

LASERS

LOUISIANA STATE EMPLOYEES'
RETIREMENT SYSTEM

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

For the Period January 1 to March 31, 2024

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 January 1 to March 31, 2024. 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 7.25% effective July 1, 2022.

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, 2023, LASERS 30-year actuarial return was 7.39%.

1st Qtr 2024

Manager	Net Asset Value \$ (Millions)	Annual Return	Management Fees	
			Annual Basis Points	Quarterly Dollar Amount
U.S. EQUITY				
INDEX FUNDS				
LASERS S&P 400 Index Fund	796.0	23.3	n/a	-
LASERS S&P 500 Index Fund	2622.4	29.7	n/a	-
LASERS S&P 600 Index Fund	622.6	15.7	n/a	-
LASERS NASDAQ 100 Index Fund	1112.3	40.1	n/a	-
SMALL CAP VALUE				
LSV Asset Management	182.1	24.5	56.5	246,970
NON-U.S. EQUITY				
LARGE CAP VALUE				
Mondrian Investment Partners	317.9	16.2	27.4	214,766
LARGE CAP CORE				
LASERS MSCI World Ex-USA Index Fund	891.0	14.5	n/a	-
LASERS Terror-Free International Fund	36.2	14.4	n/a	-
INT'L SMALL CAP				
Mondrian Investment Partners	0.7	-6.8	85.0	1,252
Goldman Sachs	609.6	14.2	49.3	744,794
EMERGING MARKETS				
City of London Investment Management	285.4	10.4	88.0	615,313
Westwood Global Emerging Markets	315.2	16.5	87.9	689,908
LSV Custom Emerging Markets	315.4	24.0	50.0	393,740
TOTAL EQUITY	\$8,106.7			2,906,743
US FIXED INCOME				
INVESTMENT GRADE				
Loomis Sayles & Co.	233.1	2.5	17.1	103,311
Orleans Capital Mgt	169.3	2.8	11.2	50,672
HIGH YIELD				
JP Morgan	0.9	-5.7	50.0	395
Nomura	0.8	0.6	45.0	-
EMERGING MARKET DEBT				
Stone Harbor	1.7	-15.3	52.5	-
Gramercy	480.1	10.6	55.0	(345,613)
Global Multi-Sector				
Doubleline	356.1	10.9	55.0	493,551
Goldentree	405.8	15.0	60.0	596,385
Pimco	568.3	16.0	95.0	1,116,976
Blackstone	266.3	9.7	78.1	170,756
Zais Group	136.0	19.9	62.5	248,804
Arrowmark Partners ¹	187.3	16.5	n/a	-
TOTAL FIXED INCOME	\$2,805.8			2,435,237

1st Qtr 2024

Manager	Net Asset Value \$ (Millions)	Annual Return	Management Fees	
			Annual Basis Points	Quarterly Dollar Amount
ALTERNATIVE ASSETS				
PRIVATE MARKETS				
Adams Street 2005 Non-US ²	0.5	12.0	0.0	-
Adams Street Partnership 2005 US ²	0.7	-3.3	0.0	-
Adams Street 2007 US Fund ²	4.2	-2.8	0.0	-
Adams Street 2007 Non-US ²	2.6	4.3	0.0	-
Adams Street 2007 Direct ²	1.1	-3.2	0.0	-
Adams Street 2009 US Fund	12.3	-2.3	8.0	5,208
Adams Street 2009 Non-US Developed	6.0	1.5	8.0	3,126
Adams Street 2009 Non-US Emerging	3.2	-3.3	8.0	1,042
Adams Street 2009 Direct ²	1.3	0.3	0.0	(324)
AEA Investors Fund VI	23.8	2.7	150.0	66,328
AEA Investors Fund VII	104.6	4.4	150.0	402,651
Atlas Partner Holdings II	115.2	15.9	120.0	249,370
Atlas Partner Holdings III ³	11.2	n/a	120.0	249,999
Audax Fund VII	22.6	-25.7	175.0	437,499
Baring Asia VII	85.6	-0.2	150.0	366,404
Baring Asia VIII ⁴	27.8	n/a	175.0	434,563
BCP Energy Services Fund A	25.4	48.7	200.0	11,484
BCP Fund II A	80.2	8.4	200.0	133,913
BCP Infrastructure Fund A	14.2	96.0	150.0	163,400
Brookfield Capital IV	25.1	-7.4	150.0	92,525
Brookfield Infrastructure IV -B	86.4	14.2	140.0	287,245
Brookfield Capital V	131.2	17.8	128.3	296,322
Brookfield Infrastructure V	32.8	-47.1	126.0	313,275
Brookfield Capital VI	47.5	39.9	142.0	357,917
Adams Street V ²	0.0	10.1	0.0	-
Apax Digital II	14.4	-58.7	185.0	346,875
Apollo Inv Fund VIII	20.8	-7.1	37.5	13,590
Apollo European Fund II	2.5	-24.8	150.0	(6,031)
Apollo Inv Fund IX	83.1	15.2	150.0	9,237
Apollo Inv Fund X ⁵	17.9	n/a	150.0	364,000
ArcLight Energy Ptr Fund VI	23.5	-15.7	150.0	89,205
CCMP Capital III	0.6	9.1	50.0	1,881
Cerberus VI	121.0	11.3	150.0	198,779
Coller International Partners VI ²	10.1	-2.7	0.0	-
Coller International Partners VII	34.3	12.2	72.9	136,688
Coller International Partners VIII	83.3	11.8	150.0	310,452
Double Line Mortgage	47.8	4.1	100.0	117,778
EIG Energy Fund XV ²	3.0	-31.2	0.0	-
EIG Energy Fund XVI	35.2	-7.8	0.3	71,800
GTCR Fund XI	40.6	4.8	68.8	56,239
GTCR Fund XII	67.6	4.4	135.0	159,781
GTCR Fund XIII	41.1	8.6	150.0	220,012
KPS SS Mid Cap	16.2	17.8	125.0	44,695
KPS Special Sit. Fund V	35.1	7.9	125.0	-
Gamut Fund I	63.0	9.4	200.0	96,631
Glendower SOF V	52.8	13.4	100.0	285,928
Goldentree Distressed Fund III	24.7	7.5	125.0	106,623
Goldentree Distressed Fund IV	33.9	18.3	100.0	(67,645)
Insight Venture Partner XII	56.0	19.4	175.0	324,887
Insight Venture Partner XI	123.1	2.7	175.0	633,583
Insight Venture Partner X	104.4	16.9	175.0	179,267
KKR Asian Fund III	58.9	18.3	100.0	111,322
KKR Asian Fund IV	55.8	18.5	150.0	305,401
KKR North American Fund XIII	54.9	16.2	135.0	303,451
Mesirow IV	8.5	3.1	12.2	18,306

1st Qtr 2024

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ALTERNATIVE ASSETS				
Mesirow V	27.2	0.2	27.1	40,695
Newstone Mezzanine II ²	2.0	-44.9	0.0	-
OHA Strategic Credit Fund II	21.0	-0.1	138.0	67,863
Oaktree European Fund III ²	13.5	-16.2	0.0	-
Pantheon Europe VI ²	7.3	7.0	0.0	(17,324)
Stepstone Europe Fund II ²	9.8	13.6	0.0	3,084
Private Advisors IV	7.3	-6.4	35.9	31,386
Private Advisors V ²	19.2	-0.2	0.0	(47,840)
Private Advisors VI	26.6	5.4	59.0	59,049
Siguler Guff Fund IV	7.3	-7.5	14.9	14,889
Siguler Guff Pelican Gem	119.4	2.0	75.0	159,732
Siguler Guff Pelican Emg Mkt Opp II	84.5	19.2	75.0	93,281
Sterling Partners	5.7	-41.0	200.0	54,602
Vista Equity Partners IV	25.2	9.4	150.0	54,024
Vista Equity Partners V	107.4	17.1	150.0	146,903
Vista Equity Partners VI	115.7	10.6	150.0	211,674
Vista Equity Partners VII	134.1	0.0	150.0	468,750
Vista Equity Partners VIII	30.7	30.9	150.0	342,033
Warburg Pincus	119.7	9.8	140.0	276,748
Warburg Pincus XIV	35.7	9.4	140.0	274,733
LIQUIDATING FUNDS~	27.0			-
ABSOLUTE RETURN STRATEGIES				
Prisma Capital Partners	286.4	4.9	65.0	458,477
Entrust Capital Partners	353.6	9.5	115.2	1,094,172
TOTAL ALTERNATIVE ASSETS ⁶	\$3,786.1			12,091,613
TOTAL PLAN ⁷	\$14,842.1			17,433,593

¹ The fund has performance based fee structure.

² The fund no longer charges fees.

³ The fund was funded 02/2024.

⁴ The fund was funded 04/2023.

⁵ The fund was funded 08/2023.

⁶ The net asset values and returns are reflected net of fees for all Alternatives, and includes \$0.1 million for Stark, which is being liquidated.

⁷ The Total Plan Market Value includes \$143.3 million in cash/cash equivalents.

The Total Quarterly Dollar Amount does not include \$340,436 for Self-Directed Plan and Optional Retirement Plan.

The Total Quarterly Dollar Amount does not include \$3,140,808 related to fees for liquidating funds or initial fees for new 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-hundredth 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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