

Teachers' Retirement System of Louisiana
Board of Trustees
8401 United Plaza Blvd., 4th Floor, Baton Rouge, LA 70809
Upon Adjournment of Committee of the Whole - Thursday
March 10, 2022

MEMBERS PRESENT: Holly Gildig, David Hennigan, Suzanne Breaux, Clyde Hamner, Rick McGimsey (Commissioner's Designee), Jim Napper (Treasurer's Designee), Neshelle Nogess, Dr. Tom Stafford, and Dr. James Taylor

MEMBERS ABSENT: Lotte Delaney, Representative Phillip DeVillier, Senator Cleo Fields, Ryan Gremillion (State Superintendent's Designee), Ricky Julien, Sr., Dr. Tia Mills, Dr. Paul Nelson, and Sommer Purvis

STAFF PRESENT: Katherine Whitney, Douglas Swenson, Phillip Griffith, Kenneth L. "Trey" Roche, III, Jeff LaCour, Lisa Honore`, Adam Averite, Dana Brown, Maurice Coleman, Blake Lee, Michelle Millhollon, Charlene Wilson, Laurie Wright, Shameeka Kaufman, Erin Laley, and Lisa Barousse

OTHERS PRESENT: Shelley Johnson, Foster & Foster, Actuaries and Consultants; and Angie Dowdy, Louisiana Department of the Treasury

Each member of the Board received the following:

1. March 2022 Board Book
2. Investment Committee Meeting March 2022, Performance Report – 01/31/2022
3. Investment Committee presentations from Hamilton Lane Advisors, LLC; TPG Real Estate; and Aon Investments
4. *2022 Regular Legislative Session, Legislation AFFECTING TRSL, March 8, 2022 and 2022 Regular Legislative Session, Legislation MONITORED by TRSL, March 8, 2022 - TRSL Staff*
5. *How Does Social Security Impact State Retirement Benefits – Angie Dowdy, Louisiana Department of the Treasury and WEP AND GPO Updates - Douglas Swenson, TRSL*

Mrs. Gildig called the meeting to order at 3:09 p.m. Ms. Breaux led the Pledge of Allegiance. The secretary called the roll and a quorum was established.

Mrs. Gildig asked if there were any public comments on the matters to be heard today. There were no public comments.

Approval of the Minutes of the Meeting of the TRSL Board of Trustees Held February 3, 2022 (Including Minutes of Committee Meetings held February 3, 2022)

ON MOTION OF MS. NOGESS, SECONDED BY MR. HENNIGAN, AND CARRIED, the Board voted to approve the Minutes of the meeting of the TRSL Board of Trustees held February 3, 2022 (including Minutes of committee meetings held February 3, 2022).

Legislative Committee Report

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

Investment Committee Report

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

Committee of the Whole Report

ON MOTION OF MRS. GILDIG, SECONDED BY MR. HAMNER, AND CARRIED, the Board voted to accept the report of the Committee of the Whole in globo, and to approve the recommendations contained therein.

Director's Update

Ms. Whitney updated the Board on the following items:

- Mrs. Anne Baker, former trustee and past board chair passed away March 5, 2022.
- The annual economic impact brochure, *2022 Investing in Louisiana. The economic impact of Louisiana's largest public retirement system*, has been updated and will be uploaded to the Board Portal.

Adjournment

ON MOTION OF MR. HENNIGAN, SECONDED BY MS. NOGESS, AND CARRIED, the Board voted to adjourn at 3:13 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 10, 2022

- MEMBERS PRESENT:** Neshelle Nogess, Dr. Paul Nelson, David Hennigan, Jim Napper (Treasurer's Designee), Rick McGimsey (Commissioner's Designee), Dr. James Taylor, Representative Philip DeVillier, and Holly Gildig
- MEMBERS ABSENT:** Lotte Delaney, Senator Cleo Fields, and Ricky Julien, Sr.
- OTHER MEMBERS PRESENT:** Suzanne Breaux, Clyde Hamner, and Dr. Tom Stafford
- STAFF PRESENT:** Katherine Whitney, Douglas Swenson, Phillip Griffith, Kenneth L. "Trey" Roche, III, Jeff LaCour, Lisa Honore`, Ed Branagan, Adam Averite, Dana Brown, Maurice Coleman, Davorio Stevenson, Matt Tessier, Laurie Wright, Shameeka Kaufman, Erin Laley, and Lisa Barousse
- OTHERS PRESENT:** Shelley Johnson, Foster & Foster, Actuaries and Consultants; Joey David, House Retirement Committee; Scott Coopridier, Russ Ivinjack, and Rishi Delvadia, Aon Investments; Matt Silverio and Ben Eckroth, Hamilton Lane Advisors, LLC; and Rodney Watson, Louisiana Retired Teachers' Association

Roll Call

Ms. Nogess called the meeting to order at 9:02 a.m. The secretary called the roll and a quorum was established.

Ms. Nogess asked if there were any public comments on the matters to be heard today. There were no public comments.

Update and Discussion of 2022 Legislative Session

Ms. Whitney presented an overview of legislation affecting TRSL. The Committee took positions on the bills as follows:

ON MOTION OF MR. HENNIGAN, SECONDED BY DR. NELSON, AND CARRIED, the Committee voted to SUPPORT SB 6 by Senator Price.

ON MOTION OF MR. HENNIGAN, SECONDED BY DR. NELSON, AND CARRIED, the Committee voted to REMAIN NEUTRAL on HB 22 by Representative Edmonds.

ON MOTION OF MR. NAPPER, SECONDED BY MR. HENNIGAN, AND CARRIED, the Committee voted to TAKE NO POSITION on HB 26 by Representative Romero.

MR. HENNIGAN MOVED, AND DR. TAYLOR SECONDED A MOTION TO OPPOSE HB 30 by Representative Frieman. Representative DeVillier moved to abstain. The roll was called and the motion to OPPOSE HB 30 CARRIED by a vote of 7 yeas and 1 absence. Dr. Nelson, Mr. Hennigan, Mr. McGimsey, Mr. Napper, Dr. Taylor, Mrs. Gildig, and Ms. Nogess voted yea; and Representative DeVillier abstained.

ON MOTION OF MR. HENNIGAN, SECONDED MR. NAPPER, AND CARRIED, the Committee voted to take no position on SB 10 by Senators Morris and Luneau.

DR. NELSON MOVED, AND MR. HENNIGAN SECONDED A MOTION TO OPPOSE HB 25 by Representative McCormack. Representative DeVillier moved to abstain. The roll was called and the motion to OPPOSE HB 25 CARRIED by a vote of 6 yeas and 2 absences. Dr. Nelson, Mr. Hennigan, Mr. McGimsey, Dr. Taylor, Mrs. Gildig, and Ms. Nogess voted yea; and Representative DeVillier and Mr. Napper abstained.

ON MOTION OF MR. HENNIGAN, SECONDED BY DR. TAYLOR, AND CARRIED, the Committee voted to SUPPORT HB 29 by Representative Nelson.

ON MOTION OF MR. NAPPER, SECONDED BY MR. HENNIGAN, AND CARRIED, the Committee voted to SUPPORT HB 592 by Representative Zeringue.

ON MOTION OF MR. HENNIGAN SECONDED BY MR. NAPPER, AND CARRIED, the Committee voted to SUPPORT HB 31 and HB 32 by Representative Tarver.

Ms. Whitney reviewed HB 420 and HB 213 by Representative Miller. She noted that the Committee would not take a position on either bill until further discussion with the author.

Mr. Roche reviewed legislation being monitored by TRSL.

Ms. Whitney informed the Committee that LASERS' hybrid plan legislation is anticipated to be filed. The bill will be added to the monitor chart when filed and the Committee will be updated next month.

Adjournment

ON MOTION OF MR. HENNIGAN, SECONDED BY DR. NELSON, AND CARRIED, the Committee voted to adjourn at 10:24 a.m.

Teachers' Retirement System of Louisiana
Subcommittee to Review Responses to Solicitation for Proposals
for Core Fixed Income Manager
8401 United Plaza Blvd., 4th Floor, Baton Rouge, LA 70809
Upon Adjournment of Legislative Committee – Thursday
March 10, 2022

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

OTHER MEMBERS PRESENT: Suzanne Breaux, Representative Philip DeVillier, Holly Gildig, Clyde Hamner, Rick McGimsey (Commissioner's Designee), and Dr. James Taylor

STAFF PRESENT: Katherine Whitney, Douglas Swenson, Phillip Griffith, Kenneth L. "Trey" Roche, III, Jeff LaCour, Lisa Honore`, Adam Averite, Dana Brown, Maurice Coleman, Davorio Stevenson, Shameeka Kaufman, Erin Laley, and Lisa Barousse

OTHERS PRESENT: Shelley Johnson, Foster & Foster, Actuaries and Consultants; William "Joey" David, House Retirement Committee; Scott Coopriider, Russ Ivinjack, and Rishi Delvadia, Aon Investments; and Matt Silverio and Ben Eckroth, Hamilton Lane Advisors, LLC

Roll Call

Ms. Nogess called the meeting to order at 10:25 a.m. The secretary called the roll and a quorum was established.

Ms. Nogess asked if there were any public comments on the matters to be heard today. There were no public comments.

Review Responses to Solicitation for Proposals for Core Fixed Income Manager and Recommend Finalists to be Interviewed

Mr. Coopriider of Aon Investments presented an overview of the responses to the Solicitation for Proposals for Global Fixed Income Manager candidates:

- Income Research & Management
- Invesco Advisers, Inc.
- J.P. Morgan Asset Management
- PGIM Fixed Income -Core Conservative
- Wellington Management Company LLP

ON MOTION OF MR. HENNIGAN, SECONDED BY MR. NAPPER, AND CARRIED, the Subcommittee voted to recommend to the Investment Committee that JPMorgan be retained as Core Fixed Income Manager 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 Core Fixed Income Manager:

- Income Research & Management
- Invesco Advisers, Inc.

Adjournment

ON MOTION OF MR. HENNIGAN, SECONDED BY MR. NAPPER, AND CARRIED, the Committee voted to adjourn at 10:57 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 Core Fixed Manager – Thursday
March 10, 2022**

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

MEMBERS ABSENT: Representative Philip DeVillier, Senator Cleo Fields, and Ricky Julien, Sr.

OTHER MEMBERS PRESENT: Suzanne Breaux and Clyde Hamner

STAFF PRESENT: Katherine Whitney, Douglas Swenson, Phillip Griffith, Kenneth L. "Trey" Roche, III, Jeff LaCour, Lisa Honore`, Adam Averite, Dana Brown, Maurice Coleman, Blake Lee, Shameeka Kaufman, Erin Laley, and Lisa Barousse

OTHERS PRESENT: Shelley Johnson, Foster & Foster, Actuaries and Consultants; Scott Coopriider, Russ Ivinjack, and Rishi Delvadia, Aon Investments; Matt Silverio and Ben Eckroth, Hamilton Lane Advisors, LLC; and Avi Banyasz, TPG Real Estate

Roll Call

Mr. Hennigan called the meeting to order at 11:07 a.m. The secretary called the roll and a quorum was established.

Mr. Hennigan asked if there were any public comments on the matters to be heard today. There were no public comments.

Report of Subcommittee to Review Responses to SFP for Core Fixed Manager

Ms. Nogess presented the report of the Subcommittee to Review Responses to Solicitation for Proposals for Core Fixed Manager:

“ON MOTION OF MR. HENNIGAN, SECONDED BY MR. NAPPER, AND CARRIED, the Subcommittee voted to recommend to the Investment Committee that JPMorgan 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 Income Research & Management and Invesco Advisers, Inc. be interviewed as finalists for Core Fixed Income Manager.”

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 Core Fixed 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. Silverio reviewed TPG Real Estate Thematic Advantage Core-Plus.

Mr. Banyasz of TPG Real Estate appeared before the Committee to give a presentation on the fund.

ON MOTION OF MRS. GILDIG, 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 10, 2022, pertaining to investments in TPG Real Estate Thematic Advantage Core-Plus (up to \$50 million), subject to final term negotiations completed within the timeline established by the Hamilton Lane contract.

Mr. Eckroth reviewed Oaktree Special Situations Fund III, L.P.

ON MOTION OF MRS. GILDG, SECONDED BY DR. NELSON, AND CARRIED, consistent with the alternative investment guidelines, the Committee voted to receive the Hamilton Lane report, including the due-diligence process dated March 10, 2022, pertaining to investments in Oaktree Special Situations Fund III, L.P. (up to \$100 million), subject to final term negotiations completed within the timeline established by the Hamilton Lane contract.

Presentation and Approval of Solicitation for Proposals for Co-Investment Manager

Mr. Griffith presented the Solicitation for Proposals for Co-Investment Manager.

ON MOTION OF DR. TAYLOR, SECONDED BY MS. NOGESS, AND CARRIED, the Committee voted to approve the SFP for Co-Investment Manager.

Liquidity Analysis and Asset Allocation Results

Mr. Ivinjack and Mr. Coopriider of Aon Investments presented Liquidity Analysis and Asset Allocation Results. The presentation qualified as .75 hour of Investment Education for Trustees.

ON MOTION OF DR. TAYLOR, SECONDED BY DR. STAFFORD, AND CARRIED, the Committee voted to direct Aon to run the asset allocation model with new assumptions/constraints as presented.

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. Delvadia of Aon Investments presented the Monthly Investment Review. Staff and Consultant reviewed performance of TRSL investments through January 31, 2022.

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

Adjournment

ON MOTION OF MR. NAPPER, SECONDED BY MS. NOGESS, AND CARRIED, the Committee voted to adjourn at 1:57 p.m.

**Teachers' Retirement System of Louisiana
Committee of the Whole
8401 United Plaza Blvd., 4th Floor, Baton Rouge, LA 70809
Upon Adjournment of Investment Committee – Thursday
March 10, 2022**

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

MEMBERS ABSENT: Lotte Delaney, Representative Phillip DeVillier, Senator Cleo Fields, Ryan Gremillion (State Superintendent's Designee), Ricky Julien, Sr., Dr. Tia Mills, and Sommer Purvis

STAFF PRESENT: Katherine Whitney, Douglas Swenson, Phillip Griffith, Kenneth L. "Trey" Roche, III, Jeff LaCour, Lisa Honore`, Adam Averite, Dana Brown, Maurice Coleman, Blake Lee, Michelle Millhollon, Charlene Wilson, Laurie Wright, Shameeka Kaufman, Erin Laley, and Lisa Barousse

OTHERS PRESENT: Shelley Johnson, Foster & Foster, Actuaries and Consultants; and Angie Dowdy, Louisiana Department of the Treasury

Roll Call

Mrs. Gildig called the meeting to order at 1:58 p.m. The secretary called the roll and a quorum was established.

Mrs. Gildig asked if there were any public comments on the matters to be heard today. There were no public comments.

Consideration of Proposed Changes to Board Governance Manual Policy Number 100.35 (Travel Policy)

Ms. Whitney advised the Committee of actions taken in the Executive Committee and the Board at the February meeting. She presented proposed changes as directed at the February meeting related to reimbursement of travel expenses for out-of-state trustees.

MR. HENNIGAN MOVED AND DR. NELSON SECONDED A MOTION TO approve proposed changes to the Board Governance Manual Policy No. 100.35 (Travel Policy) as presented. Dr. Taylor objected to the motion and the secretary called the roll. The motion passed by a vote of 8 yeas and one nay. Mr. Hennigan, Ms. Breaux, Mr. Hamner, Mr. Napper, Ms. Nogess, Dr. Stafford, and Mrs. Gildig voted yea; and Dr. Taylor voted nay.

ON MOTION OF MR. HAMNER, SECONDED BY MR. HENNIGAN, AND CARRIED, the Committee voted to have staff review TRSL Travel Guidelines, Section III.A.3, relative to meal reimbursement and report back to the Board regarding possible changes to the provision.

Fiscal Year 2021-2022 Budget Adjustment

Mr. LaCour advised the Committee that Fiscal Year 2021-2022 budgeted investment fees would need to be adjusted upwards due to the extraordinary investment return experienced in Fiscal Year 2020-2021.

ON MOTION OF MR. NAPPER, SECONDED BY MS. NOGESS, AND CARRIED, the Committee voted to approve the Fiscal Year 2021-2022 budget adjustment as presented.

How Does Social Security Impact State Retirement Benefits– Angie Dowdy, Department of the Treasury

Ms. Dowdy of the Department of Treasury presented *How Does Social Security Impact State Retirement Benefits*. Mr. Swenson presented *WEP and GPO Updates*. The presentations qualified for one hour of Laws, Rules, and Regulations Education for Trustees.

Adjournment

ON MOTION OF MS. NOGESS, SECONDED BY MR. HENNIGAN, AND CARRIED, the Committee voted to adjourn at 3:08 p.m.