

AGENDA
ARKANSAS TEACHER RETIREMENT SYSTEM
BOARD OF TRUSTEES

February 6, 2023
10:45 a.m.
1400 West Third Street
Little Rock, AR 72201

- I. ***Call to Order/Roll Call.** page 1.
- II. ***Motion to Excuse Absent Board Members.**
- III. ***Adoption of Agenda.** page 2.
- IV. Executive Summary. (Attachment No. 1) page 7.
- V. ***Approval of December 5, 2022, Minutes.** (Attachment No. 2) page 17.
- VI. Correcting a Scrivener's error in Resolution No. 2022-42, Authorization to pay Post 10-Year T-DROP Interest for Fiscal Year 2023.
 - A. ***Resolution 2023-01.** (Attachment No. 3) page 28.
- VII. ***Staff Empowerment.**
 - A. ***Authority to Transact Business.**
 - 1. ***Resolution 2023-02.** (Attachment No. 4) page 29.
 - B. ***Specific Powers of Executive Director.**
 - 1. ***Resolution 2023-03.** (Attachment No. 5) page 30.
 - C. ***Appointment of ATRS as Manager of LLCs.**
 - 1. ***Resolution 2023-04.** (Attachment No. 6) page 31.
- VIII. ***Authority to Reimburse Trustee Expenses for 2023.**
 - A. ***Resolution 2023-05.** (Attachment No. 7) page 32.
- IX. ***Authorization for Board Travel and Expense Reimbursement for 2023.**

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- A. ***Resolution 2023-06.** (Attachment No. 8) page 33.

- X. ***2023-2024 Employer Contribution Rate.**
 - A. ***Resolution 2023-07.** (Attachment No. 9) page 38.

- XI. ***2023-2024 Member Contribution Rate.**
 - A. ***Resolution 2023-08.** (Attachment No. 10) page 39.

- XII. ***Surcharge Rate for Outsourced Positions.**
 - A. ***Resoution 2023-09.** (Attachment No. 11) page 40.

- XIII. ***Actuarial Valuations, June 30, 2022.**
 - A. ***Active & Inactive Members.** (Attachment No. 12) page 41.
 - B. ***Retirees & Beneficiaries.** (Attachment No. 13) page 117.

- XIV. Report of Member Interest Amount Waived Under A.C.A. Sec. 24-7-205.

- XV. Report of Employer Penalties and Interest Waived Under A.C.A. Sec. 24-7-411. (Attachment No. 14) page 160.

- XVI. Member's Eligibility to Retire Using Purchased Future Service Credit. *Clint Rhoden, Executive Director*

- XVII. Investments Committee Report.
 - A. Arkansas Related and Investment Update.
 - 1. List of Fund Closings.
 - a. Alpine Investors IX, LP, a fund specializing in software and service companies, the Board authorized commitment of up to \$30 million dollars on December 5, 2022 was accepted and closed on December 20, 2023.
 - b. Franklin Park Corporate Finance Access Fund II, LP, a fund focused on smaller buyout, growth equity and turnaround funds, the Board authorized additional commitment of up to \$30 million dollars on December 5, 2022 with Imminent Need was accepted and closed on December 6, 2022.
 - 2. Board Policies Report. (Attachment No. 15) page 162.
 - B. General Investment Consultant.

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1. Preliminary Performance Report for the Quarter Ending December 31, 2022. (Attachment No. 16) page 165.
- C. Real Assets Consultant Report.
 1. Performance Report for the Quarter Ending September 30, 2022. (Attachment No. 17) page 314.
- D. Private Equity Consultant Report.
 1. Private Equity Portfolio Review for the Quarter Ending September 30, 2022. (Attachment No. 18) page 367.
 2. ***Recommendation to approve for Board adoption Resolution 2023-10, authorizing an investment of up to \$30 million dollars in LLR Equity Partners VII, L.P. with Imminent Need.** (Attachment No. 19) page 422.
 - a. ***Resolution 2023-10.** (Attachment No. 20) page 426.
 3. ***Recommendation to approve for Board adoption Resolution 2023-11, authorizing an investment of up to \$30 million dollars in GCG Investors VI, L.P. with Imminent Need.** (Attachment No. 21) page 428.
 - a. ***Resolution 2023-11.** (Attachment No. 22) page 432.
 4. ***Recommendation to approve for Board adoption Resolution 2023-12, authorizing an investment of up to \$65 million dollars in Franklin Park Co- Investment Fund VI, L.P. with Imminent Need.** (Attachment No. 23) page 434.
 - a. ***Resolution 2023-12.** (Attachment No. 24) page 447.
- XVIII. Operations Committee Report.
 - A. Open Forum for Potential Rule or Law Changes by Committee Members and Board Members in Attendance.
 1. Open Forum.
 - B. ATRS 2023 Legislative Package Update.
 1. SB115 To Amend and Update the Law Concerning Survivor Annuity Benefits. Sponsor: Senator Kim Hammer Co-Sponsor: Representative Les Warren. (Attachment No. 25) page 449.
 2. SB116 To Allow the Purchase of Permissive Service Credit. Sponsor: Senator Kim Hammer Co-Sponsor: Representative Les Warren This bill permits ATRS members to purchase permissive service credit from ATRS. (Attachment No. 26) page 457.

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3. SB117 To Amend and Update the Law Concerning the Termination Separation Period.
Sponsor: Senator Kim Hammer
Co-Sponsor: Representative Les Warren. (Attachment No. 27) page 460.
4. HB1183 To Amend and Update Provisions for Outsourcing
Sponsor: Representative John Maddox Co-Sponsor: Senator Kim Hammer. (Attachment No. 28) page 462.
5. HB1184 To Amend the Law Concerning the Membership Status of Certain Members Sponsor: Representative John Maddox Co-Sponsor: Senator Kim Hammer. (Attachment No. 29) page 468.
6. HB1186 To Amend and Update the Law Concerning Annuity Options. Sponsor: Representative Andrew Collins Co-Sponsor: Senator Kim Hammer. (Attachment No. 30) page 470.
7. HB1187 To Amend and Update the Law Concerning the Lump-Sum Death Benefit. Sponsor: Representative Andrew Collins Co-Sponsor: Senator Kim Hammer. (Attachment No. 31) page 475.
8. HB1188 To Amend and Update the Law Concerning the Final Average Salary. Sponsor: Representative Andrew Collins Co-Sponsor: Senator Kim Hammer. (Attachment No. 32) page 480.
9. HB1199 To Permit a Refund of Unused Purchased Service Credit. Sponsor: Representative Mark Perry Co-Sponsor: Senator Kim Hammer. (Attachment No. 33) page 483.
10. HB1200 Concerning an Inactive Member's Eligibility for Free Military Service Credit and Ability to Purchase Military, Contributory, and Federal Service Credit. Sponsor: Representative Mark Perry Co-Sponsor: Senator Kim Hammer. (Attachment No. 34) page 489.
11. HB1201 To Enact the Arkansas Teacher Retirement System's General Omnibus. Sponsor: Representative Les Warren Co-Sponsor: Senator Kim Hammer. (Attachment No. 35) page 492.
12. HB1202 Concerning the Multiplier Used to Calculate a Life Annuity. Sponsor: Representative Les Warren Co-Sponsor: Senator Kim Hammer. (Attachment No. 36) page 521.

XIX. ***Board of Trustees Disability Review.**

- A. ***In Re: ATRS ID# 378469.** (Attachment No. 37) page 524.
- B. ***In Re: ATRS ID# 259038.** (Attachment No. 38) page 528.

XX. Staff Reports.

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A. ***Medical Committee Report. 10 Applications were approved.**
(Attachment No. 39) page 531.

XXI. Other Business.

XXII. ***Adjourn.**