

**AGENDA**  
**ARKANSAS TEACHER RETIREMENT SYSTEM**  
**BOARD OF TRUSTEES**

**December 6, 2021**  
**10:30 a.m.**  
**1400 West Third Street**  
**Little Rock, AR 72201**

- I. **\*Call to Order/Roll Call.** page 1.
- II. **\*Adoption of Agenda.** page 2.
- III. Executive Summary. (Attachment No. 1) page 7.
- IV. Approval of Prior Meeting Minutes.
  - A. **\*Minutes of February 1, 2021 - Scrivener's Error.** (Attachment No. 2) page 19.
  - B. **\*Minutes of September 27, 2021.** (Attachment No. 3) page 29.
  - C. **\*Minutes of October 18, 2021.** (Attachment No. 4) page 46.
  - D. **\*Minutes of November 15, 2021.** (Attachment No. 5) page 54.
- V. Actuarial Assumed Rate of Return. *Clint Rhoden, Executive Director* (Attachment No. 6) page 58.
- VI. Preliminary Active Actuarial Valuation. *Judy Kermans, Brian Murphy and Heidi Berry of Gabriel, Roeder, Smith and Company* (Attachment No. 7) page 62.
- VII. Statement of Financial Interest. (Attachment No. 8) page 98.
- VIII. **\*Proposed 2022 Board of Trustees Schedule.** (Attachment No. 9) page 115.
- IX. Report of Member Interest Waived Under A.C.A. Sec. 24-7-205. (Attachment No. 10) page 116.
- X. Report of Employer Interest and Penalties Waived Under A.C.A. Sec 24-7-411. (Attachment No. 11) page 117.

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XI. **\*Unreported Service - Employer and Member Contributions Due.**

A. **\*In Re: ATRS ID: 160668.**

XII. Manifest Injustice Report. (Attachment No. 12) page 118.

XIII. Investment Committee Report.

A. Arkansas Related and Investment Update.

1. List of Fund Closings.

- a. Revelstoke Capital Partners Fund III, L.P., a Buyout Fund that will Invest in Small and Lower Middle Market Healthcare and Related Business Services Companies, the Board Authorized Commitment of up to \$30 Million Dollars on June 23, 2021 was Accepted and Closed on October 1, 2021.
- b. Transfer of Assets from the Existing ATRS Investment in CFM Institutional Systematic Diversified Fund Series 1.5 (CFM ISD) to CFM Systematic Global Macro, L.P. Series 1 (CFM SGM), a Fund that Seeks to Deliver Consistent Returns at Targeted Risk Levels both on a Long and Short Basis, the Board Authorized Transfer on October 18, 2021 with Imminent Need was Completed on September 19, 2021.
- c. Redemption of the ATRS Investment in Nephila Rubik Holdings, Ltd., the Board Authorized Redemption on September 27, 2021 was Initiated on October 6, 2021.
- d. Chatham Asset Private Debt and Strategic Capital Fund III, L.P., a Fund that Invests in High Yield Bonds, Leverage Loans and Equity both on a Long and Short Basis, the Board Authorized Commitment of up to \$50 Million Dollars on October 18, 2021 with Imminent Need was Accepted and Closed on November 1, 2021.
- e. Almanac Realty Securities IX, L.P., a Closed End, Value Added Real Estate Fund Targeting Investments in Both Private and Public Real Estate Operating Companies, the Board Authorized Commitment of up to \$40 Million Dollars on October 18, 2021 with Imminent Need was Accepted and Closed on November 17, 2021.
- f. Redemption of Approximately \$140 Million Dollars from JP Morgan Strategic Property Fund (SPF), the Board Authorized Redemption on September 27, 2021 was Initiated on November 9, 2021.

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- g. Clearlake Capital Partners VII, L.P. a Private Equity Fund that Makes Opportunistic Debt and Equity Investments in Middle Market Companies Undergoing Change and/or are in Underserved Industries or Markets in North America, the Board Authorized Commitment of up to \$30 Million Dollars on October 18, 2021 with Imminent Need was Accepted and Closed on October 29, 2021.
  - h. LaSalle Asia Opportunity Fund VI, L.P., a Closed End Opportunistic Real Estate Fund Focused on Both Debt and Equity Investments in Asia the Board Authorized Commitment of up to \$50 Million Dollars on September 27, 2021 with Imminent Need was Accepted and Closed on October 15, 2021.
  - i. LBA Logistics Value Fund IX, L.P., a Closed End Value Add Real Estate Fund with the Primary Purpose of Acquiring Industrial Properties Located in the U.S. Real Estate Market the Board Authorized Commitment of up to \$55 Million Dollars on September 27, 2021 with Imminent Need was Accepted and Closed on October 4, 2021.
  - j. Redemption of Aeolus Property Catastrophe Keystone PF Fund LP. (Aeolus), the Board Authorized Redemption on October 18, 2021 was Initiated on October 28, 2021.
2. **\*Recommendation to approve for Board adoption Resolution 2021-68 authorizing the purchase of the revenue stream generated by State of Arkansas tax credits associated with Highland Pellets with Imminent Need.** (Attachment No. 13) page 119.
- a. **\*Resolution No. 2021-68.** (Attachment No. 14) page 123.
- B. General Investment Consultant Report.
- 1. Performance Report for the Quarter Ending September 30, 2021. (Attachment No. 15) page 125.
  - 2. Preliminary Performance Report for the Month Ended October 31, 2021. (Attachment No. 16) page 271.
- C. Real Assets Investment Consultant Report.
- 1. Performance Report for the Quarter Ending June 30, 2021. (Attachment No. 17) page 295.
  - 2. **\*Recommendation to approve for Board adoption Resolution 2021-66 authorizing an investment of up to \$50 million dollars in Landmark Real Estate Partners IX, L.P.** (Attachment No. 18) page 348.
    - a. **\*Resolution No. 2021-66.** (Attachment No. 19) page 354.
  - 3. **\*2022 Real Assets Commitment Pacing (Total Pacing \$575 Million Dollars).** (Attachment No. 20) page 355.

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- a. **\*Core Real Estate \$250 Million Dollars.**
  - b. **\*Value Added and Opportunistic Real Estate \$250 Million Dollars.**
  - c. **\*Infrastructure \$75 Million Dollars.**
- D. Private Equity Consultant Report.
1. Preliminary Private Equity Portfolio Review for the Quarter Ended June 30, 2021. (Attachment No. 21) page 359.
  2. **\*2022 Private Equity Pacing Schedule (Total Pacing \$350 Million Dollars).** (Attachment No. 22) page 413.
    - a. **\*Six Small or Mid Buyout/Growth/Turnaround \$30-35 Million Dollars Each in the U.S. (Total \$200 Million Dollars).**
    - b. **\*One Debt/Distressed Assets \$30 Million Dollars.**
    - c. **\*Franklin Park International Fund XI \$30 Million Dollars.**
    - d. **\*Franklin Park Venture Fund XIV \$30 Million Dollars.**
    - e. **\*Franklin Park Venture Capital Opportunity Fund \$30 Million Dollars.**
    - f. **\*Franklin Park Corporate Finance Access Fund II \$30 Million Dollars.**
    - g. **\*ATRS/FP Private Equity Fund (Co-InvestmentFund) No New Allocation.**
  3. **\*Recommendation to approve for Board adoption Resolution 2021-63 authorizing an investment of up to \$30 million dollars in Franklin Park International Fund XI, L.P. with Imminent Need.** (Attachment No. 23) page 419.
    - a. **\*Resolution No.2021-63.** (Attachment No. 24) page 429.
  4. **\*Recommendation to approve for Board adoption Resolution 2021-64 authorizing an investment of up to \$30 million dollars in Franklin Park Venture Capital Opportunity Fund, L.P. with Imminent Need.** (Attachment No. 25) page 431.
    - a. **\*Resolution No.2021-64.** (Attachment No. 26) page 441.
  5. **\*Recommendation to approve for Board adoption Resolution 2021-65 authorizing an investment of up to \$30 million dollars in Riverside Value Fund I, L.P. with Imminent Need.** (Attachment No. 27) page 443.
    - a. **\*Resolution No.2021-65.** (Attachment No. 28) page 447.

XIV. Operations Committee Report.

- A. Open Forum for Potential Rule or Law Changes by Committee Members and Board Members Present.

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1. Open Forum.
  - B. **\*Board Policy 3 Update - Regarding Independent Actuary.** (Attachment No. 29) page 449.
  - C. Rules Promulgation Status Update. (Attachment No. 30) page 459.
- XV. Board of Trustees Congressional District Map.
- A. **\*Resolution 2021-67.** (Attachment No. 31) page 465.
- XVI. **\*Board of Trustees Disability Review.**
- A. **\*Group Order - Approved - DR-2021-12-A.** (Attachment No. 32) page 466.
- XVII. **\*Staff Reports.**
- A. **\*Medical Committee Report. A Total of 17 Disability Retirement Applications were Approved.** *Willie Kincade, Director of Operations* (Attachment No. 33) page 468.
  - B. Financial Reports. *Curtis Carter, Chief Fiscal Officer*
    1. Financial Statement Report. (Attachment No. 34) page 471.
    2. Travel Reports. (Attachment No. 35) page 473.
- XVIII. **\*Election of Board Chair and Vice Chair.**
- XIX. Other Business.
- XX. **\*Adjourn.**