

MISSOURI LOCAL GOVERNMENT EMPLOYEES RETIREMENT SYSTEM

BOARD MEETING

LAGERS Board Room  
Jefferson City, Missouri

Friday, 8:19 A.M.  
March 22, 2019

**BOARD MEMBERS PRESENT:**

Arby Todd, Frank Buck, Bob Ashcroft (via conference call), Claire Scoville, Barry McCullough, Joan Jadali and Sandy Walker.

**OTHERS PRESENT:**

Robert Wilson, Executive Secretary; Brian Collett, Chief Investment Officer; Jeff Kempker, Assistant Executive Secretary, Member Services; Tami Jaegers, Assistant Executive Secretary, Operations; Pam Hopkins, Compliance Officer/Internal Auditor; Melissa Rackers, Chief Financial Officer; Jason Paulsmeyer, Chief Counsel; Megan Loehner, Director of Investments; Elizabeth Althoff, Legislative & Communication Coordinator; Robert Coleman, Joint Committee on Public Employee Retirement; Richard McIntosh and Zachary Brunnert, Flotron & McIntosh; and Jan Kinard, Administrative Assistant.

**Meeting Convened**

A meeting of the Board of Trustees of the Missouri Local Government Employees Retirement System was held in the LAGERS Board Room, Jefferson City, Missouri, on Friday, March 22, 2019. Arby Todd called the meeting to order at 8:19 A.M.

**Consent Agenda**

**A motion was made by Frank Buck and seconded by Claire Scoville to approve the Consent Agenda, as revised, except for David Smith and Lucas Cavalieri, Employees of the City of Lee's Summit, and Steven Ward, City of Poplar Bluff.  
Motion carried 7-0.**

**A motion was made by Barry McCullough and seconded by Claire Scoville to disapprove the Duty Disabilities of David Smith and Lucas Cavalieri, Employees of the City of Lee's Summit.  
Motion carried 6-0, Arby Todd abstained.**

**A motion was made by Frank Buck and seconded by Joan Jadali to approve the Non-Duty Disability of Steven Ward, City of Poplar Bluff.  
Motion carried 6-0, Sandy Walker abstained.**

### **Visitor's Comment**

No visitors present.

### **Audit & Finance Committee Report**

Joan Jadali discussed the Fiscal Year 2020 Business Plan presented to the Committee by Robert Wilson, Executive Secretary.

**A motion was made by Joan Jadali and seconded by Claire Scoville to approve the Fiscal Year 2020 Business Plan.**

**Motion carried 7-0.**

Joan Jadali discussed the mid-year budget review presented to the Committee by Melissa Rackers, Chief Financial Officer.

Joan Jadali discussed the IRS Compliance Review Report, the Plan Qualification Review Report, Governance Review Report and the IA Quality Assurance & Improvement Program Self-Assessment Report presented by Pam Hopkins, Compliance Officer /Internal Auditor to the committee.

### **Governance Committee Report**

Frank Buck discussed the 2018 Governance Review Report presented to the committee by Pam Hopkins, Compliance Officer/Internal Auditor.

### **Legislative Committee Report**

Claire Scoville discussed the Statement of Policy Beliefs as presented to the committee by Elizabeth Althoff, Legislative & Communication Coordinator.

**A motion was made by Barry McCullough and seconded by Joan Jadali to approve the Statement of Policy Beliefs as presented.**

**Motion carried 7-0.**

### **Legislative Consultant Report**

Richard McIntosh and Zachary Brunnert, Flotron & McIntosh, gave an update on the 2019 Legislative Session.

### **Chief Financial Officer's Report**

Melissa Rackers discussed the 2019 Evaluation Schedule for the Executive Secretary.

Melissa Rackers presented the LAGERS Supplemental Employees Retirement Plan document and edits to the LAGERS Staff Retirement Plan document.

**A motion was made by Barry McCullough and seconded by Claire Scoville to approve the LAGERS Supplemental Employees Retirement Plan document as presented.  
Motion carried 7-0.**

**A motion was made by Barry McCullough and seconded by Claire Scoville to approve the amendments to the LAGERS Staff Retirement Plan document as presented.  
Motion carried 7-0.**

### **Chief Investment Officer's Report**

Megan Loehner notified the Board of investments that the Investment Staff has committed to since the previous Board Meeting.

Megan Loehner gave a report on the Private Natural Resource Manager Process.

Brian Collett gave a report on Market Trends, 4<sup>th</sup> Quarter 2018 Performance Highlights, Missouri OPEB and LAGERS Staff Plan.

### **Member Services / Operations Report**

Jeff Kempker and Tami Jaegers gave an update on activities from the Member Services and Operations Departments and the Legacy Plan Administration.

### **Executive Secretary's Report**

Robert Wilson discussed the appointment of a Hearing Officer in the petition of Lorn Dennis.

**A motion was made by Barry McCullough and seconded by Frank Buck that Attorney Ed Clausen be appointed as Hearing Officer in the petition of Lorn Dennis, Duty Disability Petition for Administrative Hearing; that Mr. Clausen conduct a hearing in these matters and present proposed findings of fact and conclusions of law to the Board of Trustees pursuant to Section 70.605.16 RSMo and 16 CSR 20-3.010.  
Motion carried 7-0.**

Robert Wilson discussed the appointment of a Hearing Officer in the petition of Buddy Montgomery.

**A motion was made by Barry McCullough and seconded by Frank Buck that Attorney Keith Wenzel be appointed as Hearing Officer in the petition of Buddy Montgomery, Duty Disability Petition for Administrative Hearing; that Mr. Wenzel conduct a hearing in these matters and present proposed findings of fact and conclusions of law to the Board of Trustees pursuant to Section 70.605.16 RSMo and 16 CSR 20-3.010.  
Motion carried 7-0.**

Robert Wilson and Jeff Kempker discussed the audit of LAGERS actuarial service. Kim Nicholl, Matt Strom and Jeff Diamond from Segal Consulting gave a presentation (via conference call) on the results of Segal Consulting's actuarial audit of the February 28, 2018 actuarial valuation and review of the 2010-2015 experience study.

Robert Wilson discussed expanding options for the amounts contributed by LAGERS members.

**A motion was made by Bob Ashcroft and seconded by Joan Jadali to seek legislation when appropriate to widen the option of employee contributions.**

**Motion carried 7-0.**

Robert Wilson discussed LAGERS being a Plan Sponsor of the Year finalist.

Pam Hopkins reported LAGERS received the “Certificate of Transparency” award from the National Conference on Public Employee Retirement Systems.

Robert Wilson discussed the 2019 MAPERS Conference, which will be held July 10-12, 2019 at Tan-Tar-A Resort.

### **Chairman’s Report**

Chairman, Arby Todd approved the following individuals as new or reappointed appointees to LAGERS’ Legislative Committee: Frank Offutt, Rodney Richardet, Bobby Sperry, Wendy Howe, Russell Rost, Shameika Williams, Dianne Teamer, Gail Strobe, Mike Frese, Andrea Lane, Stacia Portis, Steven Kelly, John Bergfeld and Shane Anderson.

### **Chief Counsel’s Report**

Jason Paulsmeyer discussed the proposed changes to the Administrative Rule Amendments.

**A motion was made by Claire Scoville and seconded by Joan Jadali to approve the proposed Administrative Rule Amendments as presented.**

**Motion carried 7-0.**

**A motion was made by Bob Ashcroft and seconded by Barry McCullough to go into Executive Session for litigation and advice from Counsel regarding legal matters pursuant to section 610.021 (1). A roll call vote was taken.**

**Motion carried 7-0.**

### **Adjournment**

**Open Session reconvened at 11:06A.M. A motion was made by Barry McCullough and seconded by Claire Scoville to adjourn the March Board Meeting of LAGERS at 11:08 A.M. on March 22, 2019.**

**Motion carried 7-0.**

Respectfully submitted,

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Robert Wilson  
Executive Secretary