

February 2, 2023

OPEN SESSION MINUTES: SPECIAL MONTHLY MEETING
RESCHEDULED FROM JANUARY 25, 2023
THE BOARD OF TRUSTEES OF THE POLICE RETIREMENT SYSTEM OF ST. LOUIS

The special monthly meeting of the Board of Trustees of The Police Retirement System of St. Louis was held on Thursday, February 2, 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 9:00 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 (via Zoom)
Sgt. Michael A. Frederick, Retired
Det. Leo G. Rice (via Zoom, arrived in person at 9:46 A.M.)
Lt. Sean M. Reape
Det. Samuel G. Zouglas, Retired
Lt. Col. Gerald J. Leyshock, Retired
Sgt. John L. McLaughlin, Retired

The terms of office for Mayoral Appointees Ann M. Hunter and Richard L. Kismer as Trustees and members of this Board expired on September 30, 2022. As of this date, Mayor Tishaura O. Jones has appointed one seat that fills 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. Barb Birkicht, Associate City Counselor (via Zoom)
Mr. Steve Kratky, 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;

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- 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;

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 – 8	No – 0
Sgt. Frederick			
Chairman Leopold			
Lt. Col. Leyshock			
Sgt. McLaughlin			
Lt. Reape			
Det. Rice			
Det. Zouglas			

Motion passed 8 to 0.

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

Open Session resumed at 9:46 A.M.

Trustee Rice arrived in person at 9:46 A.M.

Chairman Leopold moved to item 2 at this time.

2. Reports from Legal Counsel – Ms. Barb Birkicht, Associate City Counselor, and Mr. Steve Kratky, Assistant City Counselor, reported they had nothing to report in Open Session. Trustee Frederick asked if Ms. Birkicht would meet with him and review a portability form. They will set up a meeting.
3. Chairman's Report – Chairman Leopold reported to the Board that Director Lawson met and enrolled the new SLMPD Commissioner and during the March 2023 monthly Board meeting, Colonel Tracy may attend to introduce himself to the Board of Trustees.
4. Reports from the Executive Director – Director Lawson reported the following to the Board.
 - a. Formal Hearing of Lt. Alana Hauck Appeal of Disability Determination – Set for Wednesday, March 8, 2023 at 1:30 p.m.
 - b. Hearing Officer Contracts – Contracts with three (3) PRS Hearing Officers were entered into in February 2021, for a base period of two (2) years, with options to extend said contracts for up to two (2) additional one (1)-year terms. Mr. Brian Underwood and Ms. Angela Gabel indicated they would like a one (1)-year

extension. Mr. Ray Meyer took on a full-time position and will not be available to continue as a contracted Hearing Officer of this System.

MOTION

Chairman Leopold moved that the Board approve the one (1)-year extensions for Mr. Brian Underwood and Ms. Angela Gabel to continue to serve under the current terms.

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

Yes – 8

No – 0

Motion passed 8 to 0.

MOTION

Trustee Zouglaas moved that the Board delegate the RFP and vetting of the third Hearing Officer to the Disability Committee.

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

No vote was taken.

- c. HB 303 – Actuary’s Report to JCPER – For the Board’s review, a copy of the report of the System’s actuary, Cheiron, to the Joint Committee on Public Employee Retirement (JCPER) on the actuarial impact of HB 303 was included in the agenda documents on the secure portal. Director Lawson indicated this report is required when proposed legislation changes are filed. The report indicates HB 303 will not impact the funding of this System.
- d. Request to City of St. Louis for Blocking Permit on Sidewalk Near Gate Entrance – For the Board’s review, a copy of the application for blocking permit was included in the agenda documents on the secure portal. Director Lawson informed the Board there was nothing new to update.
- e. RFP for Auditing Services – Director Lawson reported the Ad Hoc Committee is Chairman Leopold, Trustee Fitzsimmons and Trustee Frederick.

Discussion ensued.

MOTION

Chairman Leopold moved that the Board start the process of issuing RFP for auditing services.

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

Yes – 8

No – 0

Motion passed 8 to 0.

MOTION

Chairman Leopold moved that the Board delegate to the Ad Hoc Committee the preparation and initial screening of responses. A full review by the Board with scoring system for evaluating applications be done after the Ad Hoc Committee completes the application process.

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

Yes – 8

No – 0

Motion passed 8 to 0.

5. Investment Committee Report – Committee Chairman Leopold reported to the Board.
 - 1) Marquette Associates Report – Mr. Brian Goding with Marquette was present in person on this date and reported to the Board on the following:
 - a. December 2022 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 \$801,623,406.00 as of December 31, 2022.
 - b. Capital Call/Distribution Updates:
 - 1) IFM Global Infrastructure
Capital Call: \$3,000,000.00 (January 3, 2023)
 - 2) Falcon E&P Opportunities Fund LP
Distribution: \$289,725.05 (December 26, 2022)
 - 3) Hancock Timberland and Farmland Fund LP
Distribution: \$337,768.22 (December 29, 2022)
 - 4) Siguler Guff
Special Distribution: \$6,000.00 (December 22, 2022)
 - 5) ElmTree Fund IV GP, LLC
Distribution: \$121,649.46 (January 3, 2023)

Mr. Goding addressed SB 436 and reported it is restrictive and negative for the System's portfolio.

Mr. Goding moved to HB 769 regarding the proxy voting and for the System to meet the requirement of the proposed law, the Board of Trustees will have to hire a proxy voting service.

Discussion ensued.

MOTION

Chairman Leopold moved that the Board direct Marquette Associates to research proxy voting services on behalf of the System.

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

Yes – 8

No – 0

Motion passed 8 to 0.

Mr. Goding reported that EnTrust Special Opportunities Fund III was fired years ago but the whole fund could not be fully liquidated due to this fund investing in Peruvian Bonds. Peru defaulted on the bonds and before the suit was settled, the Peru President stepped down not approving the settlement. This went to arbitration and was settled at \$100 million plus 7.2% annual accrual for three (3) years, but it had to go through the annulment process for the full pay out of \$125 million due in 2025. This further reduced by a discount at present value to \$85 million. This is legally binding, recognized by 100 countries and must be paid out. The Peruvian government will purchase insurance for settlement amount and sell to be able to cover the payout.

- c. Acceptance of December 31, 2022 Investment Report – for informational purposes – A copy of the December 31, 2022 Market Value Report was included in the agenda documents on the secure portal.

MOTION

Chairman Leopold moved that the Board approve the December 31, 2022 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.

- 2) HB 769 (2023) – For the Board's review, copies of proposed HB 769 and a Memorandum from Marquette Associates regarding same were included in the agenda documents on the secure portal. Addressed earlier.
- 6. Approval of December 14, 2022 Open Session Minutes – For the Board's review and approval, copies of the December 14, 2022 Open Session Minutes were included in the agenda documents on the secure portal.

MOTION

Chairman Leopold moved that the Board approve the December 14, 2022 Open Session Minutes as presented.

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

Yes – 7

No – 0

Abstain - 1

Motion passed 7 to 0 to 1.

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

MOTION

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

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

Yes – 8

No – 0

Motion passed 8 to 0.

8. Approval of the December 31, 2022 Budget Report – For approval by the Board, a copy of the December 31, 2022 Budget Report, including the actual and forecast expenses, was included in the agenda documents on the secure portal.

MOTION

Chairman Leopold moved that the Board approve the December 31, 2022 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. 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.
10. Upcoming Board Meetings – Below is a list of the scheduled Board meetings:
 - February 22, 2023, 9:00 A.M. - Regular Monthly Board
 - March 29, 2023, 9:00 A.M. - Regular Monthly Board
 - April 26, 2023, 9:00 A.M. - Regular Monthly Board
 - May 31, 2023, 9:00 A.M. - Regular Monthly Board
 - June 28, 2023, 9:00 A.M. - Regular Monthly Board
 - July 26, 2023, 9:00 A.M. - Regular Monthly Board
11. Upcoming Board Informational/Instructional Opportunities – Director Lawson reported nothing new to update.
12. Building Committee Report – Committee Chairman Reape reported to the Board.
 - a. Fence/Gate for PRS Parking Lot – Trustee Reape updated the Board that he and Director Lawson met with Mr. Kenny Smith from M-Co regarding the gate access. Mr. Smith is currently researching other entry access besides the access card reader that will partially block the sidewalk. In the meantime, the parking lot entry will be barricaded so no entry can be made over the weekend during the first soccer game. No Parking signs will be affixed to the fence before the close of business Friday.

Trustee Reape will update the Board once he receives the response on other entry access options from Mr. Smith.

13. Personnel & Policy Committee Report – Committee Chairman Rice reported to the Board.

a. Committee Meeting held on January 18, 2023 – Update on the following:

- 1) Policy Governing Requests by Candidates for Elected Trustee Positions for Addresses. Included in the agenda documents on the secure portal was a copy of proposed changes to Appendix 3.09.4 of the Trustee Manual. Committee Chairman Rice recommends the System remove Appendix 3.09.4 completely from the Trustees Manual and no longer offer any paper labels or digital labels to any member running for Trustee elections.

MOTION

Committee Chairman Rice moved that the Board accept the recommendation of the Personnel & Policy Committee to have a policy to not provide personally identifiable information to anyone who seeks it including electronic or paper mailing labels.

Motion was seconded by Chairman Leopold.

Discussion ensued.

Trustee Frederick recommended the policy be sent back to the Personnel and Policy Committee for review.

Chairman Leopold called the vote.

Trustee Frederick asked for a roll call vote. The Chairman granted this request, whereupon the following was recorded:

<u>Yes</u>	<u>No</u>		
Ms. Fitzsimmons	Sgt. Frederick	Yes – 6	No – 2
Chairman Leopold	Sgt. McLaughlin		
Lt. Col. Leyshock			
Lt. Reape			
Det. Rice			
Det. Zouglas			

Motion passed 6 to 2.

MOTION

Trustee Zouglas moved that the Board add verbiage to the Trustee Manual that expresses the policy that the System will not supply any personally identifiable information about any members of the System to anyone who requests it.

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

Yes – 7

No – 1

Motion passed 7 to 1.

- 2) Request to put Trustees' Manual on PRS Website – Committee Chairman Rice stated that the Committee agreed that the Trustee Manual will not be made available via the PRS website. The Trustee Manual is available via Sunshine Law request.

MOTION

Chairman Leopold moved that the Board accept the recommendation of the Personnel & Policy Committee to not publish the Trustee Manual on the System's website.

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

Yes – 7 No – 0 Abstain – 1

Motion passed 7 to 0 to 1.

- 3) Request to put e-mail Addresses of Trustees on PRS Website – Committee Chairman Rice reported a member of the System requested the Board of Trustees' email addresses be published on the System's website.

MOTION

Chairman Leopold moved that the Board accept the recommendation of the Personnel & Policy Committee to add to the System's website links of email addresses of the current Board of Trustees.

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

Yes – 7 No – 0 Abstain – 1

Motion passed 7 to 0 to 1.

Trustee McLaughlin asked if the Board would allow the candidates who run for the trustee elections to put a statement on the System's website that would allow them to reach out to the members.

Discussion ensued.

MOTION

Trustee McLaughlin moved that the Board allow candidates for elective position of trustees to have the opportunity to issue a statement relative to their candidacy to be placed on the System's website prior to the trustee elections.

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

Yes – 7

No – 1

Motion passed 7 to 1.

MOTION

Chairman Leopold moved that the Board delegate to the Personnel & Policy Committee the creation of a written policy regarding candidates for the elective position of trustee to submit statements to be placed on the System's website.

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

Discussion ensued.

Chairman Leopold withdrew his motion and requested a Personnel & Policy Committee meeting be scheduled.

14. Disability Committee Report – Committee Chairman Zouglas reported to the Board.

The following disability applications are pending: P.O. William Triplett; P.O. Shawn Cleveland; P.O. Jeanine Waters; P.O. James Frost; P.O. Marcin Zajac; P.O. Joshua Witcik; P.O. Luther Hall, Jr.; P.O. Robert T. King; Lt. Alana Hauck.

MOTION

Committee Chairman Zouglas moved that the Board affirm the Executive Session Motion to accept the recommendation of the Disability Committee to deny P.O. Marcin Zajac's application for service-connected disability retirement.

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

Yes – 8

No – 0

Motion passed 8 to 0.

Director Lawson brought to Chairman Leopold's attention that the vote was not called for Item 4b to delegate the RFP of the Hearing Officers to the Disability Committee.

Chairman Leopold called the question on the following motion made during Item 4b.

MOTION

Trustee Zouglas moved that the Board delegate the RFP and vetting of the third Hearing Officer to the Disability Committee.

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

Yes – 8

No – 0

Motion passed 8 to 0.

15. Legal Committee Report – Committee Chairman Frederick had nothing to report in Open Session.

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16. Legislative Committee Report – Committee Chairman Frederick reported to the Board that HB 303 has been filed and waiting to see what it does through Committee. The System Lobbyist, Mr. John Bardgett, informed Committee Chairman Frederick it would be wise of the Board of Trustees to visit Jefferson City pending on the status of the Bill.
17. Internal Control & Compliance Committee Report – Committee Chairman Rice had nothing to report in Open Session.
18. Pre-retirement/Veterans' Affairs Committee Report – Committee Chairman Leyshock reported to the Board.
 - a. Pre-Retirement Seminar – February 15, 2023, 8:00 A.M. – 4:00 P.M.
19. Matters Pending – There are no items on the matters pending list.

Chairman Leopold called for motions at this time to affirm the Executive Session Board motions.

MOTION

Chairman Leopold moved that the Board end further efforts and activity of the development of the website for the System's litigation matters.

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

Yes - 8 No – 0 Motion passed 8 to 0.

20. Adjournment of Meeting

MOTION

Chairman Leopold moved to adjourn the Meeting.

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

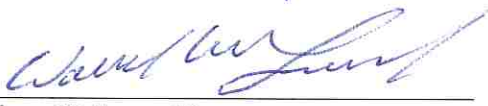
Yes - 8 No – 0 Meeting adjourned at 11:32 A.M.

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


Minutes prepared by Kelly Briley and Mark Lawson.

BOARD APPROVED: 03/29/23

ATTEST:



Wallace K. Leopold
Chairman, Board of Trustees



Leo G. Rice
Secretary