

AGENDA
ARKANSAS TEACHER RETIREMENT SYSTEM
BOARD OF TRUSTEES

April 5, 2021

11:00 a.m.

1400 West Third Street
Little Rock, AR 72201

- I. ***Call to Order/Roll Call.** page 1.
- II. ***Motion for Excused Absences.**
- III. ***Adoption of Agenda.** page 2.
- IV. Executive Summary. (Attachment No. 1) page 6.
- V. Approval of Prior Meeting Minutes.
 - A. ***February 1, 2021, Minutes.** (Attachment No. 2) page 12.
 - B. ***March 3, 2021, Minutes.** (Attachment No. 3) page 22.
- VI. Report of Member Interest Amount Waived Under A.C.A. Sec. 24-7-205. *Clint Rhoden, Executive Director* (Attachment No. 4) page 24.
- VII. Report of Employer Penalties and Interest Waived Under A.C.A. Sec. 24-7-411. (Attachment No. 5) page 25.
- VIII. ***Adoption of Number of Years for Calculating Final Average Salary pursuant to A.C.A. 24-7-736(c)(1).** *Clint Rhoden, Executive Director*
 - A. ***Resolution 2021-18.** (Attachment No. 6) page 27.
- IX. ***Manifest Injustice Board Review.** *Clint Rhoden, Executive Director and Martha Miller, General Counsel*
 - A. ***In the Matter of MI Claim #2021-03.**
 - B. ***In the Matter of MI Claim #2021-04.**
- X. Investment Committee Report. *Robin Nichols, Investment Committee Chair*

* Action Item

- A. Arkansas Related and Investment Update.
 1. List of Fund Closings.
 - a. Mesa West Real Estate Income Fund V, LP, a Closed-End Value Added Real Estate Fund Focused on Originating Senior Debt on Value Add/Transitional Commercial Real Estate Properties, the Board Authorized Commitment of up to \$40 Million Dollars on December 7, 2020 was Accepted and Closed on March 11, 2021.
 - b. ISQ Global Infrastructure Fund III, L.P, a Closed End Infrastructure Fund Specializing in Utilities, Transportation, and Power, the Board Authorized Commitment of up to \$50 Million Dollars on February 1, 2021, with Imminent Need was Accepted and Closed on March 4, 2021.
 - c. Franklin Park Corporate Finance Access Fund, L.P., a Fund of Funds Managed by Franklin Park Investing in Smaller Buyout, Growth, and Turnaround Private Equity Funds the Board Authorized Additional Commitment of up to \$30 Million Dollars on February 1, 2021, with Imminent Need was Accepted and Closed on February 10, 2021.
 - d. Franklin Park International Fund X, L.P. (formerly Franklin Park International Fund 2019), a Fund of Funds Managed by Franklin Park Investing in International Private Equity Funds the Board Authorized Additional Commitment of up to \$30 Million Dollars on February 1, 2021, with Imminent Need was Accepted and Closed on February 10, 2021.
 - e. Greenbriar Equity Fund V, L.P., a Buyout Fund that will Invest in Advanced Manufacturing and Business Services Companies Across the Logistics, Aerospace & Defense, and Transportation Sub-sectors the Board Authorized Commitment of up to \$30 Million Dollars on February 1, 2021, with Imminent Need was Accepted and Closed on February 22, 2021.
 - f. Change in the Legal Structure of Existing Highland Investments, the Board Authorized Change in the Legal Structure of Certain Highland Investments on December 7, 2020 was Closed on February 23, 2021.
 2. Discussion of US Agriculture Investment Queue.
- B. General Investment Consultant.
 1. Preliminary Performance Report for the Month Ending February 28, 2021. (Attachment No. 7) page 28.
 2. Total Equity Review. (Attachment No. 8) page 52.

XI. Operations Committee Report. *Bobby Lester, Operations Committee Chair*

* Action Item

- A. Open Forum for Potential Rule or Law Changes by Committee Members and Board Members Present.
 - 1. Open Forum.
- B. 2021 Legislative Update.
 - 1. ATRS Board of Trustee Legislation.
 - a. HB1279 - Disability Retirement Determination (Act 223).
 - b. HB1319 - Reciprocity - Final Average Salary (Act 221).
 - c. HB1320 - Employer Reporting - EFT (Act 220).
 - d. HB1326 - Technical/Minor Corrections (Act 279).
 - e. HB1339 - Unused Sick Leave and Final Average Salary (Act 189).
 - f. HB1340 - Correction of Errors - Unreported Service (Act 190).
 - 2. Non-ATRS Legislation.
 - a. SB174 - Termination of Employment (Act 290).
 - b. HB1275 - Reciprocity under Alternate Retirement Plan (Act 427).
 - c. SB232 - Contributory Status for 185 Contract Days (Act 443).
 - d. HB1325 - General Reciprocity (to be heard by JRC April 5, 2021).
 - e. SB231 - Felony Forfeiture (Failed in JRC).
 - f. HB1169 - Public School Employees Heroes Act (Failed in JRC).
- C. Potential Rule Change.
 - 1. Rule 9: 160 Days at Retirement Exceptions. (Attachment No. 9) page 77.
 - 2. Rule 9: Board of Trustees Disability Review. (Attachment No. 10) page 78.
 - 3. Rule 9: Current Draft. (Attachment No. 11) page 79.

XII. ***Board of Trustees Disability Review.** *Clint Rhoden, Executive Director and Martha Miller, General Counsel*

- A. ***Group Order - Approved. The proposed order is for the acceptance of 12 approved disability reviews from June 2018 to February 2021.** (Attachment No. 12) page 94.
- B. ***Group Order - Denied. The proposed order is for the acceptance of 4 denied disability reviews from June 2018 to February 2021.** (Attachment No. 13) page 96.

* Action Item

- C. ***Member Order - ATRS ID #293902.** The proposed order is for the acceptance of an approved disability review for member ATRS ID #293901 after a second review conducted on September 4, 2019. (Attachment No. 14) page 98.
- D. ***Member Order - ATRS ID #498094.** The proposed order is to return the matter to the medical committee with a request that it reconsider the matter in light of the additional information available in the Social Security Decision for member ATRS ID #498094. (Attachment No. 15) page 101.
- E. ***Member Order - ATRS ID #368231.** The proposed order is to return the matter to the medical committee with a request that it reconsider the matter to confirm that the standard of review is based upon the ATRS standard established in A.C.A.24-7-704(a)(1)(D) for member ATRS ID #498094. (Attachment No. 16) page 104.

XIII. ***Staff Reports.**

- A. ***Medical Committee Report.** A total of 11 Disability Applications were approved. (Attachment No. 17) page 107.

XIV. Other Business.

XV. ***Adjourn.**