

July 26, 2023

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, July 26, 2023 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 9:06 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
Ms. Beverly Fitzsimmons, Deputy Comptroller (arrived at 9:07 A.M. via Zoom)
Sgt. Michael A. Frederick, Retired
Det. Leo G. Rice (arrived at 9:20 A.M.)
Lt. Sean M. Reape
Det. Samuel G. Zouglas, Retired
Lt. Col. Gerald J. Leyshock, Retired
Sgt. John L. McLaughlin, Retired

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)
Archer Mallon, Assistant 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, 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 Leyshock.

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

<u>Yes</u>	<u>No</u>		
Ms. Fitzsimmons	0	Yes – 7	No – 0
Sgt. Frederick			
Chairman Leopold			
Lt. Col. Leyshock			
Sgt. McLaughlin			
Lt. Reape			
Det. Zouglas			

Motion passed 7 to 0.

Chairman Leopold temporarily adjourned Open Session at 9:09 A.M.

Open Session resumed at 11:10 A.M.

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 with Marquette presented in person on this date and reported to the Board on the following:
 - a. June 2023 Executive Investment Summary Report – A copy of said report is part of the Marquette investment report and was included in the agenda documents on the secure portal. While walking the Board through the report, Mr. Goding answered questions from the Board and noted the market value of the Fund was \$819,103,947 as of June 30, 2023. There were no recommended changes for the portfolio.
 - b. Capital Call/Distribution Updates:
 - 1) Hancock Timberland and Farmland Fund LP
Distribution: \$71,048.95 (June 30, 2023)
 - 2) ElmTree Fund IV GP, LLC
Distribution: \$11,434.51 (July 3, 2023)

- 3) Siguler Guff
Distribution: \$17,296.66 (July 20, 2023)
- 4) Wind Point Investors X, LP
Capital Call: \$726,775.00 (July 19, 2023)
- 5) ElmTree Fund V GP, LLC
Capital Call: \$3,185,971.61 (July 31, 2023)
- 6) EnTrust Global Special Opp Fund IV LP
Distribution: \$273,769.00 (June 1, 2023)

- c. Acceptance of June 30, 2023 Investment Report – for informational purposes –
A copy of the June 30, 2023 Market Value Report was included in the agenda documents on the secure portal.

MOTION

Chairman Leopold moved that the Board approve the June 30, 2023 Market Value Report as presented.

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

Yes – 8

No – 0

Motion passed 8 to 0.

Chairman Leopold moved to item 2 at this time.

- 2. Reports from Legal Counsel – Assistant City Counselor Archer Mallon reported to the Board the Tanisha Ross-Paige case has been dismissed with prejudice.
- 3. Chairman's Report – Chairman Leopold had nothing to report in Open Session.

Chairman moved to item 6 at this time.

- 6. Approval of the October 1, 2023 Cost of Living Adjustment (COLA) – For the Board's review and approval, a copy of the October 1, 2023 Cost of Living Adjustment (COLA) (3.0%) letter dated July 17, 2023 from Mr. Patrick Nelson with Cheiron was included in the agenda documents on the secured portal.

MOTION

Chairman Leopold moved that the Board accept the October 1, 2023 Cost of Living Adjustment letter and rate of 3% as prepared and presented by the System's Actuary, Cheiron.

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

Yes – 8

No – 0

Motion passed 8 to 0.

7. Approval of the July 2023 Informational Section – For the Board’s review and approval, included in the agenda documents on the secure portal was a copy of the July 2023 Informational Section.

MOTION

Chairman Leopold moved that the Board approve the July 2023 Informational Section as presented.

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

Yes – 8

No – 0

Motion passed 8 to 0.

8. Approval of the June 30, 2023 Budget Report – For approval by the Board, a copy of the June 30, 2023 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 June 30, 2023 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.

9. Approval of the June 28, 2023 Open Session Minutes – For the Board’s review and approval, copies of the June 28, 2023 Open Session Minutes were included in the agenda documents on the secure portal.

MOTION

Chairman Leopold moved that the Board approve the June 28, 2023 Open Session Minutes as presented.

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

Yes – 8

No – 0

Motion passed 8 to 0.

10. 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 had to wait 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.
11. Upcoming Board Meetings – Below is a list of the scheduled Board meetings:

August 30, 2023, 9:00 A.M. - Regular Monthly Board

September 27, 2023, 9:00 A.M. - Regular Monthly Board
October 25, 2023, 9:00 A.M. – Regular Monthly Board
November 29, 2023, 9:00 A.M. - Regular Monthly Board
December 20, 2023, 9:00 A.M. - Regular Monthly Board
January 31, 2024, 9:00 A.M. - Regular Monthly Board

12. Ad Hoc Actuarial Audit Committee Report – Committee Chairman Leyshock reported the following to the Board.
- a. Committee meeting on 7/19/23 – Options considered for level of review on audit. There are three levels of actuarial audits to consider. Level 1 is a full scope actuarial valuation replica; level 2 uses the sampling of the data to test the results of the valuation and level 3 does not perform actuarial calculations but does look closely to the methods and actuarial calculations. The committee discussed and would like to consider inquiring about the costs and amount of functionality of level 1 and level 2 for an actuarial audit.

MOTION

Committee Chairman Leyshock moved that the Board accept the recommendation of the Ad Hoc Actuarial Audit Committee to create an RFP with the option of level 1 and 2 review to determine costs.

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

Yes – 8

No – 0

Motion passed 8 to 0.

13. Building Committee Report – Committee Chairman Reape reported to the Board.
- a. Fence/Gate for PRS Parking Lot – Committee Chairman Reape met with an electrician to collect a quote to make the gate operable. Once all quotes are received, a committee meeting will be scheduled.
14. Disability Committee Report – Committee Chairman Zouglas had nothing to report in Open Session.
- 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; Lt. Alana Hauck; P.O. Colin Ledbetter; P.O. Ronald Anderson
15. Legal Committee Report – Committee Chairman Frederick had nothing to report in Open Session.
16. Legislative Committee Report – Committee Chairman Leyshock had nothing to report in Open Session.

- a. Surviving Spouse Remarrying Legislation – Update – The provisions eliminating the forfeiture of survivor's benefits upon remarrying were incorporated into two bills that were Truly Agreed to and Finally Passed – SB 20, SB 75 – Governor signed on July 6, 2023.

Chairman Leopold moved to item 19 at this time.

19. Pre-retirement/Veterans' Affairs Committee Report – Committee Chairman Leyshock reported to the Board.

Effective August 28, 2023, amendments to PRS Statutes Sections 86.253, 86.254, 86.280, 86.283 and 86.287 will eliminate the forfeiture of survivor's benefits for the surviving spouse of a System member who remarries:

- a. Proposed Form to Apply for Reinstatement of Surviving Spouse Benefits – Committee recommends approval of draft Form included in the agenda documents on the secure portal.

MOTION

Committee Chairman Leyshock moved that the Board approve the draft titled Application for Reinstatement of Surviving Spouses Benefits as presented.

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

Yes – 8

No – 0

Motion passed 8 to 0.

- b. Worksheet to Calculate Benefits – Committee recommends that staff create and use a "worksheet" to calculate the benefits for any Application for Reinstatement of Surviving Spouse Benefits.

MOTION

Committee Chairman Leyshock moved that the Board accepts the recommendation of the Pre-retirement/Veterans' Affairs Committee that the System's staff will create and use a worksheet for the calculation of surviving spouse benefits in connection with the Application for Reinstatement of Surviving Spouse Benefits and similar used to calculate retirement benefits.

Motion was seconded by Chairman Leopold; and upon vote, the following was recorded:

Yes – 8

No – 0

Motion passed 8 to 0.

- c. Effective Date for Reinstatement – Committee recommends any approved Application for Reinstatement of Surviving Spouse Benefits be effective on the first day of the month following the date of receipt of the Application.

MOTION

Committee Chairman Leyshock moved that the Board accepts the recommendation of the Pre-retirement/Veterans' Affairs Committee that any approved Application for Reinstatement of Surviving Spouse Benefits be effective on the first date of the month following the date of receipt of the Application.

Motion was seconded by Chairman Leopold; and upon vote, the following was recorded:

Yes – 8

No – 0

Motion passed 8 to 0.

- d. COLAs for Reinstated Surviving Spouses – Committee recommends that, upon a surviving spouse whose survivor's benefits had been forfeited, being reinstated for receipt of benefits, their eligibility for future COLAs in relation to the lifetime percentage cap on COLAs, be determined based on the cumulative COLA percentage the System member and the surviving spouse had already received at the time their benefits had been forfeited.

MOTION

Committee Chairman Leyshock moved that the Board accepts the recommendation of the Pre-retirement/Veterans' Affairs Committee that upon a surviving spouse whose survivor's benefits had been forfeited, being reinstated for receipt of benefits, their eligibility for future COLAs in relation to the lifetime percentage cap on COLAs, be determined based on the cumulative COLA percentage the System member and the surviving spouse had already received at the time their benefits had been forfeited.

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

Yes – 8

No – 0

Motion passed 8 to 0.

Chairman Leopold moved to item 17 at this time.

17. Personnel & Policy Committee Report – Committee Chairman Rice had nothing to report in Open Session.
18. Internal Control & Compliance Committee Report – Committee Chairman Rice had nothing to report in Open Session.

Chairman Leopold returned to item 14 at this time.

14. Disability Committee Report – Committee Chairman Zougla reported the following 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; Lt. Alana Hauck; P.O. Colin Ledbetter; P.O. Ronald Anderson

MOTION

Committee Co-Chairman Zouglaas moved that the Board affirm the Executive Session Motion to accept the recommendation of the Hearing Officer to deny Lt. Alana Hauck's application for service-connected disability retirement.

Motion was seconded by Chairman Leopold; and upon vote, the following was recorded:

Yes – 8

No – 0

Motion passed 8 to 0.

Chairman Leopold moved to item 5d at this time.

5. Reports from the Executive Director – Director Lawson reported the following to the Board.
 - d. LRS Hosting Agreement – Fourth Addendum – 3-year renewal (A copy of the Fourth Addendum was included in the agenda documents on the secure portal). Chairman Leopold requested LRS present to the Board during the August 2023 Board meeting to educate the Board members on all services LRS performs for the System.
 - e. Search for Chair of Medical Board – Director Lawson informed the Board that Dr. Cantrell notified him that he will be able to continue to serve as the System's Medical Board Director. Dr. Cantrell downsized instead of fully retiring. Director Lawson will review Dr. Cantrell's contract and advise a new contract is required.
 - f. Annual Certification – Directed Lawson updated the Board that there are only 19 more certifications to be collected.
 - g. Board of Trustees Elections – The Trustee Election notice was sent to all members of the System and Monday, August 7, 2023 is the first day for candidacy filing.
 - a. Revision to Employee Handbook Social Media Policy – Prohibition of "TikTok" social media site on PRS-owned devices and PRS-authorized electronic accounts (A copy of the proposed revised Employee Handbook Social Media Policy was included in the agenda documents on the secure portal).

During the June 28, 2023 regular meeting, a motion was made and seconded that the Board approve the proposed revision to Employee Handbook Social Media Policy.

In keeping with the Board's Policy XVI of the Trustees' Policy Manual, the vote on this motion will be taken on this date.

MOTION

Trustee Rice moved that the Board approve the revision to the Employee Handbook Social Media Policy – Prohibition of “TikTok” social media on PRS-owned devices and PRS-authorized electronic accounts.

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

Yes – 8

No – 0

Motion passed 8 to 0.

- b. Revision to Employee Handbook Drug Policy – Prohibition of alcohol and marijuana intoxication during workday (A copy of the proposed revised Employee Handbook policy on Drug, Alcohol and Marijuana Intoxication was included in the agenda documents on the secure portal).

During the June 28, 2023 regular meeting, a motion was made and seconded that the Board approve the proposed revision to Employee Handbook Drug Policy.

In keeping with the Board’s Policy XVI of the Trustees’ Policy Manual, the vote on this motion will be taken on this date.

MOTION

Trustee Rice moved that the Board approve the revision to the Employee Handbook Drug Policy – Prohibition of alcohol and marijuana intoxication during workday.

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

Yes – 8

No – 0

Motion passed 8 to 0.

- c. Revision to Trustees’ Manual, Section 3.09 – Policy on Providing Mailing Addresses Labels – Two (2) alternative versions of the provision were presented to the Personnel & Policy Committee, which recommended Alternative #2 (Copies of Alternative #1 and Alternative #2 of this proposed revision were included in the agenda documents on the secure portal).

During the June 28, 2023 regular meeting, a motion was made and seconded that the Board approve the proposed revision to Trustees’ Manual, Section 3.09.

In keeping with the Board’s Policy XVI of the Trustees’ Policy Manual, the vote on this motion will be taken on this date.

MOTION

Chairman Leopold moved that the Board approve the revision to the Trustee Manual Section 3.09 that would be Alternative #1 the prohibition of against providing mailing address labels.

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

Discussion ensued.

Chairman Leopold called the motion.

Yes – 2

No – 6

Motion failed 2 to 6.

MOTION

Trustee Zouglas moved that the Board approve the revision to the Trustee Manual Section 3.09 that would be Alternative #2 to allow mailing labels to be furnished upon purchase to individuals based on certain criteria being met.

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

Trustee Frederick requested a roll call vote.

Discussion ensued.

Trustee Zouglas withdrew his motion.

MOTION

Trustee McLaughlin moved that the Board approve the revision to the Trustee Manual Section 3.09 that would be Alternative #2 to allow mailing labels to be furnished upon purchase to individuals based on certain criteria being met.

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

Discussion ensued.

Trustee Frederick requested a roll call vote.

Chairman Leopold approved Trustee Frederick's request.

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

Yes

Frederick

Leyshock

McLaughlin

Reape

Zouglas

No

Leopold

Rice

Abstention

Fitzsimmons

Motion passed 5 to 2 to 1.

Chairman Leopold moved to item 20 at this time.

20. Matters Pending – There are no items on the matters pending list.

21. Adjournment of Meeting

MOTION

Chairman Leopold moved to adjourn the Meeting.

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

Yes - 8

No – 0

Meeting adjourned at 12:24 P.M.

Submitted to the Board of Trustees by Mark Lawson, Executive Director.


Minutes prepared by Kelly Briley and Mark Lawson.

BOARD APPROVED: 08/30/2023

ATTEST:



Wallace K. Leopold
Chairman, Board of Trustees



Leo G. Rice
Secretary, Board of Trustees