

Minutes of the June 25, 2020 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 9:58 a.m. by Marty Pottebaum.

Attendees at the meeting were:

Board Members:

Laura Schaefer (via telephone)
Nickolas Schaul (via telephone)
Michelle Weidner (via telephone)
Mary Bilden
June Anne Gaeta

Frank Guihan
Marty Pottebaum
Eric Hartman
Duane Pitcher

Contractual Consultants:

Doug Gross – BrownWinick (via telephone)
Cynthia Boyle Lande – BrownWinick (via telephone)

Dave Smith – Marquette (via telephone)
Doug Oest – Marquette (via telephone)

Administration:

Terry Slattery – Executive Director
BriAnna Nystrom – Executive Administrator
Cody Jans – Investment/Communications Officer (via telephone)
Blake Jeffrey – Accountant/Investment Officer (via telephone)

Dan Cassady – Deputy Director
James Bybee – Accountant/Investment Officer (via telephone)

Guests:

Don Triveline – Palisade Capital Management (via telephone)
Lauren Albanese – Financial Investment News Editor (via telephone)
Jennifer Acton – Legislative Services Agency Fiscal Services Division Administrator 2 (via telephone)
Erin Mullenix – Iowa League of Cities Research Director (via telephone)

Investment Manager Reports:

Joseph Nahas (via telephone), Senior Vice President, Investor Relations from the investment firm, **Equus**, provided a periodic report to the Board concerning the firm's management of two U.S. real estate funds for the retirement 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 portfolios 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.

Chris Huckle (via telephone), Client Service Director, Kelly Cameron (via telephone), Client Service Manager, and Brenesha Cox (via telephone), Client Service Manager, from the investment firm, **Baillie Gifford**, provided a periodic report to the Board concerning the firm's management of the Baillie Gifford International Choice Fund on behalf of MFPRSI. 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 representatives on various matters, including any legal, organizational, or compliance issues facing the firm. The firm's representatives reported there were no legal issues facing the firm.

Jeffrey Diehl (via telephone), Managing Partner, Head of Investments, Jeffrey Akers (via telephone), Partner, Head of Secondary Investments, David Brett (via telephone), Partner, Head of Co-Investments, John Gray (via telephone), Partner, Investor Relations, and James Korczak (via telephone), Partner, Primary Investments, from the firm of **Adams Street Partners** provided a report to the Board concerning the firm's proposed management of a private equity separate account referred to as U.S. and European Customized Solution. The Board queried the representatives on issues pertaining to the proposed portfolio.

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

The Deputy Director discussed the Consent Agenda.

Duane Pitcher moved to adopt the Consent Agenda.

Motion was seconded by Mary Bilden.

Roll call vote was taken as follows:

Nickolas Schaul	Aye	Frank Guihan	Aye
Michelle Weidner	Aye	Marty Pottebaum	Aye
Mary Bilden	Aye	Eric Hartman	Aye
June Anne Gaeta	Aye	Duane Pitcher	Aye

The motion was unanimously carried.

Financial Reports: The Deputy Director discussed the Fiscal Year 2020 Budget.

Board Inquiries & any Misc. Discussion Items: The Executive Administrator discussed Fiscal Year 2020 goals including communications, succession planning, and cybersecurity.

The Deputy Director and the Executive Administrator updated the Board of Trustees on the steps taken to protect the health and safety of MFPRSI's members and staff due to COVID-19.

Discussion of Legal Matters, Imminent/Pending Litigation Cases: Representatives from MFPRSI's legal counsel, BrownWinick, reported there are no updates to ongoing litigation cases. Also, the District Court appeal hearing in the Lander disability appeal case has been scheduled for September 11.

Investment Program Update: Representatives from MFPRSI's investment consulting firm, Marquette, made a recommendation to the Board regarding the Private Equity portfolio.

Duane Pitcher moved to commit \$130 million over three years to a U.S. Middle Market and International Buyout portfolio with Adams Street Partners, subject to successful contract negotiations.

Motion was seconded by Mary Bilden.

Roll call vote was taken as follows:

Nickolas Schaul	Aye	Frank Guihan	Aye
Michelle Weidner	Aye	Marty Pottebaum	Aye
Mary Bilden	Aye	Eric Hartman	Aye
June Anne Gaeta	Aye	Duane Pitcher	Aye

The motion was unanimously carried.

Investment Performance Report: Representatives from MFPRSI's investment consulting firm, Marquette, reviewed with the Board the current investment market conditions as well as reports of performance for both the retirement system's portfolio and the investment markets as of May 31, 2020.

Consideration of & Determination on Appeal Case: (Abbott & Maxey):

Mary Bilden moved the Board go into closed session for discussion of the appeal subcommittee hearings.

Motion was seconded by Duane Pitcher.

Roll call vote was taken as follows:

Nickolas Schaul	Aye	Frank Guihan	Aye
Michelle Weidner	Aye	Marty Pottebaum	Aye
Mary Bilden	Aye	Eric Hartman	Aye
June Anne Gaeta	Aye	Duane Pitcher	Aye

The motion was unanimously carried.

Present during the closed session were:

Board Members:

Nickolas Schaul (via telephone)
Michelle Weidner (via telephone)
Mary Bilden
June Anne Gaeta

Frank Guihan
Marty Pottebaum
Eric Hartman
Duane Pitcher

Contractual Consultants:

Doug Gross – BrownWinick (via telephone)

Cynthia Boyle Lande – BrownWinick (via telephone)

Administration:

Terry Slattery – Executive Director
BriAnna Nystrom – Executive Administrator

Dan Cassady – Deputy Director
Cody Jans – Investment/Communications Officer (via telephone)

At the conclusion of the discussion, **Mary Bilden moved the Board conclude the closed session.**

The motion was seconded by Michelle Weidner.

Roll call vote was taken as follows:

Nickolas Schaul	Aye	Frank Guihan	Aye
Michelle Weidner	Aye	Marty Pottebaum	Aye
Mary Bilden	Aye	Eric Hartman	Aye
June Anne Gaeta	Aye	Duane Pitcher	Aye

The motion was unanimously carried.

Mary Bilden moved to uphold Ramon Maxey's appeal to waive the member in good standing requirement and allow Mr. Maxey's disability application to proceed.

Motion was seconded by Michelle Weidner.

Roll call vote was taken as follows:

Nickolas Schaul	Aye	Frank Guihan	Aye
Michelle Weidner	Aye	Marty Pottebaum	Aye
Mary Bilden	Aye	Eric Hartman	Aye
June Anne Gaeta	Aye	Duane Pitcher	Aye

The motion was unanimously carried.

Meeting was adjourned at 1:51 pm.