

BUDGET & AUDIT COMMITTEE

BOARD OF TRUSTEES

OF

THE PUBLIC SCHOOL RETIREMENT SYSTEM OF MISSOURI

AND

THE PUBLIC EDUCATION EMPLOYEE RETIREMENT SYSTEM OF MISSOURI

June 10, 2019

MEMBERS PRESENT

Aaron Zalis
Yvonne Heath

MEMBERS ABSENT

Scott Hunt

OTHERS PRESENT

M. Steve Yoakum, Executive Director
Dearld Snider, Asst. Exec. Dir., Oper.
Craig Husting, Asst. Exec. Dir., Invest.
Anita Brand, Chief Finan. Officer
Stacie Verslues, Dir. Admin Planning

OTHER TRUSTEES PRESENT

Jason Hoffman
Jason Steliga
Chuck Bryant
Beth Knes

**Meeting
Convened**

The meeting of the Budget & Audit Committee of the Board of Trustees convened at 9:00 a.m., at the Retirement System offices in Jefferson City, Missouri. In attendance were Committee Members Aaron Zalis and Yvonne Heath. Other trustees present were Jason Hoffman, Jason Steliga, Beth Knes and Chuck Bryant. Also present were Steve Yoakum, Executive Director, Craig Husting, Assistant Executive Director, Investments; Dearld Snider, Assistant Executive Director, Operations; Anita Brand, Chief Financial Officer; Stacie Verslues, Director of Administrative Planning and Design; and various other PSRS/PEERS staff members.

**Approval of
Minutes
No. 0111**

Ms. Heath moved that the minutes from the April 15, 2019, meeting of the Budget and Audit Committee be approved. Mr. Hoffman seconded the motion. Voting "Aye"—Zalis, Hoffman, Knes, Bryant, Steliga and Heath; "Nay"—None. The motion carried unanimously.

**Banking
Resolution**

Ms. Anita Brand reviewed a memo regarding a banking resolution. The resolution provides continuing authority to Mr. Steve Yoakum, Mr. Dearld Snider, and Mr. Craig Husting to make necessary changes related to our banking relationship with Central Bank. The Banking Resolution authorizes appropriate individuals to execute documents with the bank without additional approval by the Board of Trustees. The authorized individuals approve items such as online user access capabilities and limit changes. The authorization will automatically expire June 30, 2020, unless replaced with a new resolution. Ms. Heath moved that the following resolution be approved:

WHEREAS, the Public School Retirement System of Missouri and the Public Education Employee Retirement System of Missouri (hereinafter the “Company”) desires to obtain a variety of services from Central Bank and the Company desires to authorize individuals to act on its behalf in authorizing the necessary agreements to establish these services;

NOW, THEREFORE, BE IT RESOLVED, that the persons listed below (the “Authorized Persons”) shall enter into and execute applications, instruments, documents, agreements, financial statements, and other writings and any amendments or modifications of any of the same, as in the opinion of the Authorized Persons may be necessary or desirable to consummate the banking services relationship; and

M. Steve Yoakum, Executive Director
Craig A. Husting, Assistant Executive Director, Investments
Dearld O. Snider, Assistant Executive Director, Operations

FURTHER RESOLVED, that the Authorized Persons are hereby authorized and directed to execute, acknowledge and deliver on behalf of the above-referenced entity, as the Authorized Persons may deem necessary or desirable, any and all documents and other writings to consummate any agreement necessary to establish the appropriate banking services for the Company.

This Authorization may be executed in two or more counterparts and by the different parties hereto on separate counterparts, each of which shall be deemed an original, but all such counterparts shall together constitute but one and the same Authorization. This authorization will automatically expire on the earlier of June 30, 2020 or when a new resolution is received by the bank.

Mr. Steliga seconded the motion. Voting “Aye” – Zalis, Hoffman, Bryant, Heath, Knes and Steliga; “Nay” – None. The motion carried unanimously.

No. 0112

**Strategic Plan
Policy**

Mr. Dearld Snider of PSRS/PEERS reviewed with the Board our current Strategic Plan Policy and the four focus areas: System and Financial Stability, Culture of Excellence, Engagement and Innovation. Mr. Snider shared the departmental tactics and goals developed by the management team and how each of these goals supports the strategic plan. Each tactic and goal listed is unique to the 2019-2020 fiscal year and does not include annual events, regular processes or routine projects such as Member Statements, the Comprehensive Annual Financial Report, legislative monitoring, 1099s etc. Based on these objectives, Ms. Anita Brand was able to incorporate the projects into the 2019-2020 budget.

**2019-2020
Budget**

Ms. Brand reviewed the 2019-2020 proposed budget request. Ms. Brand provided information regarding the processes utilized to develop the budget. The budget was compiled based on the Systems' mission of providing retirement security to Missouri's educators and public school employees in the most efficient and cost-effective manner possible. Ms. Brand provided budget highlights and detailed discussion on significant changes from the prior year.

No. 0113

Ms. Heath moved that the 2019-20 budget as presented by staff be approved. Mr. Hoffman seconded the motion. Voting “Aye”—Zalis, Hoffman, Bryant, Heath, Knes and Steliga “Nay”—None. The motion carried unanimously.

Internal Audit

Mr. Jeff Hyman, Internal Auditor, presented his annual report to the Committee.

Adjournment

No. 0114

Ms. Heath moved that the meeting adjourn. Mr. Hoffman seconded the motion. Voting “Aye”—Zalis, Hoffman, Knes, Bryant, Steliga and Heath; “Nay”—None. The motion carried unanimously.