

LASERS

LOUISIANA STATE EMPLOYEES'
RETIREMENT SYSTEM

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

For the Period July 1 to September 30, 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 July 1 to September 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, 2024, LASERS 30-year actuarial return was 7.37%.

3rd 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	815.8	26.7	n/a	-
LASERS S&P 500 Index Fund	2781.5	36.3	n/a	-
LASERS S&P 600 Index Fund	670.5	25.7	n/a	-
LASERS NASDAQ 100 Index Fund	1176.6	37.5	n/a	-
SMALL CAP VALUE				
LSV Asset Management	186.4	23.5	56.4	266,320
NON-U.S. EQUITY				
LARGE CAP VALUE				
Mondrian Investment Partners	362.9	28.6	27.1	243,792
LARGE CAP CORE				
LASERS MSCI World Ex-USA Index Fund	793.7	25.0	n/a	-
LASERS Terror-Free International Fund	38.9	24.5	n/a	-
INT'L SMALL CAP				
Mondrian Investment Partners	0.6	3.6	85.0	-
Goldman Sachs	658.0	25.8	49.1	823,914
EMERGING MARKETS				
City of London Investment Management	324.0	27.5	88.0	626,727
Westwood Global Emerging Markets	325.6	15.0	87.7	675,276
LSV Custom Emerging Markets	354.4	30.7	50.0	429,768
TOTAL EQUITY	\$8,488.9			3,065,797
US FIXED INCOME				
INVESTMENT GRADE				
Loomis Sayles & Co.	270.7	12.5	16.8	115,863
Orleans Capital Mgt	193.7	12.0	10.4	55,389
HIGH YIELD				
JP Morgan	0.7	-16.9	50.0	441
Nomura	0.5	6.5	45.0	-
EMERGING MARKET DEBT				
Stone Harbor	0.0	-98.9	52.5	-
Gramercy	569.7	11.1	55.0	-
Global Multi-Sector				
Doubleline	375.3	13.3	55.0	515,560
Goldentree	431.9	17.4	60.0	632,549
Pimco	597.2	7.4	95.0	1,124,318
Blackstone	275.4	8.8	78.1	176,047
Zais Group	149.6	14.6	62.5	247,983
Arrowmark Partners ¹	200.4	15.8	n/a	-
TOTAL FIXED INCOME	\$3,064.9			2,868,150

3rd Qtr 2024

Manager	Net Asset Value \$ (Millions)	Annual Return	Management Fees	
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ALTERNATIVE ASSETS				
PRIVATE MARKETS				
AEA Investors Fund VI	24.8	3.8	150.0	21,200
AEA Investors Fund VII	103.4	-0.3	150.0	(587,839)
AEA Investors Fund VIII ²	16.4	n/a	175.0	1,788,401
Atlas Partner Holdings II	122.7	14.2	120.0	243,629
Atlas Partner Holdings III ³	11.3	n/a	100.0	248,718
Audax Fund VII	35.2	-6.0	175.0	437,499
Baring Asia VII	85.9	-1.4	150.0	297,687
Baring Asia VIII	49.4	13.5	175.0	437,499
BCP Energy Services Fund A	22.6	5.2	200.0	40,062
BCP Fund II A	87.9	8.2	200.0	249,222
BCP Infrastructure Fund A	22.5	52.3	150.0	281,250
Brookfield Capital IV	24.4	-2.5	150.0	78,999
Brookfield Infrastructure IV -B	89.7	10.2	140.0	255,327
Brookfield Capital V	136.4	7.5	128.3	297,446
Brookfield Infrastructure V	34.0	10.6	126.0	315,000
Brookfield Capital VI	56.9	16.0	142.0	356,940
Apax Digital II	19.0	11.0	185.0	346,875
Apollo Inv Fund VIII	20.5	-3.2	37.5	4,188
Apollo European Fund II	2.4	-12.3	150.0	1,929
Apollo Inv Fund IX	80.0	8.2	125.0	111,473
Apollo Inv Fund X	26.4	51.2	150.0	375,000
ArcLight Energy Ptr Fund VI	24.0	-4.5	150.0	84,305
CCMP Capital III ⁴	0.4	-24.9	0.0	-
Cerberus VI	101.0	5.6	150.0	321,621
Coller International Partners VI ⁴	7.1	-1.5	0.0	-
Coller International Partners VII	28.7	7.6	72.9	137,058
Coller International Partners VIII	85.0	9.5	150.0	315,069
Coller International Partners IX ⁵	21.3	n/a	98.0	1,153,401
Double Line Mortgage	47.4	-1.7	100.0	108,951
EIG Energy Fund XVI	31.9	-9.8	0.3	45,522
GTCR Fund XI	34.6	-17.1	75.0	71,317
GTCR Fund XII	73.6	14.1	135.0	202,500
GTCR Fund XIII	60.4	18.1	150.0	281,250
Gamut Fund I	55.8	-7.9	200.0	93,453
Glendower SOF V	58.4	11.8	100.0	282,786
Glendower SOF VI ⁶	2.0	n/a	110.0	-
Goldentree Distressed Fund III	22.5	3.1	125.0	73,098
Goldentree Distressed Fund IV	39.5	22.9	100.0	98,634
Insight Venture Partner X	99.9	12.8	175.0	185,640
Insight Venture Partner XI	127.3	4.9	175.0	798,993
Insight Venture Partner XII	61.5	10.2	175.0	328,125
Insight Venture Partner XIII ⁶	1.8	n/a	175.0	145,833
KKR Asian Fund III	59.5	24.1	100.0	86,061
KKR Asian Fund IV	62.7	30.2	150.0	375,000
KKR North American Fund XIII	68.7	n/a	135.0	303,750
KPS SS Mid Cap	15.4	10.7	125.0	20,369
KPS Special Sit. Fund V	50.2	6.4	125.0	-
KPS Special Sit. Fund VI ⁶	13.5	n/a	125.0	-

3rd Qtr 2024

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ALTERNATIVE ASSETS				
Mesirow V	25.6	-3.9	27.1	40,695
Newstone Mezzanine II ⁴	2.0	-43.4	0.0	-
OHA Strategic Credit Fund II	19.2	-5.7	138.0	38,925
Stepstone Europe Fund II ⁴	10.1	21.4	0.0	-
Private Advisors IV	7.2	-6.9	35.9	31,386
Private Advisors V ⁴	18.7	-2.1	0.0	-
Private Advisors VI	24.9	13.3	53.2	53,151
SK Capital VI ⁷	60.7	0.0	200.0	500,001
Siguler Guff Fund IV	4.0	-12.8	11.9	11,913
Siguler Guff Pelican Gem	117.9	1.1	75.0	157,776
Siguler Guff Pelican Emg Mkt Opp II	91.4	11.6	75.0	151,707
Siguler Guff Pelican Emg Mkt Opp III ⁷	6.1	n/a	68.0	-
Sterling Partners	5.9	-22.5	125.0	41,898
Vista Equity Partners IV	24.9	-2.3	150.0	54,024
Vista Equity Partners V	94.9	-1.1	150.0	146,904
Vista Equity Partners VI	107.6	-8.0	150.0	209,832
Vista Equity Partners VII	130.9	-4.6	150.0	468,750
Vista Equity Partners VIII	29.7	23.0	150.0	375,000
Warburg Pincus	119.6	9.2	140.0	350,001
Warburg Pincus XIV	49.6	11.8	140.0	350,001
LIQUIDATING FUNDS~	74.2			-
ABSOLUTE RETURN STRATEGIES				
Prisma Capital Partners	184.0	3.9	65.0	421,430
Entrust Capital Partners	334.5	11.1	115.0	1,065,705
TOTAL ALTERNATIVE ASSETS ⁸	\$3,869.2			15,582,339
TOTAL PLAN ⁹	\$15,617.7			21,516,286

¹ The fund has performance based fee structure.

² The fund was funded 05/2024.

³ The fund was funded 02/2024.

⁴ The fund no longer charges fees.

⁵ The fund was funded 06/2024.

⁶ The fund was funded 09/2024.

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 \$194.6 million in cash/cash equivalents.

The Total Quarterly Dollar Amount does not include \$361,846 for Self-Directed Plan and Optional Retirement Plan.

The Total Quarterly Dollar Amount does not include \$995,592 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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