



MoDOT & Patrol Employees' Retirement System

Recap of Board Meeting

February 19, 2015

Election of Board Chair and Vice Chair

Mr. Joe Carmichael was reelected as Chairman of the Board and Colonel Ron Replogle was reelected as Vice Chair.

Patrol Employees' Representative — Special Election

Presenter: Mr. Scott Simon, MPERS

Colonel Ron Replogle, the current Patrol's Superintendent, announced his retirement effective May 1, 2015. Major Bret Johnson, the current MSHP Employees' Representative, is to be named the next patrol Superintendent. In preparation, Mr. Simon recommended, and the Board approved, a special election for the MSHP Employees' Representative. Upon confirmation of Major Johnson's promotion, an email will be sent to Patrol Employees for nominations to be submitted to MPERS, followed by electronic ballots to fill the position. The tentative timeframe for the election process is expected to be April to June.

2014 Investment Performance

Presenter: Mr. Larry Krummen, MPERS

The Total Fund one-year return of 10.75% as of December 31, 2014 ranked in the top 1% of NEPC's public fund universe and outperformed the benchmark return of 7.97%. The System's investment performance continues to perform well and ranks in the top 10% of the NEPC public fund universe across all time frames.

Legislative Update

Presenter: Mr. Scott Simon, MPERS' Executive Director

Mr. Simon discussed several bills that could potentially affect the System including HB 485 and SB 238. HB 485 proposes establishing a hybrid plan which implies adding another tier for employees employed on and after January 1, 2016. SB 238 proposes the suspension of benefits for retirees of MPERS and MOSERS upon that retiree returning to full-time employment with any political subdivision in Missouri. To see details on these bills or any others that could impact the System, go to www.house.mo.gov or www.senate.mo.gov

Governance Committee

Presenter: Ms. Sue Cox, MPERS' Trustee

The Governance committee recommended, and the Board approved, two policy changes including, revising the Board Self-Evaluation Policy to be completed at least every three years and the Board Charter to reflect this change; as well as, revising the Executive Director Evaluation Process to allow Trustees who have been on the Board less than four months to abstain from the evaluation process.

Other Business

The System is on track as far as the FY 2015 budget is concerned.

The Committee Appointments remain the same for 2015 as they were for 2014.

A cap in the amount of \$250,000,000 was established for the Plan's Rate Stabilization Reserve Fund. It was determined that the Rate Stabilization Reserve Fund could be depleted in total if a loss of that magnitude occurred.

Board of Trustees

Joe Carmichael
Chair

Highways & Transportation
Commissioner

Colonel Ron Replogle
Vice Chair

Superintendent of MSHP

Major Bret Johnson
MSHP Employees'
Representative

Senator Dave Schatz
Appointed by the President
Pro Tem of the Senate

David Nichols
Director of MoDOT

Rep. Shawn Rhoads
Appointed by the
Speaker of the House

Kenneth Suelthaus
Highways & Transportation
Commissioner

Sue Cox
MoDOT Retirees'
Representative

Todd Tyler
MoDOT Employees'
Representative

William "Bill" Seibert
MSHP Retirees'
Representative

Vacant
Highways & Transportation
Commissioner