



**Missouri State Employees' Retirement System
Board of Trustees Meeting
MOSERS Office Building, 907 Wildwood Drive, Jefferson City, MO
www.gotomeeting.com, Meeting ID 944-270-021
June 16, 2022 – 9:00 a.m.
Agenda**

Open Session

- Approval of Minutes (Action)
 - February 18, 2022 Board of Trustees Meeting
 - March 3, 2022 Board of Trustees Special Meeting
- Actuarial Valuation June 30, 2022 Discussion (Potential Action)
- Proposed FY23 Budget Amendments (Action)
- Summary Performance Report
 - Environmental, Social, and Governance (ESG) Discussion (Potential Action)
 - Proxy Voting Discussion (Potential Action)
- Investment Risk Report
- Investment Committee Report
 - Private Equity Benchmark (Action)
- Strategic Planning and Governance Committee Report
 - Strategic Plan Update
 - Adoption of Proposed FY23-25 Strategic Plan (Action)
 - Proposed Governance Policy Revisions (Action)
- Audit Committee Report
- Legislative Report
- Executive Director Evaluation Criteria
- Director's Comments

Executive Session

Closed session per RSMo 610.021 (1), (3), & (13)

- Approval of Minutes (Action)
 - February 18, 2022 Board of Trustees Meeting
- Service Provider – Contract Status Update
- Legal/Litigation Update
- Personnel

Informational Only

- Defined Contribution Plans Report
- Operations Activity Report

MISSOURI STATE EMPLOYEES' RETIREMENT SYSTEM
BOARD OF TRUSTEES MEETING
REGULAR SESSION MINUTES
MOSERS OFFICE, 907 WILDWOOD DRIVE, JEFFERSON CITY, MO
WITH OPTIONAL CONFERENCE CALL
JUNE 16, 2022 – 9:00 A.M.

Ms. Crystal Wessing, Mr. Gary Findlay, Mr. Joe Keifer, Mr. Gary Metzger, Ms. Jenny Jacobs, Commissioner Ken Zellers, Treasurer Scott Fitzpatrick, and Sen. Paul Wieland attended in person. Rep. John Wiemann and Sen. John Rizzo attended via telephone. Mr. Mike Price, designee of the Treasurer, and Ms. Stacy Neal, designee of the Commissioner, attended the meeting in person, as guests.

Attending from MOSERS: Ronda Stegmann, Executive Director; Abby Spieler, Deputy Executive Director/General Counsel; TJ Carlson, Chief Investment Officer; Tyson Rehfeld, Deputy Chief Investment Officer; Scott Hankins, Managing Director – Investment Risk & Operations; Cindy Rehmeier, Manager of Defined Contribution Plans; Jeremy Pond, Chief Financial Officer; Paul Moyer, Chief Technology Officer; Pettina Duenckel, Executive Project Coordinator; and Melissa Johnson, Board Administrator. Nicki Russell, Chief Auditor; Patrick Morgan, Legal and Compliance Counsel; Shelby Murdock-Kempf, Associate Counsel; Candy Smith, Communications and Public Information Officer; Andrea Binkley, Chief Benefits Officer; and Lisa Verslues, Human Resources Officer, attended via telephone.

Pat Beckham, Cavanaugh MacDonald Consulting; Tom Litz, Thompson Coburn; and Eileen Neill, Verus Investments, attended in person.

Attendance roll call was taken.

Mr. Metzger moved to approve the regular session minutes from the February 18, 2022 Board meeting. Mr. Findlay seconded. Motion carried.

Mr. Findlay moved to approve the regular session minutes from the March 3, 2022 Special Board Meeting. Mr. Metzger seconded. Motion carried.

Ms. Beckham provided information on how the passage of HB 3005, which provides an extraordinary payment of \$500 million to MOSERS, would impact the employer contribution rate for FY24. Mr. Findlay moved to recognize the \$500 million dollar payment immediately to lower the assumption rate. Mr. Jacobs seconded. Mr. Findlay withdrew his motion. Ms. Jacobs withdrew her second. Mr. Findlay moved to recognize half of the \$500 million dollar payment to lower the assumption rate. Ms. Jacobs seconded. Mr. Findlay withdrew his motion. Ms. Jacobs withdrew her second. After Board discussion, Sen. Rizzo moved to accept the \$500 million dollar payment and reduce the unfunded liability. Treasurer Fitzpatrick seconded. Motion carried.

Ms. Stegmann discussed two proposed budget amendments. Mr. Metzger moved to approve an FY23 budget amendment of \$57,600 to cover an increase in MOSERS employer match for

Deferred Compensation, should such a match be signed by the Governor. Commissioner Zellers seconded. Motion carried. Ms. Jacobs moved to approve a FY23 budget amendment of \$50,000 to increase the actuarial services budget for additional analysis of a legislative proposal to materially modify the future membership of the system. Mr. Metzger seconded. Motion carried.

Ms. Neill presented MOSERS 1st Quarter summary performance report.

Mr. Carlson presented MOSERS 1st Quarter investment summary report.

Ms. Stegmann discussed potential revisions to the Investment Policy Statement regarding development of a proxy voting policy.

In accordance with Section 610.021, RSMo, Treasurer Fitzpatrick moved to go into executive session for the purpose of hearing legal advice regarding the proxy voting policy and the Investment Policy Statement. Mr. Keifer seconded. A roll call vote was taken. Mr. Findlay, Treasurer Fitzpatrick, Ms. Jacobs, Mr. Keifer, Mr. Metzger, Sen. Rizzo, Sen. Wieland, Rep. Wiemann, Ms. Wessing, and Commissioner Zellers voted in favor of the motion. Motion carried.

Upon return to open session, Sen. Wieland moved to instruct Blackrock to send us our proxies and for the Investment Committee and MOSERS staff to develop a proxy voting policy. Treasurer Fitzpatrick seconded. Mr. Keifer moved to amend the motion to instruct Blackrock to stop voting our proxies, send us our proxies, and for the Investment Committee and MOSERS staff to develop a proxy voting policy. Treasurer Fitzpatrick seconded. Treasurer Fitzpatrick moved to amend the motion to instruct Blackrock to stop voting our proxies, send us our proxies, and instructed staff to abstain from voting those proxies while the proxy voting policy is being considered and adopted by the Board through the Investment Committee. Sen. Wieland seconded. Mr. Metzger moved to amend the motion to instruct Blackrock, and NISA as it applies to our REITS portfolio, to stop voting our proxies, send us our proxies, and instructed staff to abstain from voting those proxies while the proxy voting policy is being considered and adopted by the Board through the Investment Committee. Treasurer Fitzpatrick seconded. Motion carried.

Mr. Hankins presented the quarterly risk report.

Mr. Keifer provided the Investment Committee report. Mr. Keifer moved to approve the proposed private equity benchmark modifications, as presented. Mr. Metzger seconded. Motion carried.

Mr. Metzger provided the Strategic Planning and Governance Committee report. Mr. Metzger moved to adopt the FY23-25 Strategic Plan, as presented. Mr. Keifer seconded. Motion carried.

Ms. Stegmann discussed proposed revisions to the MOSERS Governance Manual. Mr. Metzger moved to approve proposed revisions to the Board Expense Reimbursement Policy. Mr. Findlay seconded. Motion carried. Mr. Metzger moved to approve proposed revisions to the Personal Trading Policy. Mr. Keifer seconded. Motion carried.

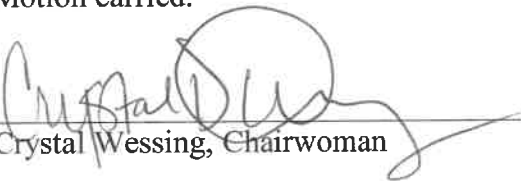
Ms. Jacobs provided the Audit Committee report.

Ms. Stegmann provided the legislative report.

Ms. Wessing discussed the proposed FY23 Executive Director Performance Evaluation. Mr. Metzger moved to approve the FY23 Executive Director Performance Evaluation, as presented. Mr. Findlay seconded. Motion carried.

In accordance with Section 610.021, RSMo, Mr. Findlay moved to go into executive session for the purpose of approving the minutes, discussing service provider contracts, hearing the legal/litigation report, and discussing personnel matters. Mr. Keifer seconded. A roll call vote was taken. Rep. Black, Mr. Findlay, Treasurer Fitzpatrick, Ms. Jacobs, Mr. Keifer, Mr. Metzger, Sen. Wieland, Ms. Wessing, and Commissioner Zellers voted in favor of the motion. Motion carried.

Upon return to open session, Mr. Metzger moved to adjourn the meeting. Mr. Findlay seconded. Motion carried.


Crystal Wessing, Chairwoman


Ronda Stegmann, Executive Director