



Response to
Senate Resolution No.175
(2005 Regular Session)
Preliminary

For the Period April 1 to June 30, 2022

Pursuant to SR 175 of the 2005 Regular Louisiana Legislative Session, each retirement system is to provide a quarterly report of their investments commencing with the quarter beginning July 1, 2005. The following is the quarterly report for LASERS portfolio for the period April 1 to June 30, 2022. The report provides a listing of LASERS investments by asset class, amount of funds invested and with whom, annual returns on the investments and the management fees.

While market returns provide a snapshot view of investment performance, readers should keep in mind that actuarial returns, which are smoothed over five years to offset market volatility, are a better indicator of the system's ability to consistently achieve the assumed annual actuarial return of 7.40% effective July 1, 2021.

Therefore, in addition to the data presented in the quarterly SR 175 - Senate Resolution No. 175 Report, the following information is given to further illustrate the System's status.

As of June 30, 2021, LASERS 30-year actuarial return was 7.57%.

2nd Qtr 2022

Manager		Net Asset Value \$ (Millions)	Annual Return	Annual Basis Points	Management Fees Quarterly Dollar Amount
U.S. EQUITY					
INDEX FUNDS					
LASERS S&P 400 Index Fund	527.1	-14.6	n/a	-	
LASERS S&P 500 Index Fund	2049.9	-10.6	n/a	-	
LASERS S&P 600 Index Fund	430.2	-16.6	n/a	-	
LASERS NASDAQ 100 Index Fund	578.5	-20.4	n/a	-	
SMALL CAP VALUE					
LSV Asset Management	179.0	-11.4	56.5	273,624	
NON-U.S. EQUITY					
LARGE CAP VALUE					
Mondrian Investment Partners	248.3	-9.2	28.0	178,112	
LARGE CAP CORE					
LASERS MSCI World Ex-USA Index Fund	829.9	-17.0	n/a	-	
LASERS Terror-Free International Fund	31.6	-14.2	n/a	-	
INT'L SMALL CAP					
Mondrian Investment Partners	212.3	-26.6	70.9	405,240	
Goldman Sachs	369.6	-20.6	50.8	507,560	
EMERGING MARKETS					
City of London Investment Management	366.8	-27.4	88.0	869,719	
Westwood Global Emerging Markets	255.6	-12.1	89.8	643,657	
LSV Custom Emerging Markets	314.7	-14.1	50.0	410,401	
BlackRock Emerging Markets	78.4	-24.8	8.5	18,292	
TOTAL EQUITY		\$6,471.7			3,306,606
US FIXED INCOME					
INVESTMENT GRADE					
Loomis Sayles & Co.	174.3	-10.3	17.9	77,824	
Orleans Capital Mgt	123.7	-10.5	12.0	37,677	
HIGH YIELD					
JP Morgan	1.8	-11.3	50.0	1,911	
Nomura	140.1	-9.8	45.0	161,810	
EMERGING MARKET DEBT					
Stone Harbor	105.6	-18.9	52.5	218,857	
Gramercy	328.9	6.8	55.0	-	
Global Multi-Sector					
Doubleline	233.9	-6.4	55.0	321,087	
Goldentree	286.8	-4.8	60.0	404,414	
Pimco	389.5	-0.7	95.0	758,750	
Blackstone	312.8	5.5	78.1	182,711	
Zais Group	119.8	-5.4	62.5	244,108	
Arrowmark Partners ¹	128.2	n/a	n/a	-	
TOTAL FIXED INCOME ²		\$2,395.4			2,409,150

2nd Qtr 2022

Manager	Net Asset Value	Annual Return	Management Fees	
	\$ (Millions)		Annual Basis Points	Quarterly Dollar Amount
ALTERNATIVE ASSETS				
PRIVATE MARKETS				
Adams Street 2005 Non-US ³	0.6	-24.3	0.0	-
Adams Street Partnership 2002 US ³	0.3	-47.3	0.0	-
Adams Street Partnership 2005 US ³	1.7	-22.1	0.0	-
Adams Street 2007 US Fund	7.3	15.9	7.5	5,729
Adams Street 2007 Non-US	3.9	-8.4	7.5	3,646
Adams Street 2007 Direct ³	2.2	-8.3	0.0	-
Adams Street 2009 US Fund	18.7	28.0	25.0	15,625
Adams Street 2009 Non-US Developed	8.0	9.8	25.0	9,375
Adams Street 2009 Non-US Emerging	4.7	-0.4	25.0	3,125
Adams Street 2009 Direct	2.7	-13.4	40.0	5,000
AEA Investors Fund VI	50.4	12.2	150.0	-
AEA Investors Fund VII	83.4	4.2	175.0	-
Atlas Partner Holdings II	83.9	5.0	100.0	279,383
Baring Asia VII	95.1	12.8	150.0	375,000
BCP Energy Services Fund A	38.3	24.6	200.0	183,386
BCP Fund II A	38.2	31.6	200.0	375,000
BCP Infrastructure Fund A	2.6	17.6	150.0	281,250
Brinson ^{3,4}	1.3	-6.0	0.0	-
Brookfield Capital IV	47.3	4.8	150.0	102,107
Brookfield Infrastructure IV	68.2	15.5	140.0	293,425
Brookfield Capital V	96.1	21.6	150.0	376,875
Adams Street V ³	0.5	14.3	0.0	-
Apollo Inv Fund VII ³	0.9	118.1	0.0	-
Apollo Inv Fund VIII	36.9	-3.8	75.0	18,387
Apollo European Fund II	7.2	-6.2	150.0	4,630
Apollo Inv Fund IX	66.0	28.9	150.0	318,750
ArcLight Energy Ptr Fund VI	43.3	10.1	150.0	140,809
CCMP Capital III	21.7	-41.6	100.0	45,390
Cerberus VI	148.5	14.7	150.0	355,084
Collier International Partners VI	20.8	33.8	59.1	150,491
Collier International Partners VII	48.9	35.1	90.0	166,906
Collier International Partners VIII	62.9	83.5	150.0	373,973
Double Line Mortgage	59.0	17.7	100.0	199,104
EIG Energy Fund XIV ³	1.9	-18.6	0.0	-
EIG Energy Fund XV	6.9	41.8	125.0	20,464
EIG Energy Fund XVI	44.0	23.8	125.0	109,047
Energy Spectrum Fund VI ³	1.8	14.9	0.0	-
GTCR Fund XI	99.7	-6.0	114.8	107,308
GTCR Fund XII	66.9	28.4	150.0	177,045
GTCR Fund XIII	23.2	77.3	150.0	206,973
KPS SS Mid Cap	12.6	45.3	125.0	(20,833)
KPS Special Sit. Fund V	36.9	54.8	125.0	-
Gamut Fund I	56.6	23.4	200.0	-
Glendower SOF V	23.4	399.3	115.0	287,500
Goldman Sachs PEP IX	17.2	28.1	4.5	11,121
Goldentree Distressed Fund III	47.9	12.1	125.0	234,375
Goldentree Distressed Fund IV ⁵	10.1	n/a	100.0	15,246
HIPEP Partnership III ³	0.1	-1.6	0.0	-
Harbourvest VI - Direct ³	0.4	33.2	0.0	-
Harbourvest VI - Partnership ³	0.4	-30.8	0.0	-
HIPEP Direct IV ³	0.0	0.0	0.0	-
Huff Alternative Fund ³	3.7	16.5	0.0	-
Insight Venture Partner XII ⁶	32.8	n/a	175.0	328,125
Insight Venture Partner XI	133.3	24.4	175.0	371,875
Insight Venture Partner X	94.6	0.9	175.0	218,750
KKR Asian Fund III	64.7	28.0	125.0	156,250
KKR Asian Fund IV	23.6	1.1	150.0	375,000
KKR North American Fund XIII ⁷	14.4	n/a	150.0	-
Mesirow III	2.1	15.9	29.2	16,773
Mesirow IV	16.5	12.1	27.1	40,668
Mesirow V	43.8	16.1	33.5	50,220
Newstone Mezzanine II	4.1	-15.2	100.0	15,684
OHA Strategic Credit Fund II	35.6	3.6	138.0	137,907
Oaktree European Fund III	26.1	-9.7	175.0	132,769

2nd Qtr 2022

2nd Qtr 2022

Manager	Net Asset Value \$ (Millions)	Annual Return	Management Fees	
			Annual Basis Points	Quarterly Dollar Amount
ALTERNATIVE ASSETS				
Pantheon Europe VI	9.8	-22.8	44.3	38,354
Pantheon VI ³	0.6	-21.9	0.0	-
Pantheon VII	9.6	21.3	39.9	49,825
Stepstone Europe Fund II	9.5	6.3	50.0	25,620
Private Advisors IV	13.1	38.4	44.3	38,754
Private Advisors V	26.9	25.5	59.1	59,050
Private Advisors VI	31.3	60.4	72.9	72,900
Q-BLK II	1.5	-16.5	27.1	(111,846)
Q-BLK III ³	14.0	2.9	0.0	-
Siguler Guff DOF III	7.0	-0.1	8.0	47,916
Siguler Guff Fund IV	11.8	11.9	18.6	18,610
Siguler Guff Pelican Gem	118.4	0.8	75.0	170,434
Siguler Guff Pelican Emg Mkt Opp II	49.0	-0.1	75.0	79,048
Sterling Partners	16.4	-4.6	200.0	15,061
Vista Equity Partners IV	27.2	21.9	150.0	54,024
Vista Equity Partners V	105.4	21.1	150.0	143,102
Vista Equity Partners VI	153.1	29.3	150.0	371,711
Vista Equity Partners VII	132.8	40.1	150.0	468,750
Warburg Pincus	115.0	14.7	140.0	350,000
Warburg Pincus XIV ⁸	9.8	n/a	140.0	349,041
Williams Capital ³	0.3	0.0	0.0	-
ABSOLUTE RETURN STRATEGIES				
Prisma Capital Partners	294.3	3.0	65.0	483,246
Entrust Capital Partners	247.6	-11.5	107.4	789,838
TOTAL ALTERNATIVE ASSETS ⁹				
	\$3,524.2			10,588,153
TOTAL PLAN ¹⁰				
	\$12,506.2			16,303,909

¹ The fund was funded 6/2021 and the fee structure is performance based.

² Market value includes \$50m in transition over month-end.

³ The fund no longer charges fees.

⁴ This is a composite of six limited partnerships.

⁵ The fund was funded 11/2021

⁶ The fund was funded 8/2021

⁷ The fund was funded 5/2022

⁸ The fund was funded 3/2022

⁹ The net asset values and returns are reflected net of fees for all Alternatives, and includes \$0.5 million for Paamco and \$2.5 million for Stark, which are being liquidated.

¹⁰ The Total Plan Market Value includes \$114.9 million in cash/cash equivalents.

The Total Quarterly Dollar Amount does not include \$288,790 for Self-Directed Plan and Optional Retirement Plan.

The Total Quarterly Dollar Amount does not include \$1,329 in fees for liquidating funds.

The Total Quarterly Dollar Amount includes fee adjustments from prior periods.

Annual Basis Points for fees vary and may be based on historical cost, net asset value, invested capital or other similar items.

Comments

For the majority of LASERS investment managers, management fees are paid quarterly in arrears, based upon the market value of assets under its management, excluding any cash balance, as reported by LASERS custodian bank, and are calculated as follows:

The fee is calculated at the end of each calendar quarter as follows: (Average of market value of assets under management on last business day of each of the four preceding calendar months, which shall not include funds that are managed by LASERS custodian bank) times the annual percentage fee schedule (basis points) divided by four. Fees on invested contributions and withdrawals during each calendar quarter will be computed separately on a pro-rata basis. It is not necessary to pro-rate contributions and withdrawals for Month 1 of the calculation period. Contributions and withdrawals are to be calculated as such:

Contributions: (month end market value for the month in which the contribution was made less any cash balance) minus the amount of the contribution, and then multiplied by the number of days the funds were not in the account, divided by the total number of days for the month.

Withdrawals: (month end market value for the month in which the withdrawal was made less any cash balance) plus the amount of the withdrawal, and then multiplied by the number of days the funds were in the account, divided by the total number of days for the month.

The managers shall provide a monthly reconciliation of their records to LASERS custodian bank. Should the manager fail to reconcile LASERS portfolio on a timely basis, LASERS maintains the right to withhold payment of the management fee until the portfolio has been reconciled to LASERS satisfaction.

Private Equity earns fees as a percentage of LASERS capital commitment to each fund. The fees are deducted from the portfolios on a quarterly basis and verified with the receipt of each manager's annual audited financials.

Investment Terminology

Annual Return	Annualized returns express the rate of return over a given time period on an annual basis, or as a return per year. An annualized return can be calculated over any period one year or longer and is useful for comparing two or more portfolios over similar time periods.
Basis Point	One gradation on a 100-point scale which is used in expressing variations on the yield of bonds. A basis point is equal to one-hundreth of a percentage point.
Concentrated Portfolio	A portfolio that generally has fewer securities than traditional portfolios.
Index Fund	A fund (or account) comprised of securities, the characteristics of which will produce a return which will replicate (or substantially replicate) a designated securities index.
Management Fee	The fee charged by the investment manager for supervision of an investment. Generally quoted in terms of a percent of assets.
Market Value	The current or prevailing price of a security or commodity as indicated by current market quotations, and therefore the price at which additional amounts can presumably be purchased or sold.
Universe	The list of all assets eligible for inclusion in a portfolio.

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