

AGENDA
ARKANSAS TEACHER RETIREMENT SYSTEM
BOARD OF TRUSTEES

February 1, 2021
11:00 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 6.
- IV. ***Approval of Prior Meeting Minutes.**
 - A. ***December 7, 2020 Minutes.** (Attachment No. 2) page 15.
 - B. ***January 20, 2021 Minutes.** (Attachment No. 3) page 23.
- V. ***Staff Empowerment.**
 - A. ***Authority to Transact Business.**
 - 1. ***Resolution 2021-01.** (Attachment No. 4) page 25.
 - B. ***Specific Powers of Executive Director.**
 - 1. ***Resolution 2021-02.** (Attachment No. 5) page 26.
 - C. ***Appointment of ATRS as Manager of LLC's.**
 - 1. ***Resolution 2021-03.** (Attachment No. 6) page 27.
- VI. ***Authority to Reimburse Trustee Expenses for 2021.**
 - A. ***Resolution 2021-04.** (Attachment No. 7) page 28.
- VII. ***Authorization for Board Travel and Expense Reimbursement for 2021.**
 - A. ***Resolution 2021-05.** (Attachment No. 8) page 29.
- VIII. ***2021-2022 Employer Contribution Rate.**
 - A. ***Resolution 2021-06.** (Attachment No. 9) page 34.

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- IX. ***2021-2022 Member Contribution Rate.**
 - A. ***Resolution 2021-07.** (Attachment No. 10) page 35.

- X. ***Adoption of Contribution Rate applied to Outsourced Positions.**
 - A. ***Resolution 2021-08.** (Attachment No. 11) page 36.

- XI. ***2021 Board of Trustee Election Update.**
 - A. ***Certification of Dr. Mike Hernandez as Administrator Trustee.**
 - 1. ***Resolution 2021-14.** (Attachment No. 12) page 37.
 - B. ***Certification of Mr. Shawn Higginbotham as Administrator Trustee - Superintendent.**
 - 1. ***Resolution 2021-15.** (Attachment No. 13) page 38.
 - C. ***Certification of Ms. Anita Bell as Minority Trustee.**
 - 1. ***Resolution 2021-16.** (Attachment No. 14) page 39.

- XII. ***Actuarial Valuations, June 30, 2020.**
 - A. ***Active & Inactive Members.** (Attachment No. 15) page 40.
 - B. ***Retirees & Beneficiaries.** (Attachment No. 16) page 113.

- XIII. Report of Member Interest Amount Waived Under A.C.A. Sec. 24-7-205.
(Attachment No. 17) page 152.

- XIV. Report of Employer Penalties and Interest Waived Under A.C.A. Sec. 24-7-411.
(Attachment No. 18) page 153.

- XV. ***Manifest Injustice for Board Approval.**
 - A. ***In the Matter of MI Claim #2020-06.** (Attachment No. 19) page 154.
 - B. ***In the Matter of MI Claim #2020-07.** (Attachment No. 20) page 155.

- XVI. ***Clarification and Reaffirmation of Investment Management Processes under ATRS Policy 4.** *Clint Rhoden, Executive Director and Rod Graves, Deputy Director*
 - A. ***Resolution 2021-13.** (Attachment No. 21) page 156.

- XVII. Audit Committee Report. *Kelly Davis, Audit Committee Chair*
 - A. Internal Audit: Teacher Deferred Retirement Option Plan (T-DROP).
(Attachment No. 22) page 158.

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XVIII. Investment Committee Report. *Robin Nichols, Investment Committee Chair*

- A. Arkansas Related and Investment Update.
 - 1. List of Fund Closings.
 - a. Kayne Anderson Real Estate Partners VI, L.P. ("KAREP VI"), a Closed-End Opportunistic Real Estate Fund Focused on Senior Housing and Medical Offices, the Board Authorized Commitment of up to \$50 Million Dollars on September 28, 2020 was Accepted and Closed on November 24, 2020.
 - b. PGIM Real Estate Capital VII SCSp, ("PRECap VII"), a Closed-End Real Estate Fund Specializing in Junior and Senior Debt in the European Real Estate Market, the Board Authorized Commitment of up to \$40 Million Dollars on September 28, 2020 was Accepted and Closed on December 18, 2020.
 - 2. American Center Update.
- B. General Investment Consultant.
 - 1. Preliminary Performance Report for the Quarter Ending December 31, 2020. (Attachment No. 23) page 165.
- C. Real Assets Consultant Report.
 - 1. Performance Report for the Quarter Ending September 30, 2020. (Attachment No. 24) page 304.
 - 2. ***Recommendation to Commit up to \$50 Million Dollars to ISQ Global Infrastructure Fund III, L.P, a Closed End Infrastructure Fund Specializing in Utilities, Transportation, and Power with Imminent Need.** (Attachment No. 25) page 357.
 - a. ***Resolution 2021-09.** (Attachment No. 26) page 396.
- D. Private Equity Consultant Report.
 - 1. Private Equity Portfolio Review for the Quarter Ending September 30, 2020. (Attachment No. 27) page 398.
 - 2. ***Recommendation to Make an Additional Commitment of up to \$30 Million Dollars in 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 with Imminent Need.** (Attachment No. 28) page 452.
 - a. ***Resolution 2021-10.** (Attachment No. 29) page 461.
 - 3. ***Recommendation to Make an Additional Commitment of up to \$30 Million Dollars in 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 with Imminent Need.** (Attachment No. 30) page 463.
 - a. ***Resolution 2021-11.** (Attachment No. 31) page 476.

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4. ***Recommendation to Commit up to \$30 Million Dollars in 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 with Imminent Need.** (Attachment No. 32) page 478.
 - a. ***Resolution 2021-12.** (Attachment No. 33) page 481.

- XIX. Operations Committee Report. *Bobby Lester, Operations Committee Chair*
- A. Open Forum for Potential Rule or Law Changes by Committee Members and Board Members Present.
 1. Open Forum.
 - B. Legislaive Update.

- XX. ***Staff Reports.**
- A. ***Medical Committee Reports. A Total of 14 Disability Retirement Applications Approved.** (Attachment No. 34) page 483.

XXI. Other Business.

XXII. ***Adjourn.**