

Missouri Sheriffs' Retirement System

Board of Directors' First Quarterly Meeting

**1739 Elm Court, Suite 202
Jefferson City Missouri**

February 3, 2023

Present were Chairman J. Kent Oberkrom, Members Kevin Bond, Dwayne Carey and Kenny Jones; via conference call Member Jim Arnott; Central Bank Representatives Joanne Scheperle and David Meyer; Statehouse Strategies Representatives Angie Schulte and Jay Reichard; Also present were Sheriffs' Retirement System Interim Executive Director Melissa Lorts, Executive Director Jeff Padgett and Staff Diane Stiefermann.

The meeting was called to order at 10:00 a.m. by Chairman Kent Oberkrom.

Opening Remarks:

- Chairman Kent Oberkrom made the opening remarks.

Oath of Office:

- Member Dwayne Carey, Sheriff of Boone County, was sworn in as a new member of the Missouri Sheriffs' Retirement System Board.

Election of Officers:

- Member Kevin Bond made the motion to keep Member Kent Oberkrom as Chairman of the Board. Member Dwayne Carey seconded the motion. The motion was approved by all members.
- Member Kenny Jones made the motion to keep Member Jim Arnott as Vice Chairman of the Board. The motion was seconded by Dwayne Carey and was approved by all members.

Minutes:

- Member Dwayne Carey moved and Member Kenny Jones seconded a motion to approve the open and closed minutes of the December 2, 2022 and December 30, 2022 meetings. The motion was approved by all members.

Investment Report – Central Bank:

- Joanne Scheperle, Representative of Central Bank, handed out copies of the investment portfolio review report and presented the information. A copy of the Investment Report is filed with these minutes. Member Dwayne Carey moved and Member Kevin Bond

seconded a motion to accept the Investment Report. The motion was approved by all members.

Report on System Operations:

- **Deposits** – Interim Executive Director Melissa Lorts presented a report (copy is filed with these minutes) showing total contributions as of January 31, 2023.
- **Financials** – The System remains in good financial condition and expenses are consistent with expectations.
- **Budget Status** - Budget expectations were met for CY2022.
- **Account Balances** - Interim Executive Director Melissa Lorts presented the Board with the Comparative Income Statement Report as of December 31, 2022 (copy of report is filed with these minutes) showing total assets as \$39 million. Melissa Lorts indicated total income as of December 31, 2022 was down \$3.1 million; total operating expenses were \$11 million with a total net decrease of \$14.2 million.

Member Kevin Bond moved and Member Kenny Jones seconded a motion to approve the System Operations Report. The motion was approved by all members.

2023 CPI Increase for Retirees, Survivors:

- The cost of living documentation from the U.S. Department of Labor was provided to each Board member. A copy of this documentation is filed with these minutes.

Member Kevin Bond moved and Member Dwayne Carey seconded a motion to approve the 5% cost of living increase for all retirees, survivors and administrative staff effective March 1, 2023. The motion was approved by all members.

2023 Polsinelli Contract:

- Interim Executive Director Melissa Lorts informed the Board that the 2023 Polsinelli Engagement Proposal had been signed. The changes of the proposal are Rodney Gray has retired and Susan Henderson Moore has replaced him as our legal counsel. The fees remain the same.

D&O Quote Consideration:

- Executive Director Jeff Padgett briefed the Board on the D&O insurance quote. The premium quoted was extremely high due to the System's lack of funding. Member Kevin Bond suggested to reject the quote at this time and perhaps revisit when a secure funding source is established.

Legislation Update:

- Representatives from Statehouse Strategies Angie Schulte and Jay Reichard gave an update on the filing of HB 934 that was introduced in the House sponsored by Representative Barry

Hovis. Discussion took place regarding making some changes to the language to include all sheriffs paying 5% and no interest on non-vested members' refunds. Mr. Riechard also stressed the importance of the title wording and how it's presented.

- Members of the Board plan to meet with the MSA regarding polling for the constitutional amendment and focus on the appropriation this session and the constitutional amendment next session.

Legal Settlement Update:

- Interim Executive Melissa Lorts gave the final legal settlement update. The System will be refunded \$65,000.

Other Business:

- **MAPERS Conference** is scheduled for July 12-14, 2023 at Margaritaville Resort, Osage Beach. More details to follow. Website is momapers.org/conference/
- **Next Board Meeting** - The date for the next Board Meeting will be June 2, 2023 at 10:00 a.m. at the Sheriffs' Retirement System office in Jefferson City, MO.
- Chairman Kent Oberkrom as well as all of the Board members thanked Jeff Padgett for his service and time as Executive Director. Mr. Padgett thanked the Board for the opportunity to serve as Executive Director.

Adjournment:

- Member Jim Arnott moved and Member Kenny Jones seconded a motion to adjourn the meeting. The motion was approved by all members. The meeting was adjourned.