Craig Husting

Episode 218: Executive Spotlight: Craig Husting – CIO at The Public School and Education Employee Retirement Systems of Missouri

GUEST Q & A

Stewart: Welcome to another edition of the InsuranceAUM.com Podcast. My name's Stewart Foley, I'll be your host. Welcome back and thanks for joining us. I've got a very special podcast today and this one's got a lot of deep personal roots for me and I'm super happy to be able to do this one. It's also the first time we've done something on the order of 215 podcasts and this is the first time we've ever done one that's not on insurance asset management. So today's CIO spotlight features Craig Husting, who's a really long, long time friend and just a terrific guy. And he is the chief investment officer of the Public School and Education Retirement Systems of Missouri, otherwise known as Missouri Teachers. Craig, man. Listen, thanks so much for coming on. We're thrilled to have you.

Craig: It's great to be with you, Stewart. As you said, I think we've known each other probably for 30 years. Probably at least 30 years, so really great to reconnect on the podcast.

Stewart: Yeah, it's great. We always start these the same way, but this is totally different. So I want to take our audience back to when I was teaching full-time and I was in class and it was the first day of class. And I think it was Finance 210 and I was at Lake Forest College and teaching finance there. And the first day of class I would always go around the room and say, "What was your hometown, what's your major, and what's a fun fact?" I started on the left side of the room at the front and went all the way around the room. And the young man sitting in the front row on my right said, "My name is Sam Husting, I'm from Jefferson City, Missouri. And my fun fact is I think you know my dad." And I almost fell over and I was like, "Your dad is Craig Husting?" And he goes, "Yeah." And I was like, "Oh, my God, that's amazing."

Craig: And really at that point, Stewart, we probably hadn't talked to each other in 10 years, I would guess.

Stewart: Every bit of it.

Craig: Yeah.

Stewart: And what's the coolest part about that is that it led to you and I reconnecting, but we knew each other. You're one of the people that I've known the longest as an institutional investor. I was the Treasurer of the City of Columbia and you went to work, I think, at the State Treasurer's Office for Betty Wardleman. Is that right?

Craig: Actually, Betty left and so I think I took her job at the State Treasurer's Office. And so was managing a fixed income portfolio there. Would've been 1996 and I think that's when we originally connected, Stewart. I think we were both taking the CFA at the same time, so I think we probably connected over that as well.

Stewart: That's right, because that certificate over my head has a 1997 date on it. So hopefully we were taking level two, but it may have been level three. I managed to sneak through there after a try number two, but so there were three of us. It was Rick Dahl who was at MOSERS. You were at the State Treasurer's Office and I was at the City of Columbia. And that was like the three of us. I mean, really, Rick went on, as you know well, being the CIO at MOSERS and has retired. And you're now the CIO of Missouri Teachers, which is a heck of a job. And you've also, interestingly enough, added one of my former students to your staff, Anthony Victor, who was so cool. And he is so happy to be working with you. And I think that our audience is going to find out why after they hear you, but I'm so personally thankful that you're back on. It's super cool for me to be able to do this with you.

Craig: Yeah, I feel the same way, Stewart. It's really great to reconnect. And again, we also have another connection, as you mentioned, with Anthony, so very cool.

Stewart: Yeah, it's good all around. So our audience is overwhelmingly insurance investment professionals on both sides of the ball. The asset owner community, the asset management community. There's a whole language and a whole set of externalities that's unique to insurance and the public pension arena may not be as familiar to our audience. So can you just give us the big Crayola version of what is Missouri Teachers and what are you charged with as far as your retirees and just the big crayons?

Craig: Sure. The big picture, so we have $58 billion in assets. We have 307,000 members. Of those 307,000 members, we have about 107,000 that are retired. And so our goal obviously is to pay pension benefits in a defined benefit format to these pensioners every month. We're a little bit different than an insurance company, so we'd have a discount rate that does not change. It's a static discount rate. Ours is 7.3%, so we need to hit that 7.3% annually to be able to meet our liability payments. We're also, again, based on the way a public plan works and based on the age of the plan, at some point the contributions that we take in from our teachers and school districts will not be enough to meet the benefit payments. So early on, contributions were much higher than benefit payments. It kind of goes over time to the point now where we're negative cash flow.

So in any one year we need to pay out about $2 billion more in benefit payments than we take in contributions each year, so that's a big piece. So we have to have quite a bit of liquidity to meet those payments, but, again, trying to get a 7.3% hurdle rate to do that, obviously you have to take a lot of risk in the portfolio. Which, again, is probably a little bit different than an insurance company, so that's kind of where we're forced to go. High equities, a lot of privates, that's typically where a lot of large public pension plans have gone.

Stewart: So I managed the police and fire pension plan and that is the sum total of my knowledge of public pension plans, but that has never stopped me from going headlong into a topic before. So as you know, if you've listened to any of our podcasts. So like insurance companies, there are actuaries who do studies based on the demographics of your plan. And the 7.3% discount rate is your plan's rate of return assumption, right?

Craig: Correct.

Stewart: And so based on that, the actuaries are making projections in the same manner that a life insurance or an annuity company would be making. It's the same thing. You're looking at demographics, life expectancy, the benefit payments, the COLA, if there's a cost of living adjustment or whatever it is. That's all going into that.

Craig: You're exactly right. So we do have an actuary. Our actuary is actually PwC, so big three, big four accounting firm. And they actually look at every single member and actually break down all 300,000 members and looks at Stewart Foley individually, how long they expect Stewart Foley to live, when they expect him to retire, what they expect his salary to be when he retires, how much they think his salary will increase each year and then also COLA payments, as you mentioned. So we do have a relatively generous COLA policy I think that every retiree gets and so that has to be factored in also. Retirees are essentially eligible for a COLA after three years of retirement, but then it kicks in and it's based on the CPI formula.

But that's another piece that's very expensive in our role, but also something we have to plan for in the liability side. But the actuary does that every year, comes up with a number each year called an ADC, an actuarial defined contribution rate, which tells us how much the schools and the teachers have to contribute into the plan based on our return sum to make everything work longer term. So that's what everything's based on. As probably like insurance companies, we have an actuarial audit every five years to make sure the auditors or the actuary is doing what we expect them to do and those kinds of things also.

Stewart: When you talked about the cost of the COLA, it takes me back teaching finance and valuing annuities versus growing annuities. And the formula is very different, right? And you're discounting the COLA adjustment from your rate of return assumption and that causes the PV to go through the roof in a big hurry, right? I mean, it's a big adjustment.

Craig: It's a big adjustment. It's a really expensive cost. So if CPI is above 2%, essentially we're going to pay 2% COLA per year. As you stated, Stewart, it's incredibly expensive. So you think our average retiree actually retires at a very young age, so probably ages 54 they retire. I think we expect a female in our system to live to about 85, 86. And so if you're paying a COLA for 30 years, a 2% COLA compounded, it's incredibly expensive part of our liability structure.

Stewart: So what effectively the equation is essentially 'I work for 30 years and I'm retired for 30 years'. Which means that the contribution rate is significant, particularly given there's a big COLA. Is that fair?

Craig: That's very fair, Stewart. So another factor, so we have two systems. One is for the teachers, the other system is for school employees, which would be janitors, cafeteria workers, bus drivers, et cetera, IT people. The teachers do not pay into social security, so their sole benefit really is this defined benefit plan, no social security. So their contribution rate's even higher than the other system. So the total contribution rate in the teacher system is 29%, so 14.5% coming straight out of the teacher's pocket, the other 14.5% coming out of the school district's pocket, so a total of 29%. So a very high contribution rate in total, but the benefit's pretty strong and they're not paying social security.

Stewart: And let me just say this, shout out to the teachers worldwide. Love, love you. I was a college prof for a few years and was one of the greatest experiences of my life. I think being a primary or secondary education teacher is so much harder than being a college prof and I just have a tremendous amount of respect for the entire profession. And just want to say don't let my comments about your COLA being expensive to say that I've got some kind of problem with it, because I don't.

Craig: No. In fact, I'll say it's expensive also and I say that all the time, but I will say that's a great thing about working in an environment like this, is we call ourselves mission-based investing. So we're actually investing for a mission, which is to provide retirement security for the great teachers out there and school employees, like you just talked about, Stewart. So when we hire investment staff here, a lot of these investment people, as you know, yourself included, could go do something different, make more money probably someplace else, but a lot of the people we have, employees we have choose it because it's a great mission. You're investing actually to help somebody retire in a great way, so we're excited about that.

Stewart: I remember my bus drivers when I was a kid. I remember my teachers and it's just those people have huge impacts on your life, for sure. But let's talk a little bit about the compare and contrast, public pension money with insurance money. And what I want to kind of do is we've talked a little bit about the actuarial side of it, but what about in insurance? One of the primary externalities is that investments carry capital charges. And the higher risk the investment, depending upon the regulatory framework, and let me make all the proper disclosures that I could possibly make that is going to free me of any liability of what I'm about to say, so the riskier the investment, at least in the regulatory framework, the higher the capital charge. And so that ends up having an impact on the construct of insurance investment portfolios, meaning making them overwhelmingly fixed income assets.

Which leads a lot of people to think that's the dumb money over there, but people don't realize how sophisticated you've got to be to successfully run insurance assets. Is there a similar risk adjustment on your actuarial assumptions or in your investment policy somehow that would do something similar to avoid risk-taking or at least curtail it?

Craig: There's really not. So that makes it I think a little bit more difficult for boards and commissions to understand the process and kind of govern the process. And it puts a lot more responsibility, I believe, on both the boards and the staffs in terms of how they're structured, but there's no charge-off or risk adjusted, as you talked about.

Stewart: That's interesting. So what about you have a team internal and this is common between pension plans and insurance companies. There's some mix of internal and external management. So some insurance companies have internal investment teams that manage assets internally as well as hire external managers. Some do everything in-house, very few. Some outsource everything as well. How do you fall on the insource/outsource size of your team and all of that? How does that work for you?

Craig: I'll take a step back to try to explain it, so 20 years ago it was pretty straightforward. So pretty much stocks and bonds, all public pension plans were just pretty much stocks and bonds. We had just three internal staff and hired external managers for fixed income and for public equity, and probably insurance companies do the same thing. And then we really progressed over time to add alternatives, trying to get a better risk-adjusted return. We're also very concerned about the downside, having down periods and so to try to smooth out those returns. We've added, as have most public plans, a lot of different alternatives. Hedge funds, private credit, private equity, private real estate. So as we've done those things, our teams have grown quite a bit.

The operational side of the house has grown quite a bit because it takes more manpower. And then most recently, probably five years ago, we started doing more direct investing. So we're actually investing directly in private credit where we're making actual loans to private equity sponsors. Also doing co-investments on the private equity side, so that's increased our team. Also, we now have a dedicated team that really is kind of a credit shop at looking at private credit individual loans. And so we spent more time on that, have more people in that regard now also. So probably we have a total of 30 people, about 22 are investment professionals, the other 8 or so are on the operational side.

Stewart: And so I'll say this not to embarrass you, but it's the truth. You are very highly regarded among your peers and among your staff. You've got a great reputation for developing talent and you've been widely recognized as a great leader. Is there any secret sauce around developing talent internally? And I know that insurance companies sometimes struggle to attract the best and the brightest because not everybody's thinking that the insurance industry is a great place to go. How do you address recruiting?

Craig: Yeah, we've really struggled with that over the 25 years I've been here, Stewart, and early on I think was more of a struggle. Today, I think we've got a decent model, knock on wood, that I believe works. And I think it all starts with governance, so the governance is so important. We have a board that we report to. I have an executive director I report to and then a board of 7 trustees, 5 of which are elected by the membership, 2 appointed by the governor. But the governance is so important. And so the public plan investment teams that succeed versus the ones that don't succeed, it's all based on governance. So very much aligned between the board, the staff, the executive director. We spent a lot of time over the last 20 years on education in terms of working with the board in terms of building the right portfolio.

And so it's kind of been a reinforcing process where good governance, we present an idea, the board trusts us that the idea works. We just did things slowly, so we just did a little bit in hedge funds, a little bit in private equity, a little bit in real estate. Have success, keep building on that success, which allows them to have confidence in what we're doing and then we've built a team from there. And so early on it was “Come join us as a young person. We can give you a lot of responsibility. Can't pay you a lot, but we can give you a lot of responsibility at an early age.” You get access to some of the best investors in the world and so that's attracted to people. And also mission-based investing, so that was kind of the first piece. And then as we've grown, the governance structure has allowed us to pay more competitively, really offer stability, a great pension plan.

And then if you're a curious investor, as I've just mentioned, at our size we can get access to almost any investor in the world. And so that can be very attractive to young people. They get really great experience. And our goal is we hire young people, give them great experience and then hopefully we can hang on to them by very competitive pay, but just a very interesting place to work and a great mission to invest in. So as I mentioned earlier, just some cool things that I think the younger people really like. Again, doing private credit directly, doing direct loans is something that a 28-year-old probably not going to get the ability to do that up there at a big firm. Here, someplace like this, they can get access to doing that in a team environment, so we really try to sell that.

Stewart: I love that. So let's switch gears to technology. How are you using technology to make better investment decisions? There's a couple of topics here and let's just throw them all out there. We've got more data than ever. Is it helping us? And then you think about data science and machine learning and AI. I know of some insurance investment shops that are deploying AI now and have been. What's going on at Missouri Teachers on the technology front?

Craig: So we definitely invest in quantitative public equity managers that are using AI quite a bit and have been for several years. So that's one side of it, which that doesn't involve us directly, but we're investing in those types of people. I think where it impacts us, two things. One, as you mentioned, Stewart, so much more information is coming in. I think it makes it hard on people like you or me or anyone running large pension plans because there's so much data coming at you. So I think facilitating through that is difficult. We're trying to use it somewhat on the back end, so we now have a very large investment portfolio. Just the private credit portfolio I talked to you about, which is, again, direct loans, individual deals. We're doing a relatively small amount, so $20 million allocations. We now have over $2 billion in this portfolio at $20 million a pop.

So a lot of direct loans to keep track of. And so we want to monitor those direct loans on a quarterly basis, all the financial information. We want to look at the ratio so we can determine is that loan in trouble? Is it successful? And keep looking at it day by day by day, quarter by quarter. And so we're now using tools internally with the help of AI to scrape data to bring it into our models so we can evaluate that information a little more quickly and not on a manual basis. So I think that the way we're using AI and machine learning is really to scrape data that relates to our portfolio companies or loans so we can analyze, bring all the data in and analyze on a quicker basis without using up a person to do that manually.

Stewart: That's really helpful. And so the clear trend in insurance right now is to private credit. It's not new, but it is alive and well. And I don't think it's unique to insurance, but if you look at the way the banks have pulled back and you look at the matchup of the liability structure of insurance companies, it's a beautiful fit for private credit and I think it works well for you as well. Can you talk a little bit about ... It's a huge topic. Can you tell me what maybe isn't priced right in your mind? Is there more risk than you think maybe folks are thinking? Where do you sit on private credit?

Craig: Yeah, so I listened to a couple of your previous podcasts, Stewart, and he talked about private credit in the insurance world. And so I got a little taste of what's happening on the insurance side and we like private credit as well on the public plan space for a little bit different reason. As I mentioned earlier, we do have a hurdle rate or the discount rate, the return assumption of 7.3%. So private credit is a great way for us to get that 7.3%. Right now, private credit is priced for first lien, maybe SOFR plus 500, which would get you a 10% return or so with no leverage. So it's very attractive to someone like us who's got a hurdle rate of 7.3%. So that's why we like it. In fact, actually, I mentioned we added staff. We actually opened up a satellite office in St. Louis, Missouri. We're based in Jefferson City, Missouri, which most of your audience may not know, Stewart, is a relatively small community, as you know.

And so it's been difficult to hire people with credit experience in Jefferson City, so we opened up the St. Louis office to get access to better credit professionals and that's worked out great. So we built a team in St. Louis to look at private credit. We do like it. I think it's probably priced about right at the current time. I think the risk is if rates stay high, it does put a lot of pressure on these companies to continue making the high debt payments. So rates came up and I think it's put more stress on the companies. Where rates are today, if they stay high for longer, as it looks like it may happen, I think it could put pressure on these companies and we could have some loans that are stressed I think at some point if the rates to do stay high.

Stewart: I guess there are people who don't know about the booming metropolis of Jefferson City.

Craig: It's hard to understand. No one knows about that. Isn't it, Stewart?

Stewart: It is, but I will say this, it is a beautiful setting right on the Missouri River. It is the state capitol. The state house is spectacular. I'm a proud Missourian, but St. Louis, I can understand how it's easier to attract investment staff, perhaps, in a larger metropolitan area. So it makes sense. So insurance companies face, depending upon the type of insurance company, sometimes these are weather-related events or a catastrophic event that's nearly impossible to predict. What are the major risks that you face as a public pension plan investor, just the big levers, and how do you manage those?

Craig: So I think that probably three big levers for us and for all public plans, one is liquidity. As I mentioned earlier, the benefit payments we need to make on a monthly basis now in our case exceed our contributions by about $2 billion a year. You've got to have liquidity to meet pension payments, especially if there's a down market. You have a lot of privates, liquidity becomes even more immediate. And so liquidity is a big issue. And so we spend a lot of time on liquidity studies. We built an internal model that looks at liquidity based on how our portfolio is structured. We stress those models. The market's down 30%, 40%, kind of what happens and can we still meet benefit payments? So that's the biggest one that I think gets people in trouble. The second one we call tail risk. So in our plans, again, and we're all public pension plans, very dependent on contribution, the contribution rate.

And so if there's a lot of tail risk, a lot of volatility in the portfolio, if you have a bad year, really bad year, or bad two years, it forces contribution payments up. And so that means in our case, our teachers, our school districts are paying more out of their paycheck or from their school budget in a year or two years. And so that's a bad thing, so it's hard for a school district to plan that. It's tough for a teacher if their contribution rates going up and down, so we do all we can to limit the volatility of our total portfolio so we have smoother returns. Which limits volatility, limits the contribution rate volatility, which is very important to us.

And then the third one, just, again, thinking about risk from a public plan and what gets people in trouble, I think it goes back to governance again. So it's so important that everyone is aligned. I think there's structures out there where the board, staff, consultants are not aligned. Cases of where you're changing investment strategies every five years if you get a new investment staff, a new CIO, a new board, et cetera. As you know, I think if you have an investment strategy, even if it's not the best strategy, if you stick to it for a long period of time, but for the most part it's going to be somewhat successful. People that get in trouble are going to change it every five years, again, based on new staff, whatever. So I think if you can keep the governance structure stable, keep continuity of staff, it allows you to compound wealth at a more rapid pace, which is the most important thing.

Stewart: That's super helpful. So what are the key considerations and risks as you continue to grow the allocation to private markets? And I mean, this has real implications for the insurance community as well because there's definitely a trend is definitely toward private credit as well.

Craig: I think the easy answer, Stewart, is liquidity. So that's the primary issue I think if you get kind of over your skis in private markets. As you know, there's capital calls. Can you meet those capital calls into the future based on what happens in the market? So I think the liquidity is very important. I think number two is, again, just getting too much into private markets. And so, again, getting over your skis. If you invest too much at one time, it's tough to control the allocation, unlike public equity or public credit. And I think another one is just understanding the returns and the volatility of those returns. Obviously private equity, private credit, private real estate is priced quarterly. Public markets are priced daily, so I think communicating that to your board, your governing bodies are very important.

So there's going to be periods of time where private equity looks much, much better than the public equity markets, but also periods of time like now where private equity does not look very good against public equity for various reasons. That there's not as many distributions, it's kind of slowed down the private equity world. So I think making sure your governing body understands how the returns work in those asset classes is incredibly important.

Stewart: That's super helpful. So hedge funds are a part of your world and they're normally not a big part of insurance company investment portfolios. That's not always the case, but historically they're not nearly as prevalent in the insurance space as they are in other institutional market segments. So can you just give us your quick high-level overview, your thoughts on hedge funds in the current climate?

Craig: We started investing in hedge funds in 2003 and so since that time they've come in and out of favor quite a bit with institutional investors like ourselves. We've stuck with it and we've built a portfolio essentially that has a beta of about 0.4 to the equity markets. And so our goal is really to get returns better than bonds. Maybe not as good as stocks, but much, much lower volatility. And so that's really what we've achieved. And so again, as I mentioned earlier, our goal is to have a lower volatility portfolio. The hedge fund portfolio really helps in periods of stress. So when the market's down quite a bit, it helps us tremendously. If the market's up, like it has been the last couple of years where markets are very strong, hedge funds will trail.

But we really have it for periods of distress to smooth out those returns and extend exactly that. So especially in the last couple of years where treasuries have not given you much, if anything, our hedge fund portfolio has actually done very well, especially in periods of economic stress.

Stewart: That's terrific. So the last question we've got here is got to be my favorite because it pertains to Missouri. And it asks about what is the importance of innovation in Missouri and how is Missouri Teachers; what are you doing to help with innovation? Talk to me about how that works into your mission.

Craig: Yeah, I think it's a great question, Stewart. And so I'll touch on what I mentioned earlier in the call, but we have a lot of assets, a lot of assets invested in the private markets. As you know, the fees are incredibly high if you're paying through the private equity fund or a private credit fund. And so one way we thought we could make a direct impact on our portfolio that goes straight to the bottom line to try to reduce those fees. And so that's why, as I mentioned earlier, we built out a team that's now doing direct credit, direct private credit investing and private equity co-investment investing. And we're doing those at no fees and no carry, so the savings have been significant. So to date, again, we started doing this about five years ago, to date we've saved about a $0.5 billion in fees.

Over a 10-year timeframe, we expect to save about $2.5 billion in fees related to those programs. So if you think about that, it goes straight to the bottom line. So those are contributions, really $2.5 billion in contributions, our teachers do not have to make over the next 10 years because we've implemented programs that can save us tremendous amounts of fees. And so the key is, again, governance, getting it right, getting the staff right, getting everybody on the same page, but we feel we're building that process now, again, to pay long-term dividends to the fund.

Stewart: That's fantastic. I've got a couple of fun ones for you out the door, but is there any kind of thing that you think maybe we didn't do a good job of touching on or something else that I should have asked you or do you want to break out your crystal ball and talk about market opportunities? I mean, I'm up for anything.

Craig: Yeah, I don't know if I'm good on the crystal ball thing, Stewart. I think our focus is going to be more long term and so we're trying to get the structure right for the long again to survive in multiple markets. So I'm not sure I can give you much on the crystal ball.

Stewart: All right, so here comes the fun questions. Are you ready?

Craig: Yeah.

Stewart: What is a piece of advice that you would pass along to a 25-year-old Craig Husting or, actually, Sam, who's got to be real close to 25. So what's a piece of advice that you would give to Sam and his basketball colleagues from Lake Forest College?

Craig: Yeah, so I've got a couple pieces of advice which I've picked up along the years, Stewart, and I've actually passed along to Sam as well as my other three boys. And I talk about all the time, but I think I got four little things I tell younger people.

So one is do the right thing. So in your job, in your life, do the right thing. You know what the right thing is. Do the right thing, that's the most important thing.

Number two, excel at your current job. So I think a lot of times you get caught up in, man, I want that job or this job, I want something else. If you just excel at your current job, things are going to take care of itself. I really believe that. Excel at your current job.

Number three, which I wish someone would've told me this, is work on communication. So I wish I would've taken a debate class or been on the debate team in high school. So as you know, and you're a tremendous communicator, Stewart, but you can have the best investment idea in the world, but if you can't sell it to the board, to the executive director, it really doesn't mean a whole lot. So being able to communicate is huge for young people and for everybody, really.

And then the last one is, man, just be a positive team player, a positive culture carrier. If you're one of those people in your organization, it makes a huge difference. If you're a positive person, a great culture carrier, it helps you along the way. So whether you're in investments or whatever industry you're in, I think all four of those things can work for you.

Stewart: And there's the prima facie example of why people love working for you and your shop. And so I got one more for you. Who would you like to have lunch with, alive or dead? You can have a table of up to four, including yourself. So you can invite three or just one, whatever suits. Who would you most like to have lunch with, alive or dead?

Craig: So again, I've listened to your previous podcasts, Stewart, so I knew this one was coming. So I thought about it and so I'll give you two answers. One, I have four sons. They're now getting older and so selfishly my first quick answer is I don't get often enough to get all four in the same table together for a meal, so I just love that. But to take a little bit further, alive or dead, so I wrote down three people. So two personal, one investment related. My mother-in-law. I know it's strange I'd say my mother-in-law, but she passed away 26 years ago. I think she's got 25 grandchildren. And so I'd love to talk to her again just so she can hear about how her grandchildren have done. She'd be incredibly proud, so that's one. Both my grandfathers passed away when I was about 10 years old. Again, I'd love to talk to them now that I'm an adult to see what they experience in their lives and where they came from, that sort of thing.

So I'd love to do that. And then the last one on the investment side, I'm not sure if all your listeners know him, but most of them probably do. David Swenson, who managed the Yale portfolio forever. The godfather of institutional investing. Would love that. I've heard him speak multiple times, but would love the opportunity to sit down and have lunch with him.

Stewart: That's super cool. That's a great answer. I love the advice. I think honest to God, I think my table could easily be you, Rick Dahl, Dean Shillito, and myself. I'd love that. There would be an astronomical amount of grief being given in all directions, I'm sure.

Craig: And Stewart, we should try to make that happen.

Stewart: I think so. I'd love to do that. I haven't talked to Rick in years and Dean's in St. Louis and he's doing fine. And shout out to those guys, too. So I just appreciate you coming on, man. It's been great. It's great to hear from somebody who's so accomplished as an institutional investor in a slightly different area, so thanks for all the insights and I've really, really enjoyed having you on.

Craig: Me as well, Stewart. Really appreciate the invitation and enjoyed talking with you today.

Stewart: My pleasure. We've been joined today by Craig Husting, who's the Chief Investment Officer of the Public School and Education, Employee Retirement Systems of Missouri, otherwise known as Missouri Teachers. Thanks for listening. If you have ideas for podcasts, please shoot me a note at stewart@insuranceaum.com. Please like us, rate us, and review us on Apple Podcasts, Spotify, Amazon, Google Play, Stitcher, or wherever you listen to your favorite shows. My name's Stewart Foley and this is the InsuranceAUM.com Podcast.