

October 30, 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, October 30, 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 Reape 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:

Lt. Sean M. Reape, Chairman
Sgt. Michael A. Frederick, Retired
Det. Sgt. Melissa M. Foster (via Zoom)
Det. Samuel G. Zouglas, Retired
Lt. Col. Gerald J. Leyschock, Retired
Sgt. John L. McLaughlin, Retired (Mayoral Appointee)

Trustees Leo G. Rice and Jason Fletcher were absent.

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, 2024, 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)
Mr. Raymond Flojo, Assistant City Counselor (via Zoom)

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

MOTION

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

<u>Yes</u>	<u>No</u>		
Det. Foster		Yes – 6	No – 0
Sgt. Frederick			
Lt. Col. Leyshock			
Sgt. McLaughlin			
Chairman Reape			
Det. Zouglas			

Motion passed 6 to 0.

Chairman Reape temporarily adjourned Open Session at 9:02 A.M.

Open Session resumed at 10:42 A.M.

Chairman Reape moved to item 2 at this time.

- 2. Election of Board Chairman for the period of FY2025 - FY 2026 - The floor was opened for the position of Board Chair for Fiscal Years 2025 and 2026. Trustee Leyshock re-nominated Chairman Reape. After no further nominations, Chairman Reape closed the nomination period.

There being only one candidate, Chairman Reape, nominated for Board Chair, Chairman Reape called the question on whether Chairman Reape should be selected Board Chairman by acclamation for this term, and upon vote, the following was recorded:

Yes – 6	No – 0	<u>Motion passed 6 to 0.</u>
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- 3. Election of Board Secretary for the period of FY2025 - FY 2026 - Chairman Reape nominated Trustee Rice. After no further nominations, Chairman Reape closed the nomination period.

There being only one candidate, Trustee Rice, nominated for Board Secretary, Chairman Reape then called the question on whether Trustee Rice should be selected for Board Secretary by acclamation for this term; and upon vote, the following was recorded:

Yes – 6

No – 0

Motion passed 6 to 0.

4. Committee Chair Assignments – Below is a listing of the Committee Chairs as appointed by Chairman Reape:

Personnel & Policy Committee – Trustee Rice
Internal Control & Compliance Committee – Trustee Rice
Disability Committee – Trustee Zouglas
Legislative Committee – Trustee Leyshock
Legal Committee – Trustee Frederick
Building Committee – Trustee Foster
Investment Committee – Chairman Reape
Pre-Retirement/Veteran’s Affairs Committee – Trustee Leyshock

Chairman Reape informed the Board each committee must consist of no fewer than 4 but no more than 5 members. Three members make a quorum for each committee to hold a meeting. Chairman Reape asked the Board to have the list of the committee members turned in by November 20, 2024.

5. Kennedy Capital – Mr. Gary Kauppila, Portfolio Manager and Mr. Chuck Bryant, Director of Business Development presented on this date to update the Board on the System’s portfolio and answered questions from the Board. A copy of the presentation was included in the agenda documents on the secure portal.
6. Investment Committee Report – Chairman Reape 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. September 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 answered questions from the Board and noted the market value of the Fund was \$915,062,852 as of September 30, 2024.
- b. Capital Call/Distribution Updates:
- 1) Siguler Guff
Distribution: \$6,000.00 (September 19, 2024)
- 2) Siguler Guff
Distribution: \$410,699.98 (September 26, 2024)

- 3) Ullico
Distribution: \$212,622.33 (October 1, 2024)
- 4) ElmTree Fund IV GP, LLC
Distribution: \$1,170,854.58 (September 30, 2024)
- 5) Entrust Special Opportunities Fund III, LP
Distribution: \$48,000.00 (September 30, 2024)
- 6) ElmTree Fund V GP, LLC
Distribution: \$138,358.66 (October 1, 2024)
- 7) ElmTree Fund V GP, LLC
Capital Call: \$865,056.18 (October 18, 2024)

- c. Acceptance of September 30, 2024 Investment Report – for informational purposes – A copy of the September 30, 2024 Market Value Report was included in the agenda documents on the secure portal.

MOTION

Chairman Reape moved that the Board approve the September 30, 2024 Market Value Report as presented.

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

Yes – 6 No – 0 Motion passed 6 to 0.

- d. ElmTree U.S. Net Lease Fund V-A, L.P. and ElmTree U.S. Net Lease Fund V-B, L.P. – Request to Amend Limited Partnership Agreement (Extend fundraising period from 18 months to 24 months) (A copy of the proposed Amendment was included in the agenda documents on the secure portal.)

MOTION

Chairman Reape moved that the Board accept the recommendation of the OCIO to amend the Limited Partnership Agreement to extend the fundraising period from 18 months to 24 months.

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

Yes – 6 No – 0 Motion passed 6 to 0.

- 7. Actuarial Audit Committee Report – Committee Chairman Leyshock reported to the Board.

- a. Milliman Audit Report – Ryan Falls of Milliman presented the report on this date. (A copy of the Milliman Audit Report was included in the agenda documents on the secure portal). While walking the Board through the report, Mr. Falls answered questions from the Board and noted the following were included in their audit:
 - Reports

- Membership Details
- Actuarial Value Assets
- Actuarial Liabilities
- Funding
- Actuarial Assumptions

Mr. Falls reported that based on Milliman’s review of the census data, experience study documents, liability replications, and actuarial valuation report that Cheiron performed, they believe the October 1, 2023 actuarial valuation of the Police Retirement System of St. Louis is reasonable, based on reasonable assumptions and methods, and the report generally complies with the Actuarial Standards of Practice.

MOTION

Trustee Leyshock moved that the Board accept the draft Milliman Actuarial Audit Report and recommendations as presented.

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

Yes – 6 No – 0 Motion passed 6 to 0.

8. Reports from Government Legal Counsel – Associate City Counselor Rebecca Wright had nothing to report in Open Session.
9. Chairman’s Report – Chairman Reape had nothing to report in Open Session.
10. Reports from the Executive Director – Director Lawson reported the following to the Board.
 - a. Renewal of DIC Earthquake, Directors & Officers (D&O) and Fiduciary Liability Insurance – A copy of the Renewal Proposal was included in the agenda documents on the secure portal.

Discussion ensued and Director Lawson was instructed to inquire to the Crane Agency about the additional coverage the System has in addition to earthquake coverage and report to the Board during the next Board meeting.

MOTION

Trustee Leyshock moved that the Board approve the renewal of DIC Earthquake, Directors & Officers (D&O) and Fiduciary Liability Insurance policy at the premium stated in the proposal.

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

Yes – 6 No – 0 Motion passed 6 to 0.

OPEN SESSION MINUTES: MONTHLY BOARD MEETING

- b. Annual Audit – PRS staff is in the process of furnishing all documents Sikich as requested for the audit. Testing of member records will take place in office the first week in November. Director Lawson will schedule the Board pre-audit meeting and advise the Board members of the date and time.
- c. RFP for Hearing Officers – Director Lawson updated the Board that the RFP will be published in the Bar Association Metropolitan St. Louis for the November/December issue. In addition, the current Hearing Officers are interested and will submit their proposals. The closing date for the submissions of RFPs is Friday, November 22, 2024.

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

MOTION

Chairman Reape moved that the Board approve the October 2024 Informational Section as presented.

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

Yes – 6 No – 0 Motion passed 6 to 0.

- 12. Approval of the September 30, 2024 Budget Report – For approval by the Board, a copy of the September 30, 2024 Budget Report, including the actual and forecasts expenses, was included in the agenda documents on the secure portal.

MOTION

Chairman Reape moved that the Board approve the September 30, 2024 Budget Report as presented.

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

Yes – 6 No – 0 Motion passed 6 to 0.

- 13. 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. September 25, 2024 Board Meeting

MOTION

17. Disability Committee Report – Committee Chairman Zouglaas had nothing to report in Open Session.

The following disability applications are pending: 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; P.O. William Stevenson; P.O. Alfred H. Allmon; P.O. Richard M. Schicker
18. Legal Committee Report – Committee Chairman Frederick had nothing to report in Open Session.
19. Legislative Committee Report – Committee Chairman Leyshock reported to the Board.
 - a. 2025 Legislation – the earnable compensation legislation has the two same sponsors as last year and they will pre-file the 1st week of December.
20. Personnel & Policy Committee Report – In the absence of Committee Chairman Rice, Chairman Reape had nothing to report in Open Session.
21. Internal Control & Compliance Committee Report – In the absence of Committee Chairman Rice, Chairman Reape had nothing to report in Open Session.
22. Pre-retirement/Veterans' Affairs Committee Report – Committee Chairman Leyshock reported to the Board.
 - a. Fall Pre-Retirement Seminar – was held on Wednesday, October 16.
23. Matters Pending – Trustee McLaughlin was approached by retired Lt. Col. Larry O'Toole, the future director of Backstoppers. He raised concern that the active officers no longer have the option to have payroll deductions for Backstoppers. He inquired to Trustee McLaughlin if the System could research if this would be possible to have a monthly deduction from the retired members' pension. Trustee McLaughlin was informed that the staff will inquire with LRS to see if this could be a deduction possibility within the new payroll system and will advise Director Lawson of their findings.
24. Adjournment of Meeting

MOTION

Chairman Reape moved to adjourn the Meeting.

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

Yes - 6

No – 0

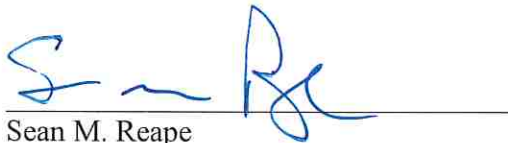
Meeting adjourned at 12:16 P.M

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

Minutes prepared by Kelly Briley and Mark Lawson.

BOARD APPROVED: 12/18/24

ATTEST:



Sean M. Reape
Chairman, Board of Trustees



Mark Lawson
Executive Director