

MINUTES

The Board of Trustees of the Municipal Police Employees' Retirement System held a Regular Meeting on Wednesday, July 15, 2020, via audio/video conference due to the public health emergency declared in response to the threat presented by COVID-19.

The meeting was called to order by Chairman G. Scott Ford at 9:00 a.m.

Roll Call

Members Present

Chief G. Scott Ford, Chairman
Lt. Chad King, Vice-Chairman
Rep. Tony Bacala
Dep. Chief Darrell Basco
Maj. Raymond Burkart, Jr.
Chief Michael Glaser
Mayor Gerard Landry
Ms. Amy Mathews, State Treasurer Designee
Mr. Rick McGimsey, Commissioner of Administration Designee
Sgt. (Retired) Larry Reech
Mayor Donald Villere
Chief Christopher Wilrye

Members Absent

Maj. (Retired) Kelly Gibson
Senator Bob Hensgens
Chief Dwayne Munch

Others Present

Mr. Benjamin Huxen II, MPERS Executive Director and General Counsel
Ms. Ashlee McNeely, MPERS, Executive Management Officer
Ms. Taylor Camp, MPERS, CFO
Ms. Melissa Rayburn, MPERS, Benefits Administrator
Mr. David Barnes, NEPC, Investment Consultant
Ms. Sheri Morris, Daigle, Fisse, & Kessenich
Mr. Greg Curran, Actuary
Mr. Lowell Good, Legislative Auditor's Office
Mr. Jeffrey Keay, HarbourVest
Mr. Nathan Bishop, HarbourVest
Ms. Lindsay Saienni, Financial Investment News

Public Comment

Chairman Ford called for public comment. There was no public comment submitted for the record.

REGULAR BUSINESS

Approval of the June 17, 2020 Board Meeting Minutes

Motion by Mr. Villere, seconded by Mr. Landry, to approve the minutes of the meeting held June 17, 2020. Without objection, the motion carried.

NEW BUSINESS

NEPC Report on Investments

Mr. David Barnes represented NEPC and first presented the Investment Market Update for June. The total market value of the portfolio as of June 30, 2020 was \$2,188,517,302 and performance was up by 2.2% for the month and was up by 2.7% for the fiscal year to date.

NEPC Private Markets 2020 Commitment Review and Recommendation

Mr. Barnes then went over the private markets commitments recommendations. Last month the board invited CarVal to present and committed \$25 million to its Credit Value Fund V. This month, HarbourVest will present on its Dover Street X L.P. The Board will consider investment of the remaining \$25 million of the total \$50 million private markets commitment for this calendar year in this secondary fund. MPERS is currently invested in another fund through HarbourVest, which has been successful.

Presentation by HarbourVest, LP Regarding Dover Street X L.P.

Mr. Jeffrey Keay and Mr. Nathan Bishop represented HarbourVest, introduced the Board to the fund, and outlined their investment strategy. Mr. Keay answered several questions from trustees regarding their process and specific investment strategies.

Discussion and Action Regarding a Commitment to Dover Street X L.P.

Mr. Barnes then discussed NEPC's recommendation regarding the commitment to Dover Street. HarbourVest is a level one rated company by NEPC, which means they have the highest rate of confidence, and that MPERS already has a relationship with this manager. The official recommendation from NEPC is to commit another \$25 million to HarbourVest Dover Street X. A motion was made by Mr. Villere to make the \$25 million commitment to Dover Street, followed by a second by Mr. Wilrye. Without objection, the motion carried.

Actuarial Comments

Mr. Greg Curran went over a review of the recent valuations to give the board an idea of what is coming. Based on the information now available, he calculates an estimated valuation rate of return of 4.7%, which is below MPERS' current assumed rate. The expected employer rate increase attributable to this shortfall is 1.94%. The experience study is expected to lower costs by 4.5%, and the lowering of the valuation interest rate to 6.95% would have expected increase in costs of 2.76%. These items combined would show an expected increase of .2%. However, that amount could be more if payroll shrunk or if salaries increased at a rate higher than anticipated.

Executive Director and General Counsel Comments

Mr. Huxen first updated the Board on the PATROLE project. It is on track, and staff is currently working on conducting trainings with municipalities. Everything seems to be running smoothly at this point.

Next, he updated the board on the delinquent municipalities. There has not been much change from the previous month, but staff is continuing to follow up with those who have not yet paid.

Additionally, the commitment to CarVal that was approved at the June meeting has been funded. The legal work has been completed and the wire transfer has been sent. Staff has also been negotiating the legal aspects of the HarbourVest deal ahead of the fund transfer and that is moving along well.

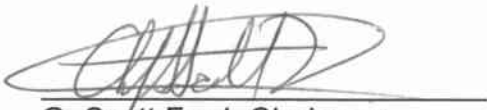
There was additional discussion about the nature of the investment portfolio and how MPERS measures against its peers. Mr. Huxen thinks that we will look well, relatively speaking.

Other Business

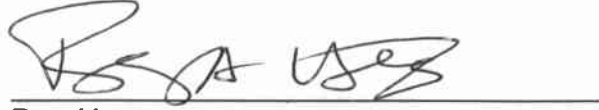
There was no other business to come before the Board.

A motion was made by Mr. Reech, seconded by Mr. King, to adjourn the meeting at 10:05am. Without objection, the motion carried.

To the best of my knowledge, the foregoing minutes accurately represent the actions taken at the meeting held July 15, 2020.



G. Scott Ford, Chairman



Ben Huxen,
Executive Director and General Counsel