



## Board of Trustees

**Bill Seibert**  
Board Chair  
MSHP Retiree  
Representative

**Todd Tyler**  
Board Vice Chair  
MoDOT Active  
Representative

**Senator Mike Bernskoetter**  
Appointed by the President  
Pro Tem of the Senate

**John Briscoe**  
Highways & Transportation  
Commissioner

**Sgt. Matt Broniec**  
MSHP Active  
Representative

**Sue Cox**  
MoDOT Retiree  
Representative

**Patrick McKenna**  
Director of MoDOT  
Ex-Officio Member

**Lt. Col. Eric Olson**  
Interim Superintendent  
of MSHP  
Ex-Officio Member

**Michael Pace**  
Highways & Transportation  
Commissioner

**Gregg Smith**  
Highways & Transportation  
Commissioner

**Rep. Sara Walsh**  
Appointed by the  
Speaker of the House

## Board Meeting Summary 1:00 pm on February 21, 2019

### Approval of November 29, 2018 Meeting Minutes

The Board approved the [minutes of the November 29, 2018](#) meeting. The results of the meeting and prior meetings can be found on MPERS' website. Minutes from the current meeting will be posted after they are adopted at the Board's next regular meeting.

### Board Welcomes New Trustees

Senator Mike Bernskoetter and Representative Sara Walsh were welcomed to the Board. These appointments have returned the Board to a full slate of trustees.

### Board Elects New Chair and Vice Chair

Elections were held for Chair and Vice Chair. Mr. Bill Seibert will serve as Chair and Mr. Todd Tyler will serve as Vice Chair. Mr. Seibert had previously served as the Vice Chair during the past two years.

### Investment Performance

*Presenters: Larry Krummen, Chief Investment Officer (MPERS) & Kevin Leonard (NEPC)*

As of December 31, 2018, MPERS' returns ranked in the top 3% of the peer universe across all measurement periods out to 10 years. The low-risk profile for the last 10 years also ranked in the top 3% of the universe. The combination of strong returns and low-risk profile over the last 10 years resulted in MPERS obtaining a risk adjusted return that rated in the top 1% of the public fund peer universe which comprises several hundred funds.

### Investment Committee Report

*Presenter: Mike Pace (Investment Committee Chair)*

Mr. Leonard (NEPC) presented the 2019 Asset Class Assumptions. This is an annual overview of what the investment consultant views as economic and investment themes, actions and opportunities for the coming year.

Mr. Krummen presented on several topics required by policy, including the investment manager due diligence report, the proxy voting policy and a review of the internal fixed income portfolio.

The Investment Committee voted to recommend to the full board to rescind some of the governance policy changes adopted at the November 2018 meeting. The change would no longer allow the addition of leverage to the MPERS' portfolio.

### Industry Information, etc.

*Presenter: Mr. Patrick McKenna, Trustee*

Trustee McKenna presented for the full Board material similar to that presented in the morning session for the Investment Committee, on a variety of topics related to alternative investments and concerns he sees in the investments industry.

Value of Assets  
(as of 12/31/18)  
**\$2.28 billion**

Funded Status  
(as of 6/30/18)  
**57.1%**

## **Governance Policy Changes**

Following a recommendation by the Investment Committee, and after further consideration and discussion, the Board voted to rescind the addition of leverage to MPERS' portfolio. The original change to the policy was made at the November 2018 board meeting.

## **Legislative Update**

*Presenter: Scott Simon, Executive Director*

Regarding current legislation, Mr. Simon highlighted a few MPERS-related proposals. For additional information regarding the status of current legislation, please visit the Joint Committee on Public Employee Retirement (JCPER) website at [www.jcper.org](http://www.jcper.org).

## **Director's Comments**

*Presenter: Scott Simon, Executive Director (MPERS)*

Mr. Simon reported to the Board that the annual cost of living adjustment for our retirees and beneficiaries was set at 1.954%.

## **2019 Board Meeting Dates**

Thursday, April 25, 2019 (tentative)	Thursday, June 20, 2019
Thursday, September 26, 2019	Thursday, November 21, 2019