

Call to Order

The meeting was called to order by President Kunz at 9:12 a.m.

Present for the Meeting were Trustees:

Matt Bogenschultz	Zuki Ellis	Michael McKay	Jim Paddock
Feryle Borgeson	John Kunz	Karen Odegard	Stephanie Pignato
Lori Borgeson	Mike McCollor		

Also present were SPTRFA staff: Jill Schurtz, Executive Director and Christine MacDonald, Deputy Director.

Adoption of Agenda

Mr. Borgeson moved adoption of the agenda. The motion was seconded by Mr. McCollor and approved by the Board.

Legislative Update

Mr. Brian Rice, SPTRFA legislative Counsel, and Ms. Schurtz gave the Board an overview of recent legislative developments and the status of SPTRFA's legislative proposals.

Approval of Minutes

Mr. Paddock moved for approval of the minutes of the April 11, 2017 meeting of the Board. The motion was seconded by Ms. Borgeson and so voted by the Board.

Report on Deaths

Ms. MacDonald read and the Board accepted the Report on Deaths.

Consent Agenda

On motion by Ms. Odegard, seconded by Mr. Bogenschultz, the Board accepted the consent agenda items listed below.

Pension: *a. CA-2017-16: Report on Benefit Applications*

Financial: *b. CA-2017-17: Refunds — May 2017*

Wellington Asset Management – Portfolio Update

Ms. Elizabeth O'Hara, Senior Relationship Manager, and Mr. Tim Manning, Managing Director, presented an update on the SPTRFA Domestic Mid Cap Growth portfolio and responded to questions from the Board.

Advantus Capital Management – Portfolio Update

Mr. John Messing, CFA, Senior Relationship Manager, Matt Richmond, Portfolio Manager, presented an update on the SPTRFA Domestic REIT portfolio and responded to questions from the Board. Additionally, Mr. Richmond requested the Board consider adopting an alternative benchmark that he believes more accurately reflects the portfolio's mandate.

FY 2018 Budget Presentation

Ms. Schurtz, Ms. McDonald, and Ms. Williams presented the proposed final SPTRFA budget for FY 2018. Ms. Williams noted that the proposal marks the 4th consecutive year of maintaining fiscal discipline with a “flat-to-prior year” budget. Additionally, she highlighted that SPTRFA is expected to complete the FY 17 year under budget once again.

On motion by Mr. McCollor, seconded by Ms. Odegard, the Board voted to adopt the FY 2018 Proposed Budget.

American Federation of Teachers (AFT) Meeting Discussion

Ms. Odegard led a discussion with the Board regarding the AFT meeting she recently attended.

Executive Director’s Report

Ms. Schurtz outlined a series of items for the Board’s information and consideration, including additional discussion regarding legislative meetings and proposals, the investment portfolio, and individual managers. In particular, Ms. Schurtz presented a summary of the terms included in the current draft pension bill, LCPR17-038, which would modify certain plan and benefit terms, provide for significant additional funding, and facilitate SPTRFA reaching a 99% funded ratio.

Review of FY 2018 Meeting Calendar

Mr. Kunz led a discussion on the upcoming fiscal year Board meeting calendar and meeting dates for FY ’18 were established.

Investment Committee Update

Ms. Pignato, Committee Chair, reported on her recent attendance at the Wellington Equity Seminar. Additionally, Ms. Pignato led a discussion regarding the Advantus request to adopt an alternative benchmark for the Domestic REIT portfolio.

After a full discussion, on motion by Mr. Paddock, seconded by Mr. Borgeson, the Investment Committee and Board voted to accept the Advantus benchmark recommendation.

Annuities and Refund Committee Update

Mr. Paddock, Committee Chair, reported no updates.

Personnel Committee Update

Mr. McCollor, Committee Chair, reminded Board members to complete their Executive Director review forms.

Audit Committee Update

Ms. Odegard, Committee Chair, discussed the potential summer audit work plan

Member Questions and Answers & Adjournment

*Upon motion of Ms. Borgeson and seconded by Ms. Pignato, the Board voted to adjourn at 2:40 p.m. The Board convenes next on **Tuesday, June 13, 2017 at 9:00 a.m.***

Respectfully submitted,

Jill E. Schurtz, Executive Director