

Minutes of the May 17, 2018 meeting of the Board of Trustees

Meeting was called to order at the offices of the Municipal Fire and Police Retirement System of Iowa, 7155 Lake Drive, West Des Moines, IA at 10:04 a.m. by Marty Pottebaum.

Attendees at the meeting were:

Board Members:

Frank Guihan
Dan Ritter
Marty Pottebaum
Mary Bilden

June Anne Gaeta
Michelle Weidner
Duane Pitcher
Eric Hartman

Contractual Consultants:

Phineas Troy – Summit Strategies
Doug Gross – BrownWinick

Alice Helle - BrownWinick
Cynthia Boyle Lande – BrownWinick

Administration:

Terry Slattery – Executive Director
Dan Cassady – Deputy Director
Blake Jeffrey – Accountant/Investment Officer

BriAnna Nystrom – Executive Administrator
Cody Jans – Investment/Communications Officer
James Bybee – Accountant/Investment Officer

Guests:

Erin Mullenix – Iowa League of Cities
Bridget Godes – Iowa Senate Democratic Staff
Ed Cook – Legislative Services Agency

Bob Bird – Iowa Senate Republican Staff
Brian Guillaume – Iowa House Democrats

The new Administrative Officer was introduced to the Board.

Investment Manager Reports:

Nicholas Gaspari, Managing Director, and Kirk Huddles, VP, Business Development, from the investment firm of **Harvest Fund Advisors LLC**, provided a periodic report to the Board concerning the firm's management of an MLP fund on behalf of MFPRSI. Topics discussed included the firm's investment mandate, personnel or organizational matters, the firm's view of the current status of the market, and the performance of the portfolio since inception of the relationship. The Board, consultant, and Deputy Director queried the representatives on various topics including legal and compliance issues affecting the firm.

Joshua Feuerman, Managing Director, Client Portfolio Manager, from the investment firm of **JP Morgan Asset Management**, provided a periodic report to the Board concerning the firm's management of a Large Cap Core 130/30 portfolio on behalf of the System. Topics discussed included the firm's investment mandate, any personnel or organizational matters, the firm's investment philosophies, the firm's view of the current status of the market, and the performance of the portfolio since inception of the relationship. The Board and administration queried the representative on various matters, including any legal, organizational, or compliance issues facing the firm. The firm's representative reported there were no legal issues facing the firm.

Paul Ross, CFA, President, and Steven Dutaut, CFA, Senior Portfolio Manager, **Mondrian Investment Partners Limited**, provided a periodic report to the Board concerning the firm's management of an international equity portfolio on behalf of the System. The firm's representatives discussed with the Board the performance results of their portfolio through March 31, 2018. The Deputy Director queried the representatives on legal and regulatory issues affecting the firm to which the representatives answered that there are none.

Consent Agenda and Informational Topics

The Board reviewed the following Consent Agenda topics:

Minutes and Schedules:

1. Review & Approval of Minutes of Previous Meeting(s)
2. Schedules – Calendars – Contract Summary

Benefit Activity Reports:

1. Communication Program Activity
2. DROP Program Activity Update
3. Suspension & Withholding Report

Development Program Reports:

1. Legislative Report
2. Local Real Estate Investment Update

The Deputy Director discussed several items in the Consent Agenda.

Mary Bilden moved to adopt the consent agenda as discussed.

Motion was seconded by Duane Pitcher.

Motion was unanimously carried.

Financial Reports: The Deputy Director gave an update to the Board on the FY 2018 budget. He also discussed the 2018 University of Iowa Medical Board Contract.

Mary Bilden moved to adopt the 2018 University of Iowa Medical Board Contract.

Motion was seconded by Eric Hartman.

Motion was unanimously carried.

Actuarial Experience Study: Glen Gahan and Mike Ehmke, representing SilverStone Group, the System's actuary, presented to the Board the results of their detailed experience review of the assumptions used to perform the actuarial valuation, as established by the Board. The Board discussed with the actuary the information provided within the report.

Duane Pitcher moved to accept all of the recommendations from SilverStone for the 7/1/18 valuation.

Motion was seconded by Mary Bilden.

Motion was unanimously carried.

Board Inquiries & any Misc. Discussion Items: The Executive Administrator discussed the FY 2018 goals of annual statements, the spring/summer newsletter, member handbook, and member records electronic access.

Board member, Eric Hartman, asked for the Board's permission to attend the JP Morgan 2018 Global Real Estate Summit.

Mary Bilden moved to allow Eric Hartman to attend the JP Morgan 2018 Global Real Estate Summit.

Motion was seconded by Duane Pitcher.

Motion was unanimously carried.

Board member, Dan Ritter, announced to the Board that he will retire from his current position at the end of May.

Discussion of Legal Matters & Imminent & Pending Litigation Cases: Representatives from the System's legal counsel, BrownWinick, reported that the Hamilton appeal will be in district court tomorrow.

Consideration of & Determination on Appeal Case: (None)

Investment Performance Report: A representative from the System's investment consulting firm, Summit Strategies, reviewed with the Board the current investment market conditions as well as reports of performance for both the System's portfolio and the investment markets as of March 31, 2018.

Investment Program Update: A representative of the System's investment consultant, Summit Strategies, discussed and gave a recommendation regarding the System's Emerging Markets Debt portfolio.

Eric Hartman moved to terminate Pictet Asset Management Ltd. as the System's EMD manager.

Motion was seconded by June Anne Gaeta.

Motion was unanimously carried.

Mary Bilden moved to place the assets currently held by Pictet in the SSgA Bloomberg Barclays US Aggregate Fund as a temporary holding place.

Motion was seconded by Duane Pitcher.

Motion was unanimously carried.

Board Education: Disability: Representatives from the System's legal counsel, BrownWinick, led an educational discussion regarding the MFPRSI disability process.

Meeting was adjourned at 4:27 p.m.