

LASERS

LOUISIANA STATE EMPLOYEES'
RETIREMENT SYSTEM

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

For the Period April 1 to June 30, 2024 (Final)

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, 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%.

2nd 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	763.0	13.6	n/a	-
LASERS S&P 500 Index Fund	2627.2	24.5	n/a	-
LASERS S&P 600 Index Fund	608.9	8.6	n/a	-
LASERS NASDAQ 100 Index Fund	1201.8	30.8	n/a	-
SMALL CAP VALUE				
LSV Asset Management	173.3	12.2	56.5	238,954
NON-U.S. EQUITY				
LARGE CAP VALUE				
Mondrian Investment Partners	324.0	13.9	27.3	216,289
LARGE CAP CORE				
LASERS MSCI World Ex-USA Index Fund	789.9	10.4	n/a	-
LASERS Terror-Free International Fund	35.9	10.3	n/a	-
INT'L SMALL CAP				
Mondrian Investment Partners	0.6	-6.1	85.0	4,870
Goldman Sachs	604.7	14.4	49.3	701,624
EMERGING MARKETS				
City of London Investment Management	301.0	13.8	88.0	646,393
Westwood Global Emerging Markets	319.6	12.9	87.8	683,790
LSV Custom Emerging Markets	335.3	27.0	50.0	386,866
TOTAL EQUITY	\$8,085.1			2,878,786
US FIXED INCOME				
INVESTMENT GRADE				
Loomis Sayles & Co.	257.5	2.5	16.9	93,618
Orleans Capital Mgt	184.4	3.6	10.7	43,698
HIGH YIELD				
JP Morgan	0.7	-13.9	50.0	711
Nomura	0.4	-11.8	45.0	-
EMERGING MARKET DEBT				
Stone Harbor	0.0	-96.5	52.5	-
Gramercy	530.4	10.2	55.0	-
Global Multi-Sector				
Doubleline	363.2	11.3	55.0	450,268
Goldentree	414.7	16.2	60.0	505,349
Pimco	583.5	15.4	95.0	1,267,621
Blackstone	271.3	9.6	78.1	168,868
Zais Group	150.3	20.5	62.5	272,308
Arrowmark Partners ¹	194.0	16.2	n/a	-
TOTAL FIXED INCOME	\$2,950.4			2,802,441

2nd Qtr 2024

Manager	Net Asset Value \$ (Millions)	Annual Return	Management Fees	
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ALTERNATIVE ASSETS				
PRIVATE MARKETS				
Adams Street 2005 Non-US ²	0.5	6.9	0.0	-
Adams Street Partnership 2005 US ²	0.7	-4.8	0.0	-
Adams Street 2007 US Fund ²	4.1	-4.5	0.0	-
Adams Street 2007 Non-US ²	2.5	-3.5	0.0	-
Adams Street 2007 Direct ²	1.0	0.7	0.0	-
Adams Street 2009 US Fund	12.1	-0.3	8.0	5,208
Adams Street 2009 Non-US Developed	5.3	-2.8	8.0	3,125
Adams Street 2009 Non-US Emerging	3.0	-5.6	8.0	1,042
Adams Street 2009 Direct ²	1.3	2.5	0.0	-
AEA Investors Fund VI	24.9	3.8	150.0	61,049
AEA Investors Fund VII	103.3	-0.3	150.0	332,955
AEA Investors Fund VIII ³	8.4	n/a	175.0	437,499
Atlas Partner Holdings II	122.7	14.2	120.0	248,124
Atlas Partner Holdings III ⁴	11.3	n/a	100.0	249,999
Audax Fund VII	32.6	-6.0	175.0	(169,762)
Baring Asia VII	85.9	-1.4	150.0	251,619
Baring Asia VIII	30.9	15.7	175.0	325,797
BCP Energy Services Fund A	24.0	15.7	200.0	45,802
BCP Fund II A	88.0	9.7	200.0	252,670
BCP Infrastructure Fund A	22.3	54.2	150.0	248,511
Brookfield Capital IV	26.0	-3.2	150.0	66,228
Brookfield Infrastructure IV -B	88.7	10.2	140.0	227,049
Brookfield Capital V	136.1	7.9	128.3	276,225
Brookfield Infrastructure V	34.1	22.1	126.0	315,872
Brookfield Capital VI	56.9	16.1	142.0	351,121
Apax Digital II	19.0	-3.7	185.0	307,310
Apollo Inv Fund VIII	20.5	-3.5	37.5	9,695
Apollo European Fund II	2.4	-24.5	150.0	2,011
Apollo Inv Fund IX	82.6	8.2	125.0	122,150
Apollo Inv Fund X ⁵	19.2	n/a	150.0	42,464
ArcLight Energy Ptr Fund VI	24.0	-4.5	150.0	84,168
CCMP Capital III ²	0.4	-28.7	50.0	(1,882)
Cerberus VI	103.8	5.6	150.0	351,570
Coller International Partners VI ²	9.3	-3.3	0.0	-
Coller International Partners VII	33.8	7.0	72.9	133,328
Coller International Partners VIII	84.9	13.9	150.0	307,039
Coller International Partners IX ⁶	18.8	n/a	98.0	-
Double Line Mortgage	46.1	-6.8	100.0	105,386
EIG Energy Fund XV ²	2.5	-34.9	0.0	-
EIG Energy Fund XVI	32.0	-10.5	0.3	62,858
GTCR Fund XI	36.3	-17.1	75.0	41,821
GTCR Fund XII	70.9	11.5	135.0	117,062
GTCR Fund XIII	54.9	18.4	150.0	161,228
Gamut Fund I	60.4	3.1	200.0	16,358
Glendower SOF V	53.9	12.7	100.0	333,299
Goldentree Distressed Fund III	23.4	3.1	125.0	84,439
Goldentree Distressed Fund IV	39.5	22.9	100.0	153,100
Insight Venture Partner X	99.3	10.3	175.0	172,901
Insight Venture Partner XI	127.8	5.3	175.0	(182)
Insight Venture Partner XII	61.1	11.5	175.0	293,579
KKR Asian Fund III	66.0	24.2	100.0	46,514
KKR Asian Fund IV	64.6	30.0	150.0	309,636
KKR North American Fund XIII	59.0	11.1	135.0	102,501
KPS SS Mid Cap	15.5	16.0	125.0	239
KPS Special Sit. Fund V	39.3	3.7	125.0	-
Mesirow IV	8.5	0.4	12.2	(6,111)

2nd Qtr 2024

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ALTERNATIVE ASSETS				
Mesirow V	27.6	2.1	27.1	40,695
Newstone Mezzanine II ²	2.0	-47.1	0.0	-
OHA Strategic Credit Fund II	20.1	4.4	138.0	57,511
Oaktree European Fund III ²	13.4	-3.9	0.0	-
Pantheon Europe VI ²	7.9	18.3	0.0	(20,398)
Stepstone Europe Fund II ²	9.9	8.5	0.0	(3,750)
Private Advisors IV	7.5	-2.8	35.9	31,388
Private Advisors V ²	19.0	1.8	0.0	-
Private Advisors VI	27.7	13.1	59.0	59,048
SK Capital VI ⁷	27.2	0.0	200.0	500,001
Siguler Guff Fund IV	5.7	-11.8	11.9	11,770
Siguler Guff Pelican Gem	118.0	1.5	75.0	150,049
Siguler Guff Pelican Emg Mkt Opp II	90.1	15.5	75.0	252,006
Sterling Partners	5.9	-22.5	150.0	36,673
Vista Equity Partners IV	24.9	-2.4	150.0	54,024
Vista Equity Partners V	98.7	-1.1	150.0	146,941
Vista Equity Partners VI	107.6	-7.9	150.0	211,674
Vista Equity Partners VII	129.9	-4.6	150.0	468,750
Vista Equity Partners VIII	31.4	52.2	150.0	348,983
Warburg Pincus	122.6	9.2	140.0	160,499
Warburg Pincus XIV	43.3	11.4	140.0	210,000
LIQUIDATING FUNDS~	20.6			-
ABSOLUTE RETURN STRATEGIES				
Prisma Capital Partners	287.9	4.7	65.0	467,760
Entrust Capital Partners	354.9	7.4	115.5	676,064
TOTAL ALTERNATIVE ASSETS ⁸	\$3,909.7			10,742,299
TOTAL PLAN ⁹	\$15,085.5			16,423,526

¹ The fund has performance based fee structure.

² The fund no longer charges fees.

³ The fund was funded 05/2024.

⁴ The fund was funded 02/2024.

⁵ The fund was funded 08/2023.

⁶ The fund was funded 06/2024.

⁷ The fund was funded 04/2024.

⁸ 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.

⁹ The Total Plan Market Value includes \$140.2 million in cash/cash equivalents.

The Total Quarterly Dollar Amount does not include \$360,352 for Self-Directed Plan and Optional Retirement Plan.

The Total Quarterly Dollar Amount does not include \$1,207,428 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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