

**REGULAR MEETING**  
**BOARD OF TRUSTEES**  
**OF**  
**THE PUBLIC SCHOOL RETIREMENT SYSTEM OF MISSOURI**  
**AND**  
**THE PUBLIC EDUCATION EMPLOYEE RETIREMENT SYSTEM OF MISSOURI**

**December 6, 2021**

**MEMBERS PRESENT**

Jason Steliga, Chair  
Beth Knes, Vice-Chair  
Dr. Kyle Collins  
Dr. D. Eric Park  
Dr. Melinda Moss

**MEMBERS ABSENT**

Sharon Kissinger

**OTHERS PRESENT**

Dearld Snider, Executive Director  
Bill Betts, Asst. Exec. Dir.; Oper.  
Craig Husting, Chief Investment Officer  
Sarah Swoboda, General Counsel  
Anita Brand, Chief Financial Officer  
Maria Walden, Director, Legislation & Pol  
Jeff Hyman, Director of Internal Audit  
Lisa Scheulen, Chief Technology Officer  
Kim Harris, Director of Human Resources  
Jennifer Martin, Dir. Board Admin.

**Monday, December 6, 2021**

**Meeting Convened**

The meeting of the Board of Trustees convened at 9:45 a.m. in the Retirement System offices in Jefferson City, Missouri. In attendance were Board members Jason Steliga, Beth Knes, Dr. Kyle Collins, and Dr. Melinda Moss. Trustee Dr. Eric Park participated virtually, and trustee Sharon Kissinger was absent. Also present were Executive Director Dearld Snider; Assistant Executive Director, Operations Bill Betts; Assistant Executive Director, Investments Craig Husting; General Counsel Sarah Swoboda; Chief Financial Officer Anita Brand; Director of Legislation and Policy Maria Walden; Chief Technology Officer Lisa Scheulen; Human Resources/Benefit Plan Administrator Kim Harris; Director of Executive and Board Administration Jennifer Martin; and various other PSRS/PEERS staff members.

**System Operations**

**Approval of  
Minutes  
PSRS5016  
PEERS3251**

Dr. Moss moved that the minutes from the October 25, 2021 meeting be approved as presented. Dr. Collins seconded the motion. A roll call vote was taken. Voting “Aye” –Steliga, Knes, Collins, Park and Moss. “Nay” – None. The motion carried unanimously.

**Order of Business** None

**Other** None

**Investments**

**Investment Performance Report** Mr. Craig Husting from PSRS/PEERS and Ms. Margaret Jadallah from Verus (virtual) reviewed the investment performance for the period ended September 30, 2021. The one-year PSRS/PEERS investment return was reported as 23.8%, while the fiscal year return (July 1, 2021 through September 30, 2021) was reported as 1.3%.

**Ongoing Investment Activity** Mr. Husting and Ms. Jadallah reviewed ongoing investment activities, which included estimated investment performance through November 30, 2021. Mr. Husting discussed the current asset allocation of the PSRS/PEERS portfolio, in which he reviewed the long-term strategy and broad portfolio expectations.

**Investment Policy Changes** The Investment Policy was originally adopted in 1995. The investment staff periodically conducts a full review of the Investment Policy and recommends changes to the Board. The last full review was conducted in December 2020.

Mr. Husting discussed proposed changes to the General Policy, the Portfolio Rebalancing Policy, the Service Providers Policy and the Implementation Manuals for Public Risk, Safe Assets, Private Equity, Private Real Estate and Private Credit. The recommended changes were primarily considered ‘clean-up.’ Within the Private Credit and Private Equity Implementation Manuals, the cap (or restriction) on co-investments and direct investments associated with a single partnership was removed. Dr. Park moved to approve the amended recommendation for investment policy changes. Ms. Knes seconded the motion. A roll call vote was taken. Voting “Aye”— Steliga, Knes, Collins, Park and Moss; “Nay”—None. The motion carried unanimously.

PSRS5017  
PEERS3252

**Accounting Review of the FY21 Annual Comprehensive Financial Report (ACFR)/Audit Report**

Ms. Anita Brand briefly reviewed the purpose of the ACFR which was previously shared with the Budget and Audit Committee.

Ms. Anita Brand and Mr. Nick Mestres from Williams-Keepers, LLC briefly reviewed the recent June 30, 2021 audit of the Systems as previously shared with the Budget and Audit Committee.

PSRS5018  
PEERS3253

Dr. Moss moved that the audit report be accepted as recommended by the Budget and Audit Committee. Dr. Collins seconded the motion. A roll call vote was taken. Voting “Aye” – Steliga, Knes, Collins, Park and Moss “Nay” – None. The motion carried unanimously.

**Budget Adjustment** Ms. Brand reviewed the budget amendment request presented to the Budget and Audit Committee for professional services related to the September 2021 security incident and enhanced security protocols. Dr. Collins moved to approve the budget amendment as previously recommended by the Budget and Audit Committee. Ms. Knes seconded the motion. A roll call vote was taken. Voting “Aye” – Steliga, Knes, Collins, Park and Moss “Nay” – None. The motion carried unanimously.

PSRS5019  
PEERS3254

**Management Report**  
**Legislative Update**

Ms. Maria Walden from PSRS/PEERS and Mr. Jim Moody, legislative consultant, updated the Board on the current legislative session. Mr. Moody reported briefly on state revenue and gave an update to the Board. Ms. Walden updated the Board on the 2022 pre-filed legislation and potential bills that will be filed. The Missouri General Assembly allows elected officials to pre-file legislation starting on December 1 for the upcoming legislative session. Currently, there have been over 791 bills pre-filed. The 2022 Missouri Legislative Session will begin on January 5, 2022.

**CPI-U Update**

Mr. Snider discussed the calculation of the Consumer Price Index (CPI) calculated by the Bureau of Labor Statistics (BLS). PSRS/PEERS' regulation requires that the time period for the CPI calculation is from June to June. Based on the values provided by the BLS, the CPI-U is up 1.8009% through October 31, 2021.

**Public Comment**

None

**Closed Session**

Ms. Knes moved that the meeting continue in closed session to consider procurement, technology security issues, and legal matters under Sections 610.021 (1), (12), (14), (21) and 169.020.15, RSMo. Dr. Moss seconded the motion. A roll call vote was taken. Voting "Aye" – Steliga, Knes, Collins, Park and Moss "Nay" – None. The motion carried unanimously.

PSRS5020  
PEERS3255

The following motions were made in closed session:

PSRS5021/PEERS3256 - Minutes (Steliga, Knes, Collins, Park and Moss voting to approve the previous closed session minutes)

PSRS5022/PEERS3257 – Investment General Consultant (Steliga, Knes, Collins, Park and Moss voting to approve the Investment General Consultant)

PSRS5023/PEERS3258 – Move back to Open Session (Steliga, Knes, Collins, Park and Moss voting to move back to open session)

**Adjournment**

PSRS5024  
PEERS3259

Dr. Collins moved that the meeting adjourn. Ms. Knes seconded the motion. Voting "Aye" – Steliga, Knes, Collins, Park and Moss "Nay" – None. The motion carried unanimously.