

**Teachers' Retirement System of Louisiana
Board of Trustees
Upon Adjournment of Personnel Committee – Thursday
September 6, 2018**

MEMBERS PRESENT: Dr. Jerry Baudin, Dr. Sheryl Abshire, Holly Gildig, 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: 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, Douglas Swenson, Lisa Honore, Adam Averite, Dana Brown, Maurice Coleman, Davorio Stevenson, Ed Branagan, Andrea Guntz, Steve Marangos, Dionne Rabalais, Matt Tessier, Charlene Wilson, and Lisa Barousse

OTHERS PRESENT: Shelley Johnson, Foster & Foster Actuaries and Consultants; and Ryan Gremillion, Louisiana Department of Education

Each member of the Board received the following:

1. September 2018 Board Book
2. Investment Committee Meeting September 6, 2018, Performance Report – July 31, 2018
3. Investment Committee Presentations from Aon Hewitt Investment Consulting, Inc.; Hamilton Lane Advisors, LLC; and Thomas Bravo
4. TRSL Balanced Scorecard FY 2018-2019; TRSL 2018 Fiscal Year Goals - Major projects by Balanced Scorecard area (Status Update); and TRSL 2019 Fiscal Year Goals - Major projects by Balanced Scorecard area

Dr. Baudin called the meeting to order at 2:25 p.m. Mr. Lawyer 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 July 13, 2018 (Including Minutes of Committee Meetings held July 12 and 13, 2018)

ON MOTION OF MR. PARAUKA, SECONDED BY MRS. THOMPSON, AND CARRIED, the Board voted to approve the Minutes of the meeting of the TRSL Board of Trustees held July 13, 2018 (including Minutes of Committee Meetings held July 12 and 13, 2018).

Elections Committee Report

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

Personnel Committee Report

ON MOTION OF DR. TAYLOR, UNANIMOUSLY SECONDED, AND CARRIED, the Board voted to accept the report of the Personnel Committee and to approve the recommendations contained therein.

Director's Update

Mrs. Vicknair updated the Board on the following items:

- LAPERS Annual Seminar – September 16-18, 2018, Marriott Hotel (Canal), New Orleans
- Trustee Education
 - 2017/2018 – Trustees completed requirements and certification was sent to Peacock and Pearson August 29, 2017.
 - 2018/2019 – new training cycle begins September 1st. Trustees must complete two hours of Fiduciary/Ethics training, and one hour each of Actuarial, Investment, and Legal/Rules and Regulations training in order to receive per diem.

Mrs. Vicknair thanked the Board for their support of TRSL staff.

Adjournment

ON MOTION OF MR. JULIEN, SECONDED BY MR. LAWYER, AND CARRIED, the Board voted to adjourn at 2:35 p.m.

**Teachers' Retirement System of Louisiana
Elections Committee
8:30 a.m. – Thursday
September 6, 2018**

MEMBERS PRESENT: John Parauka, David Hennigan, Holly Gildig, Kelly Thompson, and Dr. Jerry Baudin

MEMBERS ABSENT: Jim Napper (Treasurer's Designee), Ricky Julien, Sr., and Dr. Tia Mills

OTHER MEMBERS PRESENT: Dr. Sheryl Abshire, Robert Lawyer, and Dr. James Taylor

STAFF PRESENT: Dana Vicknair, Katherine Whitney, Jeff LaCour, Douglas Swenson, Lisa Honore, Maurice Coleman, Will Merrill, Matt Tessier, Debbie Boudreaux, and Lisa Barousse

OTHERS PRESENT: Rodney Watson, Louisiana Retired Teachers' Association

Roll Call

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

Mrs. Vicknair informed the Committee that Britt Colon had resigned from the Board, effective July 26, 2018. He accepted employment in another district.

Receive Run-Off Election Results for Retiree Representative

Mr. Parauka read the election results as follows: Nita Chambers received 758 votes (12.34%) and Dr. James Taylor received 4,758 votes (77.45%). Dr. Taylor was elected with 77.45% of the votes.

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

Adjournment

ON MOTION OF DR. BAUDIN, SECONDED BY MR. HENNIGAN, AND CARRIED, the Committee voted to adjourn at 8:34 a.m.

**Teachers' Retirement System of Louisiana
Subcommittee to Review Responses to Solicitation for Proposals for
Large Cap Value Manager
Upon Adjournment of Elections Committee – Thursday
September 6, 2018**

MEMBERS PRESENT: David Hennigan, Dr. Sheryl Abshire, Dr. James Taylor, Dr. Paul Nelson, and Jim Napper (Treasurer's Designee)

OTHER MEMBERS PRESENT: Dr. Jerry Baudin, Holly Gildig, Ricky Julien, Sr., Robert Lawyer, John Parauka and Kelly Thompson

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

OTHERS PRESENT: Scott Coopridier and Rishi Delvadia, Aon Hewitt Investment Consulting, Inc.

Roll Call

Mr. Hennigan called the meeting to order at 8:36 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 firms' responses to the SFP for Large Cap Value Manager: Aristotle Capital Management, LLC; Diamond Hill Capital Management, Inc.; LSV Asset Management; Macquarie Investment Management; and T. Rowe Price Associates, Inc.

ON MOTION OF DR. ABSHIRE, SECONDED BY DR. TAYLOR, AND CARRIED, the Subcommittee voted to recommend to the Investment Committee that incumbents LSV Asset Management and Macquarie Investment Management be retained as Large Cap Value managers, subject to fee negotiations.

Adjournment

ON MOTION OF DR. ABSHIRE, SECONDED BY DR. NELSON, AND CARRIED, the Committee voted to adjourn at 8:57 a.m.

**Teachers' Retirement System of Louisiana
Investment Committee
Upon Adjournment of Subcommittee to Review Responses to
Solicitation for Proposals for Large Cap Value Manager
Thursday – September 6, 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: Ricky Julien, Sr., Dr. Tia Mills, John Parauka, and Kelly Thompson

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

OTHERS PRESENT: Scott Coopriider and Rishi Delvadia, Aon Hewitt Investment Consulting, Inc.; Paul Yett, Matt Silverio, Steve Gruber, and Ben Eckroth, Hamilton Lane Advisors, LLP; P. Holden Spaht and Jennifer James; Thoma Bravo; Rodney Watson, Louisiana Retired Teachers' Association; and Ryan Gremillion, Louisiana Department of Education

Roll Call

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

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

Mr. Hennigan presented the report of the Subcommittee to Review Responses to the SFP for Large Cap Value Manager.

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

“ON MOTION OF DR. ABSHIRE, SECONDED BY DR. TAYLOR, AND CARRIED, the Subcommittee voted to recommend to the Investment Committee that incumbents LSV Asset Management and Macquarie Investment Management be retained as Large Cap Value managers, subject to fee negotiations.”

Portfolio Review – Private Market and Real Estate

Scott Coopridner (Aon Hewitt) and Maurice Coleman (TRSL), reviewed Private Market Manager - Hamilton Lane Advisors, LLC. The review included background, commitments, performance, compliance, and record keeping as manager for TRSL's private market investments.

Review of 2019 Fiscal Year Private Market Strategic Plan

Paul Yett, Matthew Silverio, and Steve Gruber, of Hamilton Lane Advisors, L.L.C., presented an overview of private markets and the 2019 Fiscal Year Private Market Strategic Plan. The presentation qualified for one hour of Investment Education.

ON MOTION OF DR. BAUDIN, SECONDED BY MR. LAWYER, AND CARRIED, the Committee voted to adopt the report on the 2019 Fiscal Year Private Market Strategic Plan.

Private Market Update and Review of Potential Private Market Investments

Mr. Yett presented the private market update.

Mr. Yett reviewed a potential alternative investment in Thoma Bravo Fund XIII, L.P. P. Holden Spaht and Jennifer James of Thoma Bravo appeared before the Committee to give a presentation on the fund.

ON MOTION OF MR. LAWYER, SECONDED BY MR. HENNIGAN, AND CARRIED, consistent with the alternative investment guidelines, the Committee voted to receive the Hamilton Lane report, including the due-diligence process dated September 6, 2018, pertaining to investments in Thoma Bravo Fund XIII, L.P. (up to \$50 million), subject to final term negotiations completed within the timeline established by the Hamilton Lane contract.

Mr. Yett reviewed a potential alternative investment in Lindsay Goldberg V, L.P.

ON MOTION OF MR. LAWYER, SECONDED BY MR. HENNIGAN, AND CARRIED, consistent with the alternative investment guidelines, the Committee voted to receive the Hamilton Lane report, including the due-diligence process dated September 6, 2018, pertaining to investments in Lindsay Goldberg V, 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 alternative investment in Lone Star Fund XI, 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 September 6, 2018, pertaining to investments in Lone Star Fund XI, 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 alternative investment in NGP Natural Resources XII, L.P.

ON MOTION OF DR. BAUDIN, SECONDED BY MRS. GILDIG, AND CARRIED, consistent with the alternative investment guidelines, the Committee voted to receive the Hamilton Lane report, including the due-diligence process dated September 6, 2018, pertaining to investments in NGP Natural Resources XII, L.P. (up to \$25 million), subject to final term negotiations completed within the timeline established by the Hamilton Lane contract.

Presentation and Approval of the Solicitation for Proposals for Private Markets Manager

Mr. Griffith presented the SFP for Private Markets Manager.

ON MOTION OF DR. TAYLOR, SECONDED BY DR. NELSON, AND CARRIED, the Committee voted to approve the SFP for Private Markets Manager.

Capital Market Update and Review of TRSL Investments

Loomis Sayles & Company - Mr. Coopriider and Mr. Griffith presented information regarding Loomis Sayles fee discussions.

Monthly Investment Review - Rishi Delvadia presented Aon Hewitt's September 6, 2018 portfolio summary report. Mr. Griffith presented an overview of TRSL's total plan and public and private market investments. Staff and Consultant reviewed performance of TRSL investments through July 31, 2018.

Portfolio Review - Mr. Delvadia and Dana Brown reviewed SMID Manager William Blair.

Adjournment

ON MOTION OF MR. HENNIGAN, SECONDED BY DR. NELSON, AND CARRIED, the Committee voted to adjourn at 1:09 p.m.

**Teachers' Retirement System of Louisiana
Executive Committee
Upon Adjournment of Investment Committee – Thursday
September 6, 2018**

- MEMBERS PRESENT:** Dr. Jerry Baudin, Dr. Sheryl Abshire, Robert Lawyer, Jim Napper (Treasurer's Designee), Holly Gildig, Dr. James Taylor, and David Hennigan
- OTHER MEMBERS PRESENT:** Ricky Julien, Sr., Dr. Tia Mills, Dr. Paul Nelson, John Parauka, and Kelly Thompson
- STAFF PRESENT:** Dana Vicknair, Katherine Whitney, Jeff LaCour, Douglas Swenson, Lisa Honore, Ed Branagan, Andrea Guntz, Steve Marangos, Will Merrill, Dionne Rabalais, Charlene Wilson, Matt Tessier, Debbie Boudreaux, and Lisa Barousse
- OTHERS PRESENT:** Rodney Watson, Louisiana Retired Teachers' Association; and Ryan Gremillion, Louisiana Department of Education

Roll Call

Dr. Baudin called the meeting to order at 1:11 p.m. The secretary called the roll and a quorum was established.

Presentation and Approval of Proposed Update to Audit Charters

Andrea Guntz presented the proposed update to Audit Charters.

ON MOTION OF MR. NAPPER, SECONDED BY MR. HENNIGAN, AND CARRIED, the Committee voted to approve the updates to the Audit Charters as presented.

Director's Fiscal Year Update

Mrs. Vicknair gave an overview of TRSL's Balanced Scorecard for FY 2018-2019.

Dr. Honore reviewed the 2018 Fiscal Year Goals Status as of June 30, 2018 and presented an overview of the Strategic Plan and Fiscal Year 2018-2019 Balanced Scorecard Goals.

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

ON MOTION OF DR. ABSHIRE, SECONDED BY MR. HENNIGAN, AND CARRIED, the Committee voted to approve the Strategic Plan and TRSL Balanced Scorecard Goals for 2018-2019.

Adjournment

ON MOTION OF MR. LAWYER, SECONDED BY DR. TAYLOR, AND CARRIED, the Committee voted to adjourn at 1:31 p.m.

**Teachers' Retirement System of Louisiana
Personnel Committee
Upon Adjournment of Executive Committee - Thursday
September 6, 2018**

MEMBERS PRESENT: Dr. James Taylor, Ricky Julien, Sr., Robert Lawyer, Holly Gildig, Dr. Tia Mills, David Hennigan, and Dr. Jerry Baudin,

OTHER MEMBERS PRESENT: Dr. Sheryl Abshire, Jim Napper (Treasurer's Designee), Dr. Paul Nelson, John Parauka, and Kelly Thompson

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

Roll Call

Dr. Taylor called the meeting to order at 1:32 p.m. The secretary called the roll and a quorum was established.

Annual Performance Evaluations

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

DR. MILLS MOVED AND DR. BAUDIN SECONDED a motion to convene into Executive Session to discuss the Director's evaluations of TRSL unclassified staff and the performance evaluation of the Director, as related to their character and professional competence, with the Director to remain as requested by the Board. A roll-call vote was taken. The vote was unanimous and the Committee convened into Executive Session.

DR. MILLS MOVED and MR. JULIEN SECONDED a motion to reconvene into Regular Session. A roll-call vote was taken. The vote was unanimous and the Committee convened into Regular Session.

ON MOTION OF DR BAUDIN, SECONDED BY DR. MILLS, AND CARRIED, the Committee voted to receive the performance evaluations of the unclassified staff for the 2017-2018 rating period and to approve the performance evaluation of the Director for the 2017-2018 rating period.

ON MOTION OF DR. BAUDIN, SECONDED BY MRS. GILDIG, AND CARRIED, the Committee voted to approve unclassified staff pay increases, effective October 1, 2018, as follows:

- Katherine Whitney, Jeff LaCour, Lisa Honore`, Adam Averite, and Davorio Stevenson: 2%
- Phil Griffith, Maurice Coleman, and Dana Brown: 10%

Adjournment

ON MOTION OF DR. MILLS, SECONDED BY MR. JULIEN, AND CARRIED, the Committee voted to adjourn at 2:14 p.m.