

Call to Order

The meeting was called to order by President McCollor at 1:00 p.m.

Present for the Meeting were Trustees:

Matt Bogenschultz	Thomas Koreltz	Karen Odegard
Lori Borgeson	Mike McCollor	Stephanie Pignato
Zuki Ellis	Mike McKay	Margaret Schiller

SPTRFA Staff present: Executive Director Phillip Tencick and Controller Dave Andrews

Guests: Haley Rives, Kevin Moore – ACG
 Stephanie Kuka, Felicia Tri – OSA
 Bonnie Wurst, Sheri Christensen, Chelsie Larson – GRS
 Brian Rice – Legislative Counsel
 Karen Martenson – St Paul Teacher

Adoption of Agenda

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

Approval of Minutes

Ms. Odegard moved for approval of the minutes of the November 15, 2023, meeting. The motion was seconded by Mr. McKay and approved by the Board.

Consent Agenda

Mr. Bogenschultz moved approval of the consent agenda. The motion was seconded by Ms. Ellis and approved by the Board.

Pension: a. CA-2024-08: Report on Benefit Applications – December 2023

Financial: b. CA-2024-09: Refunds – December 2023

c. CA-2024-10: Financials – July 2023

d. CA-2024-11: Financials – August 2023

Market Update and Portfolio Review Summary – ACG

Ms. Haley Rives, CFA, Director, and Kevin Moore, CFA, representatives of ACG provided the Board with a Global Economic Update and the third quarter results of the portfolio. ACG also provided preliminary portfolio results as of November 2023.

Diversifying Fixed Income Search – ACG

Ms. Haley Rives, CFA, Director, and Kevin Moore, CFA, provided the Board with a Fixed Income Implementation overview. The overview included the process for conducting Multisector and Unconstrained manager searches and the resulting recommendations.

Investment Committee

At 1:20 p.m., upon a motion by Ms. Borgeson, and second by Mr. Koreltz, the Board voted to recess the regular meeting and convene a meeting of the Investment Committee, Ms. Pignato, Investment Committee Chair presiding.

Ms. Pignato called the investment committee to order.

The Investment Committee discussed the search and recommendations presented by Mr. Tencick, Ms. Rives, and Mr. Moore regarding the Fixed Income searches.

Upon motion by Ms. Schiller, and seconded by Mr. McKay, the Investment Committee approved the recommendations for new Fixed Income investment managers, selecting the Amundi Pioneer Multi-Sector strategy and the Blackrock Strategic Income Opportunities strategy.

At 1:30 p.m. upon the motion of Ms. Odegard, and seconded by Mr. Koreltz, the Committee voted to adjourn and reconvene the meeting of the Board.

Investment Committee Update and Motion

The Board discussed the Investment Committee’s recommendation on fixed income search. The committee recommended that the Board award funds for Amundi Pioneer Asset Management as the Multisector manager and Blackrock as the Unconstrained manager in the Fixed Income portfolio.

Upon the motion of Ms. Odegard, and seconded by Mr. Koreltz, the Board approved the Investment Committee’s recommendation.

Executive Director’s Report

Mr. Tencick provided the Board with an update regarding various matters relevant to the organization, including updates on the completion of the audit, calendar year end processes, and onboarding the new investment manager, Ares Management.

Economic Interest Statements – Due 12/31/2023

The Board and Staff were reminded that Annual Economic Interest Statements for the Minnesota Campaign Finance and Public Disclosure Board are due to the pension office by 12/31/2023. All statements have been received.

SPPS Update

Ms. Ellis reported regarding SPPS topics. The school board elections resulted in three new members being elected. After the new year, the SPPS Board will appoint a new representative for the SPTRFA Board. The district contract negotiations with the unions are ongoing. The district is facing shortfalls for the next school year following the end of American Rescue Plan funds.

FY2022 & FY2023 Audit Report – Governance Exit Conference

Ms. Stephanie Kuka and Ms. Felicia Tri of the Office of the State Auditor (OSA) presented the FY2022 & FY2023 OSA Governance Exit Conference Report. Ms. Kuka gave a summary of the audit process and results, which included reporting that SPTRFA received an unmodified opinion, with no written findings - the highest level of opinion given.

2023 Actuarial Valuation – GRS

Ms. Bonnie Wurst, Actuary and Senior Consultant, presented an overview of SPTRFA’s actuarial valuation and answered questions from the Board.

Legislative Update

SPTRFA Legislative Counsel, Mr. Brian Rice, Esq. of Rice Michels and Walther LLP, discussed the SPTRFA agenda for the upcoming legislative session.

Board Transitions Discussion

The Board discussed options for finding a replacement to appoint to complete Mr. Horton’s remaining term.

Upon the motion of Mr. McKay, and seconded by Mr. Koreltz, the Board voted to extend an invitation to Karen Martinson to complete the remaining term for Mr. Horton.

Annual Meeting Proxyholders

Mr. Koreltz, Mr. McKay and Ms. Pignato were appointed as proxyholders for the March 14, 2024 Annual meeting of the Members.

Personnel Committee Report

Mr. McCollor, Committee Chair, reported no updates.

Annuities and Refunds Committee Update

Mr. Bogenschultz, Committee Chair, reported no updates.

Audit Committee Update

Ms. Odegard, Committee Chair, reported that the process for reviewing applications is progressing very well and complimented the staff on the timeliness of receiving the reports.

Member Questions and Answers & Adjournment

There were no member questions and answers to discuss.

*On motion by Ms. Borgeson, seconded by Mr. Koreltz, the Board voted to adjourn at 4:10 p.m. The next regularly scheduled Board meeting is **Wednesday, February 21, 2024, at 1:00 p.m.***

Respectfully submitted,

Phillip Tencick, Executive Director