

MUNICIPAL FIRE & POLICE RETIREMENT SYSTEM OF IOWA

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Minutes of the February 26, 2015 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 10:01 a.m. by Marty Pottebaum.

Attendees at the meeting were:

Board Members:

Eric Court
Frank Guihan
Marty Pottebaum
Scott Sanders
Duane Pitcher

June Anne Gaeta (via telephone)
Michelle Weidner (via telephone)
P. Kay Cmelik
Mary Bilden (via telephone)

Contractual Consultants:

Phineas Troy – Summit Strategies

Doug Gross – BrownWinick

Administration:

Terry Slattery – Executive Director
BriAnna Nystrom – Administrative Officer
Cody Jans – Accountant/Investment Officer
Brian Danielson – Benefits Supervisor

Dan Cassady – Deputy Director
Blake Jeffrey – Accountant/Investment Officer
James Bybee – Accountant/Investment Officer

Guests:

Erin Mullenix – Iowa League of Cities

Investment Manager Reports:

Pat Jakobson, Managing Director from the investment firm of **JP Morgan Asset Management**, provided a periodic report to the Board concerning the firm's management of a strategic global balanced portfolio on behalf of the System. Topics discussed included the firm's investment mandate, any 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.

Grantham, Mayo, Van Otterloo & Co. LLC representatives Peter Nolan and Matt Kadnar reviewed with the Board the performance of the strategic global balanced portfolio they manage on behalf of the System. Topics discussed included the firm's investment mandate, any 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.

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

Financial Reports:

1. Status and Any Proposed Modification of the Budget
2. Medical Board Contract Renewal
3. GASB 68 Report Draft

Benefit Activity Reports:

1. Communication Program Activity
2. DROP Program Activity Update

Development Program Reports:

1. Legislative Report

The Executive Director, Deputy Director, Benefits Supervisor, and the Board discussed various topics in the consent agenda.

P. Kay Cmelik moved to adopt the consent agenda as discussed.

Motion was seconded by Frank Guihan.

Motion was unanimously carried.

Inquiries from the Board & Interested Parties & any Misc. Discussion Items: The Executive Director informed the Board of Trustees that Scott Sanders has resigned from the Board after this meeting. The Deputy Director discussed Administration Goals for Fiscal Year 2015 including GASB 68, the actuarial audit, document imaging, the organizational communications plan, and strategic planning. The Executive Director discussed the System's relationship with Wixted and Company.

Discussion of Legal Matters & Imminent & Pending Litigation Cases: Representatives from the System's legal counsel, BrownWinick, discussed with the Board the status of existing litigation: The System won the Veasley case in district court but Veasley has requested an appeal. Legal counsel is hopeful that the Tribune matter will be dismissed. The System will receive \$2.5 million as a result of the S&P settlement.

Consideration of & Determination on Appeal Case: Burken. The Burken appeal was postponed due to weather.

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 December 31, 2014.

Investment Program Update: A representative of the System's investment consultant, Summit Strategies, discussed the private equity program, including a recommendation for the 2015 commitment.

Duane Pitcher moved to commit \$60 million to the Siguler Guff Hawkeye Opportunities Fund.

Motion was seconded by Eric Court.

Motion was unanimously carried.

Statement of Investment Policies & Objectives: The Executive Director discussed the minor updates to the Systems Investment Policy.

Scott Sanders moved to adopt the proposed changes to the Statement of Investment Policies & Objectives.

Motion was seconded by P. Kay Cmelik.

Motion was unanimously carried.

Strategic Planning: As part of its FY 2015 goals, the Board continued the strategic planning process. A representative from the System's legal counsel discussed the current Mission Statement and the process of creating a Vision Statement. The Board will continue the discussion in future meetings.

Meeting was adjourned at 1:45 p.m.