERS ABSENT: Dr. Tia Mills

OTHER MEMBERS PRESENT: Ryan Gremillion, (State Superintendent's Designee), Rick McGimsey (Commissioner's Designee), Dr. Paul Nelson, Dr. Tom Stafford, and Dr. James Taylor

STAFF PRESENT: Katherine Whitney, Douglas Swenson, Phil Griffith, Kenneth L. "Trey" Roche, III, Jeff LaCour, Maurice Coleman, and Lisa Barousse

OTHERS PRESENT: Robert Klausner, Klausner, Kaufman, Jensen & Levinson; William "Joey" David, House Retirement Committee; and Shelley Johnson, Foster & Foster Actuaries and Consultants

Roll Call

Mrs. Gildig called the meeting to order at 9:29 a.m. The secretary called the roll and a quorum was established.

"Fiduciary Duty Never Takes A Holiday"– Robert "Bob" Klausner, Klausner, Kaufman, Jensen & Levinson

Mr. Klausner of Klausner, Kaufman, Jensen & Levinson presented "Fiduciary Duty Never Takes A Holiday". The presentation qualified for 3/4 hour of Fiduciary Education for Trustees.

Adjournment

ON MOTION OF MR. HENNIGAN, SECONDED BY MR. JULIEN, AND CARRIED, the Committee voted to adjourn at 10:17 a.m.

Teachers' Retirement System of Louisiana
Subcommittee to Review Responses to Solicitation for Proposals for
International Small Cap Manager
8401 United Plaza Blvd., 4th Floor, Baton Rouge, LA 70809
Upon Adjournment of Executive Committee – Thursday
March 4, 2021

MEMBERS PRESENT: Neshelle Nogess, David Hennigan, Dr. Paul Nelson, Dr. Jerry Baudin, and Jim Napper (Treasurer's Designee)

OTHER MEMBERS PRESENT: Holly Gildig, Ryan Gremillion, (State Superintendent's Designee), Ricky Julien, Sr., Rick McGimsey (Commissioner's Designee), Dr. Tom Stafford, and Dr. James Taylor

STAFF PRESENT: Katherine Whitney, Douglas Swenson, Phil Griffith, Kenneth L. "Trey" Roche, III, Jeff LaCour, Maurice Coleman, and Lisa Barousse

OTHERS PRESENT: Scott Coopridier and Rishi Delvadia, Aon Investments; and William "Joey" David, House Retirement Committee

Roll Call

Ms. Nogess called the meeting to order at 10:18 a.m. The secretary called the roll and a quorum was established.

Review Responses to Solicitation for Proposals for International Small Cap Manager and Recommend Finalists to be Interviewed

Mr. Coopridier and Mr. Delvadia of Aon Investments presented an overview of responses to the Solicitation for Proposals for Small Cap Manager candidates: Dimensional Fund Advisors, LP; Mondrian Investment Partners; American Century Investment Management, Inc.; Driehaus Capital Management LLC; Oberweis Asset Management, Inc.; and TimesSquare Capital Management, LLC.

ON MOTION OF MR. NAPPER, SECONDED BY MR. HENNIGAN, AND CARRIED, the Subcommittee voted to recommend to the Investment Committee that Mondrian Investment Partners be retained, without interview.

ON MOTION OF MR. HENNIGAN, SECONDED BY MR. NAPPER, AND CARRIED, the Subcommittee voted to recommend to the Investment Committee that the following be interviewed as finalists for Small Cap Manager: American Century Investment Management, Inc.; Driehaus Capital Management LLC; and Oberweis Asset Management, Inc.

Adjournment

ON MOTION OF DR. NELSON, SECONDED BY MR. HENNIGAN, AND CARRIED, the Committee voted to adjourn at 11:16 a.m.

**Teachers' Retirement System of Louisiana
Investment Committee
8401 United Plaza Blvd., 4th Floor, Baton Rouge, LA 70809
Upon Adjournment of Subcommittee to Review Responses to
Solicitation for Proposals for International Small Cap Manager – Thursday
March 4, 2021**

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

MEMBERS ABSENT: Senator Cleo Fields and Representative Lance Harris

OTHER MEMBERS PRESENT: Ryan Gremillion (State Superintendent's Designee) and Ricky Julien, Sr.

STAFF PRESENT: Katherine Whitney, Douglas Swenson, Phil Griffith, Kenneth L. "Trey" Roche, III, Jeff LaCour, Dana Brown, Maurice Coleman, and Lisa Barousse

OTHERS PRESENT: Matt Silverio and Ben Eckroth, Hamilton Lane Advisors, LLC; Ryan Clark, Genstar Capital; Hunter Philbrook and Susanna Daniels, Hellman & Friedman; Scott Coopriider, Russ Ivinjack, and Rishi Delvadia, Aon Investments; Frances Coombes and Chia-Liang Lian, Western Asset Management; Shelley Johnson, Foster & Foster Actuaries and Consultants; and William "Joey" David, House Retirement Committee

Roll Call

Mr. Hennigan called the meeting to order at 11:26 a.m. The secretary called the roll and a quorum was established.

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

Ms. Nogess presented the report of the Subcommittee to Review Responses to Solicitation for Proposals for Mid Cap Value Manager including the following actions:

“ON MOTION OF MR. NAPPER, SECONDED BY MR. HENNIGAN, AND CARRIED, the Subcommittee voted to recommend to the Investment Committee that Mondrian Investment Partners be retained, without interview.

ON MOTION OF MR. HENNIGAN, SECONDED BY MR. NAPPER, AND CARRIED, the Subcommittee voted to recommend to the Investment Committee that the following be interviewed as finalists for Small Cap Manager: American Century Investment Management, Inc; Driehaus Capital Management LLC; and Oberweis Asset Management, Inc.”

ON MOTION OF MS. NOGESS, SECONDED BY MR. NAPPER, AND CARRIED, the Committee voted to approve the report of the Subcommittee to Review Responses to Solicitation for Proposals for International Small Cap Manager and the recommendations contained therein.

Private Market Update and Review

Mr. Silverio and Mr. Eckroth of Hamilton Lane Advisors, L.L.C., appeared before the Committee to present private market items.

Mr. Silverio presented the private market update.

Potential Private Market Investments

Mr. Eckroth reviewed Genstar Capital Partners X, L.P.

Mr. Clark of Genstar appeared before the Committee to give a presentation on the fund.

ON MOTION OF DR. BAUDIN, SECONDED BY MS. NOGESS, AND CARRIED, consistent with the alternative investment guidelines, the Committee voted to receive the Hamilton Lane report including the due-diligence process dated March 4, 2021, pertaining to investments in Genstar Capital Partners 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 Hellman & Friedman Capital Partners X, L.P.

Mr. Philbrick and Ms. Daniels of Hellman & Friedman Capital Partners 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 March 4, 2021, pertaining to investments in Hellman & Friedman Capital Partners X, L.P. (up to \$75 million) subject to final term negotiations completed within the timeline established by the Hamilton Lane contract.

Mr. Eckroth reviewed Castlelake Income Opportunities II, L.P.

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 March 4, 2021, pertaining to investments in Castlelake Income Opportunities II, L.P. (up to \$75 million) subject to final term negotiations completed within the timeline established by the Hamilton Lane contract.

Mr. Silverio reviewed Insight Venture Partners Fund X Follow-On Fund, L.P.

ON MOTION OF DR. BAUDIN, SECONDED BY MS. NOGESS, AND CARRIED, consistent with the alternative investment guidelines, the Committee voted to receive the Hamilton Lane report including the due-diligence process dated March 4, 2021, pertaining to investments in Insight Venture Partners Fund X Follow-On Fund, L.P. (up to \$20 million) subject to final term negotiations completed within the timeline established by the Hamilton Lane contract.

Summary of Alternative Assets and Real Estate (for period ended September 30, 2020)

Mr. Coleman presented the Summary of Alternative Assets and Real Estate (for period ended September 30, 2020).

ON MOTION OF MRS. GILDIG, SECONDED BY DR. NELSON, AND CARRIED, the Committee voted to receive the report as presented.

Appointment of Subcommittee to Review Responses to Solicitation for Proposals for Emerging Markets Equity Manager

Mr. Hennigan appointed the following members to serve on the Subcommittee to Review Responses to the Solicitation for Proposals for Emerging Markets Equity Manager: Dr. Baudin as Chair, Mr. Hennigan, Ms. Nogess, Mr. Napper and Dr. Taylor.

Presentation and Approval of Solicitation for Proposals for Consultant

Mr. Griffith presented the Solicitation for Proposals for Consultant.

ON MOTION OF MR. NAPPER, SECONDED BY DR. TAYLOR, AND CARRIED, the Committee voted to approve the Solicitation for Proposals for Consultant.

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 of Aon Investments presented the Monthly Investment Review. Staff and Consultant reviewed performance of TRSL investments through January 31, 2021.

Portfolio Review

Mr. Delvadia and Mr. Brown reviewed the following managers:

Global Bonds

Brandywine Asset Management

Pacific Investment Management Company, LLC

Emerging Markets Debt

Western Asset Management Company

Mrs. Coombes and Mr. Lian of Western Asset Management presented their firm's annual review.

Adjournment

ON MOTION OF DR. BAUDIN, SECONDED BY DR. TAYLOR, AND CARRIED, the Committee voted to adjourn at 3:41 p.m.