

FEBRUARY 21, 2025 MEETING MINUTES
BOARD OF TRUSTEES
MODOT AND PATROL EMPLOYEES' RETIREMENT SYSTEM

MPERS' Office Building
1913 William St.
Jefferson City, MO 65109

TRUSTEES PRESENT:

Ms. Sue Cox, Chair
Master Sergeant Wallace Ahrens
Commissioner W. Dustin Boatwright
Commissioner Warren Erdman
Mr. Ed Hassinger
Commissioner Dan Hegeman
Representative Barry Hovis
Mr. Bill Seibert
Colonel Michael Turner
Mr. Todd Tyler

GUESTS:

Mr. Kevin Leonard, NEPC
Mr. Rick Funston, Funston Advisory Services
Mr. Mike Winter, Legislative Consultant

STAFF PRESENT:

Mr. Scott Simon, Executive Director
Ms. Greta Bassett-Seymour, Deputy Executive
Director & General Counsel
Mr. Larry Krummen, Chief Investment Officer
Ms. Jennifer Even, Chief Financial Officer
Ms. Katy Lacy, Human Resources Officer
Mr. Mark Caplinger, Manager of Investments
Ms. Jennifer Johnson, Manager of Investments
Ms. Lindsey Harris-Funk, Assistant Chief
Financial Officer
Mr. Seth Kelly, Manager of Investments
Mr. Luke Fortson, Investment Officer
Mr. Mike Azar, Communication Specialist
Ms. Melissa Gourd, Board Administrator

A regularly scheduled meeting of the Missouri Department of Transportation and Highway Patrol Employees' Retirement System (MPERS) was held on Friday, February 21, 2025, at the System's office at 1913 William Street in Jefferson City, Missouri. Ms. Sue Cox called the meeting to order pursuant to section 104.108 of the Missouri Revised Statutes, as amended.

Ms. Cox welcomed Col. Michael Turner to his first MPERS Board meeting.

APPROVAL OF MINUTES

Mr. Tyler moved to approve the November 21, 2024 meeting minutes. Comm'r Hegeman seconded. Motion carried. Col. Turner abstained from the vote.

ELECTION OF CHAIR

Mr. Seibert nominated Mr. Tyler for Chair. M.Sgt. Ahrens moved to approve this nomination. Comm'r Boatwright seconded. Motion carried. Per section 104.170 RSMo., Mr. Tyler was elected Chair of the Board for a one-year term.

ELECTION OF VICE CHAIR

Rep. Hovis nominated M.Sgt. Ahrens for Vice Chair. Comm'r Hegeman moved that nominations cease, and M.Sgt. Ahrens be elected by acclamation. Mr. Tyler seconded. Motion carried. Per section 104.170 RSMo., M.Sgt. Ahrens was elected Vice Chair of the Board for a one-year term.

COMMITTEE APPOINTMENTS

Committee appointments will be forthcoming. If any trustee wishes to be appointed to a specific committee, they should notify Mr. Tyler or Mr. Simon.

LEGISLATIVE UPDATE

Mr. Simon updated the Board on the following pension-related bills:

- HB 196 prohibits public pension plans from holding investments connected with foreign adversaries.
- HB 657/SB 389 relates to environmental, social, and governance (ESG) matters and proxy voting.
- HB 686 relates to a permanent buyout option for vested former employees and explicitly prohibits any pension system from making political contributions or funding ballot measures.

Mr. Simon suggested that the Board take a position in support of HB 657 and SB 389, and that the support carry over as long as the content of the bills remains the same. Comm'r Erdman moved that the Board take a position of support of HB 657/SB 389, as written. Comm'r Boatwright seconded. Motion carried. Rep. Hovis abstained from the vote.

Staff will continue to monitor these bills and any other pension-related bills and update the Board if necessary.

GOVERNANCE COMMITTEE UPDATE

Presenter: Ms. Sue Cox, Governance Committee Chair

Ms. Cox reported that the Governance Committee met on December 9, 2024. At this meeting, the Committee considered an update to Board Rule 1-5 regarding voting options for board elections, as well as several governance policy changes. The Committee voted to recommend the updates to the Board for consideration.

BOARD RULE UPDATE

Mr. Simon discussed a revision regarding voting options for board elections in Board Rule 1-5. This change was made at the request of the Governance Committee and allows the Board flexibility to consider a third-party administrator for conducting trustee elections, thereby providing members with more options to cast a vote. Ms. Cox moved to accept the proposed revision. Rep. Hovis seconded. Motion carried.

GOVERNANCE POLICY UPDATES

Mr. Simon discussed several updates to MPERS' Governance Policies. Ms. Cox moved to approve the updates as presented. M.Sgt. Ahrens seconded. Mr. Seibert moved to amend the

motion to include an update to the Executive Director Charter. Comm'r Erdman seconded. Motion carried.

INVESTMENT COMMITTEE REPORT

Presenter: Ms. Sue Cox, Investment Committee Chair

Ms. Cox reported that the Investment Committee had met before the board meeting. The Committee heard the semi-annual fixed income report and annual proxy voting report. NEPC, the Board's investment consultant, presented the 2025 Investment Outlook.

INVESTMENT REPORTS

Presenters: Mr. Larry Krummen, Chief Investment Officer, and Kevin Leonard, NEPC

Mr. Krummen provided the CIO report. The portfolio value is \$3.82 billion. MPERS' long-term returns continue to look strong. The 5-, 10-, and 20-year returns all rank among the top of the fund peer universe and exceed both the actuarial hurdle and policy benchmark returns.

Mr. Leonard presented the fourth-quarter investment performance report.

BOARD EDUCATION

Presenter: Mr. Rick Funston, Funston Advisory Services

Mr. Funston provided an overview of Board Smart, an online tool available to board members that offers educational opportunities related to various Board-related topics.

DIRECTOR'S COMMENTS

Mr. Simon thanked Ms. Cox, the outgoing Board Chair, and Mr. Tyler, the outgoing Board Vice Chair for their service. He congratulated Mr. Tyler and M.Sgt. Ahrens on their appointments as Chair and Vice Chair. Mr. Simon welcomed Col. Turner to his first board meeting.

Mr. Simon also informed the Board that MPERS has closed on a new office building. Renovation bids are being received, and work is expected to begin soon.

ADJOURN

Comm'r Boatwright moved to adjourn the meeting. Mr. Hassinger seconded. Motion carried.

CERTIFICATION

We, Todd Tyler, Board Chair, and Scott Simon, Executive Director, Board of Trustees, MoDOT & Patrol Employees' Retirement System, hereby certify that the foregoing are full, true, and complete minutes of the meeting of the Board held on February 21, 2025 in Jefferson City, Missouri, as approved by said Board at its meeting held June 20, 2025.

IN TESTIMONY WHEREOF, we have hereto set our hands and affixed the seal of said Board on June 20, 2025.



Chair



Executive Director

