

March 27, 2024

OPEN SESSION MINUTES: MONTHLY MEETING
THE BOARD OF TRUSTEES OF THE POLICE RETIREMENT SYSTEM OF ST. LOUIS

The monthly meeting of the Board of Trustees of The Police Retirement System of St. Louis was held on Wednesday, March 27, 2024 at 9:00 A.M. via in-person and electronic formats.

Trustees and staff members were invited to participate either in person or via a Zoom video meeting.

Chairman Leopold called the meeting to order at 9:01 A.M. at which time Director Lawson took Roll Call and confirmed a quorum with the following Board members in attendance either in-person or electronically via Zoom:

Det. Wallace K. Leopold, Chairman
Mr. Jason Fletcher, Deputy Comptroller
Sgt. Michael A. Frederick, Retired (via Zoom)
Det. Leo G. Rice
Lt. Sean M. Reape
Det. Samuel G. Zouglas, Retired
Lt. Col. Gerald J. Leyshock, Retired (via Zoom)
Sgt. John L. McLaughlin, Retired (Mayoral Appointee)

By statute, two (2) positions are provided for Mayoral Appointees to serve as Trustees, with two (2)-year terms of office to commence on October 1 of every even-numbered year. As of this date, Mayor Tishaura O. Jones has appointed one seat of the two Mayoral appointed members whose terms would have commenced on October 1, 2022, and the Board is an eight-member Board until the additional Mayoral Appointment is made.

Others present were:

Mr. Mark Lawson, Executive Director
Ms. Rebecca Wright, Associate City Counselor (via Zoom)

1. Roll Call Vote to temporarily adjourn open session to hold a closed meeting.

MOTION

Chairman Leopold moved that the Board temporarily adjourn open session to hold a closed meeting for the following purposes:

- a. Proceedings to discuss matters involving litigation and legal causes of action or attorney work product, as provided by Section 610.021(1) of the Revised Statutes of Missouri;
- b. Proceedings to discuss nonjudicial mental or physical health proceedings involving identifiable persons, including psychiatric, psychological, or alcoholism or drug

dependency diagnosis or treatment, as provided by Section 610.021(5) of the Revised Statutes of Missouri;

- c. Proceedings to consider sealed bids and related documents; and sealed proposals and related documents or any documents related to a negotiated contract until a contract is executed, or all proposals are rejected, as provided by Section 610.021(12) of the Revised Statutes of Missouri;

Motion was seconded by Trustee Rice.

Chairman Leopold then called for a Roll Call Vote; and upon vote, the following was recorded:

<u>Yes</u>	<u>No</u>		
Sgt. Frederick		Yes – 8	No – 0
Chairman Leopold			
Lt. Col. Leyshock			
Sgt. McLaughlin			
Lt. Reape			
Det. Rice			
Det. Zouglas			
Mr. Fletcher			

Motion passed 8 to 0.

Chairman Leopold temporarily adjourned Open Session at 9:04 A.M.

Open Session resumed at 10:15 A.M.

Chairman Leopold moved to item 3 at this time.

- 3. Approval of the Preliminary Fiscal Year 2023 Annual Audit Report from Sikich LLP – Ms. Victoria Dailey with Sikich LLP was present on this date to present the Preliminary Annual Audit Report for September 30, 2023. Ms. Dailey walked the Board through the Annual Audit Report, Management Letter and GASB 68 Report while answering questions from those present. Ms. Dailey noted there was no fraud detected within the System.

Copies of the following FY 2023 Financial Statements drafts as prepared by Sikich LLP were included in the agenda documents on the secured portal for the Board’s review and approval:

- a. Annual Financial Report as of September 30, 2023

MOTION

Chairman Leopold moved that the Board accept the Annual Financial Report as of September 30, 2023.

Motion was seconded by Trustee Rice; and upon vote the following was recorded:

Yes – 8 No – 0 Motion passed 8 to 0.

- b. Management Letter Comments as of September 30, 2023

MOTION

Chairman Leopold moved that the Board accept the Management Letter as of September 30, 2023.

Motion was seconded by Trustee Rice; and upon vote the following was recorded:

Yes – 8 No – 0 Motion passed 8 to 0.

- c. GASB 68 Report as of September 30, 2023

MOTION

Chairman Leopold moved that the Board accept the draft GASB 68 Report as of September 30, 2023.

Motion was seconded by Trustee Rice; and upon vote the following was recorded:

Yes – 8 No – 0 Motion passed 8 to 0.

Following the Board's review and approval of the preliminary report, the Annual Audit Report for September 30, 2023 will be prepared and presented to the Board during the April 24, 2024 regular monthly meeting.

Chairman Leopold moved to item 2 at this time.

- 2. Approval of Fiscal Year 2023 Actuarial Documents – During the February 28, 2024 monthly Board meeting, Mr. Michael Noble and Mr. Patrick Nelson with Cheiron presented the results of the System's actuarial valuation for the fiscal year ending September 30, 2023. With no changes to the draft reports, Cheiron has submitted the following reports for the Board's review and approval on this date; and copies of each were included in the agenda documents on the secured portal:

- a. Actuarial Valuation Report as of October 1, 2023

MOTION

Chairman Leopold moved that the Board approve the October 1, 2023 Actuarial Valuation Report as presented by Cheiron.

Motion was seconded by Trustee Rice; and upon vote, the following was recorded:

Yes - 8 No – 0 Motion passed 8 to 0.

b. GASB 67/68 Report as of September 30 , 2023

MOTION

Chairman Leopold moved that the Board approve the GASB 67/68 Report as of September 30, 2023 as presented by Cheiron.

Motion was seconded by Trustee Rice; and upon vote, the following was recorded:

Yes - 8 No – 0 Motion passed 8 to 0.

Chairman Leopold moved to item 4 at this time.

4. Investment Committee Report – Committee Chairman Leopold reported to the Board.

1) Marquette Associates Report – Mr. Brian Goding and Mr. Tom Latzke with Marquette were present on this date and reported to the Board on the following:

a. February 2024 Executive Investment Summary Report – A copy of said reports are part of the Marquette investment reports and were included in the agenda documents on the secure portal. While walking the Board through the report, Mr. Goding and Mr. Latzke answered questions from the Board and noted the market value of the Fund was \$831,290,549 as of February 29, 2024.

Mr. Latzke presented and walked the Board through the Asset Allocation report, providing the Board with five different options. Discussion ensued and Option D was recommended.

MOTION

Chairman Leopold moved that the Board accept the recommendations of Marquette Associates OCIO Committee to opt for among the asset classes what they have outlined as Option D as listed in their portfolio book.

Motion was seconded by Trustee Rice; and upon vote, the following was recorded:

Yes - 8 No – 0 Motion passed 8 to 0.

Mr. Latzke presented the updated Investment Policy Guideline to include the Asset Allocation Option D. Chairman Leopold stated he would pass this down to next month's Board meeting for legal review and due to policy change it will layover 30 days.

b. Capital Call/Distribution Updates:

- 1) Siguler Guff
Capital Call: \$242,497.34 (March 6, 2024)
- 2) Hancock Timberland and Farmland Fund LO
Distribution: \$161,715.37 (February 29, 2024)
- 3) EnTrust Special Opportunities Fund III, LP
Distribution: \$85,000.00 (March 4, 2024)
- 4) NB Secondary Opportunities Fund III
Distribution: \$40,140.17 (March 8, 2024)
- 5) ElmTree Fund V GP, LLC
Capital Call: \$2,726,798.63 (March 20, 2024)
- 6) Dover Street IX LP
Capital Call: \$200,000.00 (March 20, 2024)
Distribution: \$200,000.00 (March 20, 2024)
- 7) Siguler Guff
Special Distribution: \$6,000.00.00 (March 21, 2024)
- 8) H.I.G. Middle Market LBO Fund IV, LP
Distribution: \$20,672.50 (March 25, 2024)

- c. Acceptance of February 29, 2024 Investment Report – for informational purposes – A copy of the February 29, 2024 Market Value Report was included in the agenda documents on the secure portal.

MOTION

Chairman Leopold moved that the Board approve the February 29, 2024 Market Value Report as presented.

Motion was seconded by Trustee Reape; and upon vote, the following was recorded:

Yes – 8 No – 0 Motion passed 8 to 0.

- d. Wind Point Partners X, LP – Request to Consent to Amendment of Limited Partnership Agreement was reviewed by Marquette Associates, OCIO and Legal team and approved.

MOTION

Chairman Leopold moved that the Board approve the Consent to Amendment of Limited Partnership Agreement with Wind Point Partners X, LP recommended and approved by the OCIO and legal.

Motion was seconded by Trustee Rice; and upon vote, the following was recorded:

Yes – 8 No – 0 Motion passed 8 to 0.

5. Reports from Legal Counsel –Associate City Counselor Rebecca Wright had nothing to report in Open Session.
6. Chairman’s Report – Chairman Leopold had nothing to report in Open Session.
7. Reports from the Executive Director – Director Lawson reported to the Board.
 - a. Receptionist Position – Upon the resignation of Ms. Melissa Black, there is a vacancy for the receptionist position. Director Lawson requested the Board approve the position be posted to Indeed.com.

MOTION

Chairman Leopold moved that the Board authorize Director Lawson to post the vacant receptionist position to Indeed.com, with the position having a starting salary of \$30,000 annually for a six (6)-month probationary period, to be raised to \$33,000 upon successful completion of the probationary period.

Motion was seconded by Trustee Reape; and upon vote, the following was recorded:

Yes – 6

No – Sgt. Frederick
Det. Zouglas

Motion passed 6 to 2.

- b. Policy on Portability to Authorize Purchase of Creditable Service Time for Prior Part-Time Employment – Director Lawson reported the pre-existing portability in the Trustees’ Manual, and he has drafted an addition to include part-time employment. The draft was sent to Armstrong Teasdale for review and revisions. A Personnel & Policy committee meeting will be scheduled once the policy draft is completed and received. There are no State Statute changes required for this revision of the Trustee Manual.
- c. In re: Nellie Kuykendall – Director Lawson contacted Officer Kuykendall and she stated she is not sure if she wants to move forward with the Formal Hearing. Director Lawson will supply Officer Kuykendall with the monies owed to complete her full portability.
- d. 38th Annual SLMPD Memorial Breakfast – Is being held on Thursday, May 23, 2024 at Union Station and Director Lawson has secured a table for the System. There are ten seats available. Chairman Leopold and Trustee Frederick reported they will attend the breakfast.

Chairman Leopold moved to item 22 at this time.

22. Chairmanship of Board of Trustees

- a. Relinquishment of Chair by Det. Wallace K. Leopold – In a letter dated March 26, 2024 Chairman Leopold submitted his resignation solely as Chairman of the Board of Trustees. He will remain as a Trustee of the System.

- b. Election to Fill Chair Position for Unexpired Term (until September 30, 2024) - The floor was opened for the position of Board Chair for the unexpired term that ends on September 30, 2024. Chairman Leopold called for nominations from the floor. Chairman Leopold nominated Trustee Reape. Due to no other nominations the procedure in Robert's Rules of Order is nomination by acclamation. Director Lawson asked the Board to nominate by acclamation Lt. Sean Reape as Chairman effective March 28, 2024, which Chairman Leopold did.

Chairman Leopold moved to item 8 at this time.

- 8. Approval of the March 2024 Informational Section – For the Board's review and approval, included in the agenda documents on the secure portal was a copy of the March 2024 Informational Section.

MOTION

Chairman Leopold moved that the Board approve the March 2024 Informational Section as presented.

Motion was seconded by Trustee Rice; and upon vote, the following was recorded:

Yes – 8 No – 0 Motion passed 8 to 0.

- 9. Approval of the February 29, 2024 Budget Report – For approval by the Board, a copy of the February 29, 2024 Budget Report, including the actual and forecasts expenses, was included in the agenda documents on the secure portal.

MOTION

Chairman Leopold moved that the Board approve the February 29, 2024 Budget Report as presented.

Motion was seconded by Trustee Rice; and upon vote, the following was recorded:

Yes – 8 No – 0 Motion passed 8 to 0.

- 10. Approval of the Open Session Minutes – For the Board's review and approval, copies of the Open Session Minutes for the following were included in the agenda documents on the secure portal:

- a. January 31, 2024 Board Meeting

MOTION

Chairman Leopold moved that the Board approve the January 31, 2024 Open Session Minutes as presented.

Motion was seconded by Trustee Rice; and upon vote, the following was recorded:

Yes – 8 No – 0 Motion passed 8 to 0.

b. February 28, 2024 Board Meeting

MOTION

Chairman Leopold moved that the Board approve the February 28, 2024 Open Session Minutes as presented.

Motion was seconded by Trustee Rice; and upon vote, the following was recorded:

Yes – 8 No – 0 Motion passed 8 to 0.

11. Open Forum Session – Guests who had signed up in advance with the Executive Director had first priority to address the Board. All other guests who wished to address the Board waited until recognized by the Chair. In the interest of time, organizations were asked to appoint a spokesperson; and presentations were limited to five (5) minutes.

12. Upcoming Board Meetings – Below is a list of the scheduled Board meetings:

- April 24, 2024, 9:00 A.M. - Regular Monthly Board
- May 29, 2024, 9:00 A.M. - Regular Monthly Board
- June 26, 2024, 9:00 A.M. - Regular Monthly Board
- July 31, 2024, 9:00 A.M. - Regular Monthly Board
- August 28, 2024, 9:00 A.M. - Regular Monthly Board
- September 25, 2024, 9:00 A.M. - Regular Monthly Board
- October 30, 2024, 9:00 A.M. - Regular Monthly Board

13. Actuarial Audit Committee Report – Committee Chairman Leyshock reported only one firm submitted to the RFP. The response was given the Board members for review. He would like to have the firm appear before the Board during the April 24, 2024 Board meeting.

MOTION

Chairman Leopold moved that the Board invite Milliman to appear before the Board on April 24, 2024 to present and answer questions the Board may have.

Motion was seconded by Trustee Fletcher; and upon vote, the following was recorded:

Yes - 8 No – 0 Motion passed 8 to 0.

14. Building Committee Report – Committee Chairman Reape reported to the Board.

- a. Fence/Gate for PRS Parking Lot – Awaiting the boring company to come out.
15. Disability Committee Report – Committee Chairman Zougla reported to the Board.

The following disability applications are pending: P.O. William Triplett; P.O. Shawn Cleveland; P.O. Jeanine Waters; P.O. Marcin Zajac; P.O. Joshua Witcik; P.O. Robert T. King; P.O. Ronald Anderson; P.O. Michael Owens; PO Williams Stevenson
16. Legal Committee Report – Committee Chairman Frederick had nothing to report in Open Session.
17. Legislative Committee Report – Committee Chairman Leyshock reported to the Board.
 - a. 2024 Legislation – The earnable compensation language is connected to the LAGERS bill and is moving forward.
18. Personnel & Policy Committee Report – Committee Chairman Rice had nothing to report in Open Session.
19. Internal Control & Compliance Committee Report – Committee Chairman Rice had nothing to report in Open Session.
20. Pre-retirement/Veterans’ Affairs Committee Report – Committee Chairman Leyshock had nothing to report in Open Session.
21. Matters Pending – There are no items on the matters pending list.

Chairman Leopold returned to item 1 at this time.

1. Roll Call Vote to temporarily adjourn open session to hold a closed meeting.

MOTION

Chairman Leopold moved that the Board temporarily adjourn open session to hold a closed meeting for the following purposes:

- a. Proceedings to discuss matters involving litigation and legal causes of action or attorney work product, as provided by Section 610.021(1) of the Revised Statutes of Missouri;
- b. Proceedings to discuss nonjudicial mental or physical health proceedings involving identifiable persons, including psychiatric, psychological, or alcoholism or drug dependency diagnosis or treatment, as provided by Section 610.021(5) of the Revised Statutes of Missouri;
- c. Proceedings to consider sealed bids and related documents; and sealed proposals and related documents or any documents related to a negotiated contract until a contract is

executed, or all proposals are rejected, as provided by Section 610.021(12) of the Revised Statutes of Missouri;

Motion was seconded by Trustee Fletcher.

Chairman Leopold then called for a Roll Call Vote; and upon vote, the following was recorded:

<u>Yes</u>	<u>No</u>		
Sgt. Frederick		Yes – 8	No – 0
Chairman Leopold			
Lt. Col. Leyshock			
Sgt. McLaughlin			
Lt. Reape			
Det. Rice			
Det. Zouglas			
Mr. Fletcher			

Motion passed 8 to 0.

Chairman Leopold temporarily adjourned Open Session at 12:25 P.M.

Open Session resumed at 12:41 P.M.

Chairman Leopold moved to item 23 at this time.

23. End Open Session

MOTION

Chairman Leopold moved to adjourn the Meeting.

Motion was seconded by Trustee Reape; and upon vote, the following recorded:

Yes - 8	No – 0	<u>Meeting adjourned at 12:41 P.M</u>
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Submitted to the Board of Trustees by Mark Lawson, Executive Director.

Minutes prepared by Kelly Briley and Mark Lawson.

BOARD APPROVED: [Signature]

ATTEST:

[Signature]
 Wallace K. Leopold
 Chairman, Board of Trustees

[Signature]
 Leo G. Rice
 Secretary, Board of Trustees