

MINUTES
Petroleum Storage Tank Insurance Fund
Board of Trustees Meeting
December 8, 2021

In Person and Via Conference Call
Start Time: 9:32 a.m.

Chairman Greer called the meeting to order and said that it was good to see most everyone in person. He commented that he was appreciative of those in attendance as it's much easier to collaborate as a group and work efficiently with everyone in the same room even though a few Trustees did have to participate via conference call due to travel and other emergencies. Roll was called to confirm Trustees' participation. He welcomed Jacob Westen as the Department of Natural Resource's newly-appointed representative since Katie Jo Wheeler had moved on to another position. Chairman Greer then asked all members of the audience to identify themselves for the record. He noted that all votes would be taken by roll call.

Trustees Present In Person:

James Greer, Chairman
Tom Kolb
Nikki Loethen
Don McNutt
Kristi Naught
Jacob Westen

Trustees Present by Phone:

Jim Ford, Vice Chairman
Cathy Stepp

Trustees Absent:

Ski Mariea
Danny Opie

Staff Present or Participating by Phone:

Pat Eriksen, Williams & Company Consulting
Lori Gray, Williams & Company Consulting
Diane James, Executive Assistant
Dorcee Lauen, Williams & Company Consulting (by phone)
Kelley Ogletree, Executive Director
John Taylor, General Counsel
Pat Vuchetich, Williams & Company Consulting

Others Present or Participating by Phone:

Carol Eighmey, Retired
Ken Koon, Tanks Section, MoDNR/ERP
Ron Leone, Missouri Petroleum & Convenience Association
Christian Tieman, Armanino, LLP (by phone)

Approval of Minutes – September 29, 2021 – Open Session

Kristi Naught moved to approve the minutes as presented. Tom Kolb seconded. There were no amendments or discussion. A roll call vote was taken. Motion carried unanimously with Trustees Ford and Westen abstaining.

Monthly Reports

Chairman Greer directed Trustees' attention to the financial statements provided. Ms. Ogletree commented on Trustee Kolb's question from the last meeting about the transport load fee revenues being significantly lower at that time than from the previous year and noted that those revenues have evened out and are where they were expected to be at this point in time. Chairman Greer then asked Ms. Ogletree to give a brief overview of the large-loss claims summary, which she did. Chairman Greer asked if there were any other questions on any of the other reports provided; there were none.

FY21 Financial Audit – Armanino LLP

Chairman Greer introduced Christian Tieman from Armanino LLP who was on the phone to present the FY21 financial audit report. He reminded Trustees a new auditing firm was used for this audit and thanked Dorcee Lauen and PSTIF staff for working closely with them as they learned about the Board and Fund's operations in order to provide a thorough audit. He said he hoped everyone had taken the time to go through the audit report and management letter provided in their meeting materials and turned it over to Mr. Tieman for their presentation of the report.

Mr. Tieman thanked the Chairman for his introduction and noted their appreciation of the effort and assistance provided by PSTIF's team to help them with this first year audit. He then presented the audit report noting that there were no material weaknesses in internal controls identified, nor were there any instances of noncompliance or matters that are required to be reported under Government Auditing Standards.

Tom Kolb moved to accept the FY21 Financial Audit report and management representation letter. Don McNutt seconded. There were no questions or further discussion. A roll call vote was taken. Motion carried unanimously.

Report on Transport Load Fee Special Project

Chairman Greer reminded Trustees that at their September meeting they asked Taylor & Mulder to provide a *Breakeven Analysis of the Transport Load Fee* based on the Fund's current and proposed sunset dates. He noted that report was included in their meeting materials with a memo from Ms. Ogletree and asked Trustees if they have any questions about the information provided. Trustee McNutt expressed concern that if the balance in PSTIF grows, it can be a target for being "swept" by the legislature. Ms. Ogletree

agreed that is a challenge and that educating the Governor and legislators regarding the PSTIF's future liabilities will be important.

Chairman Greer noted that the information in the report is very eye opening and that it is important to keep it in mind as the legislature considers extending the PSTIF sunset date.

2022 PSTIF Legislation

Chairman Greer commented that legislators are filing bills and staff are trying to keep up with them. He noted the bill proposing to extend the PSTIF sunset date was filed on December 1 by Senator Sandy Crawford and it is Senate Bill 742. He asked Ms. Ogletree if she had anything to report. Ms. Ogletree reported that bill filing in the legislature has been very busy already and that this session will be a challenge as there will likely be a lot of time spent on COVID-related bills.

Other Information and Administrative Issues

Schedule 2022 Board Meetings – Chairman Greer mentioned that a schedule for 2022 Board meetings based on Trustees' feedback was included and they need to take action regarding the location of those meetings. He asked Ms. Ogletree to go over the reason for staff's recommendation. Ms. Ogletree noted that state office meeting space is available for our use at no cost which would save a few thousand dollars a year and asked if Trustees had any objection or comments about using this meeting space for 2022 Board meetings. There were no objections to using free state meeting space for these meetings.

Tom Kolb moved to approve holding all 2022 PSTIF Board meetings at State office buildings in Jefferson City. Kristi Naught seconded. There was no further discussion or comments. A roll call vote was taken. Motion carried unanimously.

Billings – Chairman Greer asked if there were any questions or comments on any of the billings provided to them. There were no questions or comments on any of the billings.

Chairman Greer thanked everyone for attending and announced the next meeting is scheduled for Wednesday, January 26, 2022 at the Lewis & Clark State Office Building in Jefferson City.

Chairman Greer then asked for a motion to go into closed session to:

- Approve the minutes from our previous closed sessions; and
- Discuss ongoing and threatened litigation.

Tom Kolb moved to go into closed session to discuss matters authorized by Subsection (1) of Section 610.021, RSMo. Nikki Loethen seconded. A roll call vote was taken; motion carried unanimously.

