

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

**AND**  
**THE PUBLIC EDUCATION EMPLOYEE RETIREMENT SYSTEM OF MISSOURI**

**April 16-17, 2023**

**MEMBERS PRESENT**

Jason Steliga, Chair  
Beth Knes, Vice-Chair  
Dr. Kyle Collins  
Dr. D. Eric Park  
Allie Gassmann  
Katie Webb

**MEMBERS ABSENT**

**OTHERS PRESENT**

Dearld Snider, Executive Director  
Craig Husting, Chief Investment Officer  
Sarah Swoboda, Chief Operating Officer  
Mike Moorefield, Chief Counsel  
Anita Brand, Chief Financial Officer  
Jeff Hyman, Director of Internal Audit  
Nicole Hamler, Director of Member Serv.  
Stacie Verslues, Director of Emp. Serv.  
Lisa Scheulen, Chief Technology Officer  
Susan Wood, Dir. of Communications  
Kim Harris, Dir. of Human Resources  
Jennifer Martin, Director, Board Admin.

**Sunday, April 16, 2023**

**Meeting Convened**

The Public School and Education Employee Retirement Systems of Missouri (PSRS/PEERS) Board of Trustees convened at 6:18 p.m. In attendance were Board members Jason Steliga, Beth Knes, Dr. Kyle Collins, Dr. Eric Park, Allie Gassmann, and Katie Webb. Also present were Executive Director Dearld Snider; Chief Investment Officer Craig Husting; Chief Operating Officer Sarah Swoboda; Chief Counsel Mike Moorefield; Chief Financial Officer Anita Brand; Chief Technology Officer Lisa Scheulen; Director of Human Resources Kim Harris; Director of Executive and Board Administration Jennifer Martin; and various other PSRS/PEERS staff members.

**Private Equity and  
Private Credit**

Mr. John Tuck, Mr. Dan Case, Mr. Ben Frede and Ms. Shradha Birchmier from PSRS/PEERS reviewed the Systems' Private Equity and Private Credit portfolios including program objectives, guidelines and long-term results. The five-year annualized return for the Private Equity composite for the period ended December 31, 2022 was 20.0% and the five-year annualized return for the Private Credit composite for the same period was 9.8%. Staff also discussed the Private Equity co-investment program and the Private Credit direct investment program.

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

**Adjournment**

PSRS5103  
PEERS3338

**Monday, April 17,  
2023**

**System Operations**

**Meeting Convened**

The Public School and Education Employee Retirement Systems of Missouri (PSRS/PEERS) Board of Trustees convened at 8:30 a.m. In attendance were Board members Jason Steliga, Beth Knes, Dr. Kyle Collins, Dr. Eric Park, Allie Gassmann and Katie Webb. Also present were Executive Director Dearld Snider; Chief Operations Officer Sarah Swoboda; Chief Investment Officer Craig Husting; Chief

Counsel Mike Moorefield; Chief Financial Officer Anita Brand; Director of Internal Audit Jeff Hyman; Director of Member Services Nicole Hamler; Director of Employer Services Stacie Verslues; Chief Technology Officer Lisa Scheulen; Director of Communications Susan Wood; Director of Human Resources Kim Harris; Director of Executive and Board Administration Jennifer Martin; and various other PSRS/PEERS staff members.

**Approval of Minutes for February 5-6, 2023 Meetings**  
PSRS5104  
PEERS3339

Ms. Gassmann moved that the minutes from the February 5 and February 6, 2023 meetings be approved. Dr. Park seconded the motion. Voting “Aye” – Steliga, Knes, Collins, Park, Gassmann and Webb; “Nay” – None. The motion carried unanimously.

**Order of Business**

PSRS/PEERS Executive Director Dearld Snider presented a plaque to Dr. Kyle Collins for his dedication and service as a PSRS/PEERS Trustee. Dr. Collins will retire effective July 1, 2023.

Mr. Jason Steliga announced that Sharon Kissinger resigned from the Board due to personal health reasons. He stated that her 40-plus years of financial experience helped to take the most complex investment situations and explain them in simpler terms. She will be missed by all.

**Election of Chair**  
PSRS5105  
PEERS3340

Ms. Gassmann nominated Mr. Jason Steliga to serve as Chair of the Board for the period July 1, 2023 through June 30, 2024. Dr. Park seconded the motion. Voting “Aye” –Steliga, Knes, Collins, Park, Gassmann and Webb. “Nay” – None. The motion carried unanimously.

**Election of Vice Chair**  
PSRS5106  
PEERS3341

Mr. Steliga nominated Ms. Beth Knes to serve as Vice Chair of the Board for the period July 1, 2023 through June 30, 2024. Dr. Collins seconded the motion. Voting “Aye” –Steliga, Knes, Collins, Park, Gassmann and Webb. “Nay” – None. The motion carried unanimously.

**Set Interest Credit Rate for June 30, 2024**

Each June 30, interest is credited to the accounts of active members at the rate set by the Board of Trustees. If a member requests a refund of his or her contributions, any accumulated interest is paid as part of this refund. If a member retires from the Systems, the amount of interest credited to the membership will not affect the retirement benefit calculation. In the event there is an unused balance in the membership at the death of the member and any Joint-and-Survivor benefit plan beneficiary, the remainder is paid in a lump sum to the residual beneficiary. Ms. Anita Brand presented information on current member account balances, as well as historical interest rates and payments. Staff recommended the interest rate credited to the accounts of active members be 4.0% for fiscal year 2023-2024. This rate will be utilized throughout the fiscal year to facilitate necessary member account corrections and will be utilized to credit active member accounts on June 30, 2024. Ms. Knes moved that the interest credit rate be set at 4.0% effective June 30, 2024. Ms. Webb seconded the motion. Voting “Aye” –Steliga, Knes, Collins, Park, Gassmann, and Webb. “Nay” – None. The motion carried unanimously.

PSRS5107  
PEERS3342

**Set Purchase Interest Rate for FY 2024**

Ms. Anita Brand presented information to the Board of Trustees on the purchase interest rate. According to Board Regulation (16 CSR 10-4.012 (4)), prior to July 1 each year, the Board of Trustees shall establish a "purchase rate" of interest based on the actuarially assumed rate of return on invested funds of the Retirement Systems. The purchase interest rate shall apply to any amount due for reinstatement of service or for the purchase of service, except as otherwise specified by law. Staff recommended the purchase interest rate be set at the current assumed rate of return of 7.3%. Ms. Gassmann moved that the purchase interest rate be set at the current assumed rate of return of 7.3%. Dr. Collins seconded the motion. Voting “Aye” –Steliga, Knes, Collins, Park, Gassmann, and Webb. “Nay” – None. The motion carried unanimously.

PSRS5108  
PEERS3343

**Other**

Mr. Jason Steliga thanked Dr. Kyle Collins again for his service on the Board. He stated that during his three years as a Trustee, Dr. Collins’ vast experience and knowledge made a valuable contribution to the Board and to the Systems. He then congratulated him again on his retirement.

**Investments**  
**Ongoing Investment Activity**

Mr. Craig Husting from PSRS/PEERS and Mr. Michael Hall from Russell provided a market overview including detailed investment returns for several stock and bond indices for the calendar and fiscal years through March 31, 2023. Mr. Husting provided a broad overview of the PSRS/PEERS' portfolio structure, including an estimated asset allocation for PSRS/PEERS as of March 31, 2023. Mr. Husting stated that the PSRS/PEERS preliminary (unaudited) investment return for the fiscal year (July 1, 2022 through March 31, 2023) was approximately 3.3%.

**Management Report**  
**Member Services- Information Center Update**

Ms. Nicole Hamler and Ms. Stacey Shahangian from PSRS/PEERS provided the Board a Member Services - Information Center update. Ms. Hamler provided the Board with the goals and primary responsibilities of the Information Center. She discussed the approximately 36% increase in total member interactions, phone calls, emails and chats over the past decade along with the change in staff within the section due to promotions and retirements. Ms. Hamler discussed the impact of both factors on the department as a whole and on long-term customer service expectations. Ms. Shahangian reviewed the positive effect the recently approved additional information center positions have had over the past year on Member Services. She also provided the Board current staffing information and fiscal year-to-date numbers. Ms. Hamler recapped the overall increase in customer service, innovation and morale within the department and how the additional information center positions have positively impacted long-term planning for the department.

**Funston**

Mr. Rick Funston, Mr. Randall Miller and Mr. Keith Johnson from Funston Advisory Services provided a brief introduction of themselves and their firm. They described their recent engagement to provide certain governance consulting services to the Board.

Mr. Funston, Mr. Miller, Mr. Johnson and Ms. Sarah Swoboda from PSRS/PEERS discussed the results from the Governance Policy and Charter Review and the Summary of the InGov Peer Benchmarking Survey. They explained the PSRS/PEERS governance policy documents were found to be comprehensive, appropriate and consistent with peer practices. Funston outlined a few recommendations on governance policies for future Board consideration. Overall, PSRS/PEERS is efficiently operated with costs and staffing relative to peer funds and could be considered a high-performing organization with effective policies and practices.

Ms. Swoboda reviewed the new Board Governance Timeline with the Board, which was suggested by Funston. This will be a tool for Board use outlining the main topics for each of the months the Board meets (February, April, June, August, October and December) each year and linking to relevant documents.

**Legislative Update**

Mr. Mike Moorefield from PSRS/PEERS and government relations consultants Mr. Jim Moody and Mr. Doug Nelson presented the February legislative update.

Mr. Moody described the current budget climate in Missouri state government, touching on the previous fiscal years' revenue numbers and the historical general revenue base. Mr. Moody also provided the Board with information on the potential future impact of various tax cuts passed into law over the past several years to the state budget. Mr. Nelson and Mr. Moorefield then provided the Board with an update on the status of Systems' Priority Tracked Legislation going into the last four weeks of the 2023 legislative session. The Systems are tracking over 250 bills and have provided more than 50 fiscal note responses to the legislature concerning the potential impact on PSRS/PEERS. Mr. Moorefield and Mr. Nelson gave an update on the 24 bills in the Systems' Priority Tracked List, discussing with the Board the potential for a number of statutory provisions to pass in the General Assembly that would have either a positive impact or no negative impact on Systems' fiscal position and operations.

**Key Accomplishments**

Ms. Sarah Swoboda and Mr. Dearld Snider from PSRS/PEERS reviewed some key accomplishments since the February Board Meeting.

Ms. Swoboda explained to the Board that our website now has a Chatbot available to members and this will help answer some of the more general questions people have, freeing up our information center specialists for more difficult questions. She also showed them an online Critical Shortage Enrollment Form that is now available for Employers to use to provide information more efficiently and consistently to PSRS/PEERS regarding Critical Shortage Employment requests.

Mr. Snider explained to the Board that we shredded nearly 3,000 boxes of records that were previously being stored in a secure offsite location. These documents have already been scanned and saved electronically. Continuing to store the documents was no longer necessary and destroying them is a cost savings to the system. Moving forward, as we get new documents, they will immediately be scanned, stored for six months, and then shredded.

Ms. Swoboda covered two additional key accomplishments. The first is an Employee Compensation Calculator, which is a tool that HR can utilize with potential new hires to help explain the benefits PSRS/PEERS offers to employees. Lastly, Ms. Swoboda discussed the Board Governance Timeline. This will be a tool for Board use and outlines the main topics covered each of the months the Board meets (February, April, June, August, October, and December) each year with links to relevant documents.

The presentation wrapped up with a brief look ahead at some upcoming projects.

#### **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 1.8646% through March 31, 2023.

#### **Public Comment**

None

#### **Other**

None

#### **Closed Session**

PSRS5109

PEERS3344

Ms. Knes moved that the meeting continue in closed session to legal matters under Sections 610.021 (17), (3), (13), 610.201 (1) (14), (21), and 169.020.17, RSMo. Ms. Gassmann seconded the motion. A roll call vote was taken. Voting "Aye" – Steliga, Knes, Collins, Park, Gassmann and Webb; "Nay" – None. The motion carried unanimously.

The following motions were made in closed session:

PSRS5110/PEERS3345 – Minutes from February 6, 2023, Closed Session (Steliga, Knes, Collins, Park, Gassmann, and Webb; voting to approve the previous closed session minutes)

PSRS5111/PEERS3346 – Board Self-Evaluation (Steliga, Knes, Collins, Park Gassmann, and Webb voting to approve the Board completed self-evaluation)

PSRS5112/PEERS3347 – ED Evaluation (Steliga, Knes, Collins, Park Gassmann, and Webb voting to approve the Board completed ED evaluation)

PSRS5113/PEERS3348 – ED Compensation (Steliga, Knes, Collins, Park Gassmann, and Webb voting to approve the new contract and salary for ED)

PSRS5114/PEERS3349 – Move back to Open Session (Steliga, Knes, Collins, Park, Gassmann and Webb; voting to move back to open session)

#### **Adjournment**

PSRS5115

PEERS3350

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

**Prepared by  
Jennifer Martin**

---

Jason Steliga, Chair

---

Dearld Snider, Executive Director