CITY of SPRINGFIELD

POLICE AND FIRE RETIREMENT SYSTEM OF SPRINGFIELD, MO
830 Boonville
Springfield, Missouri 65802
Phone: (417) 839-8214

Minutes
May 8, 2014

1. Call to Order

Hartman called the meeting to order at 8:34 a.m. Minutes taken by White.

Attendance

Members	Representation	Present	Absent
Josh Hartman	President	X	
Paul Carroll	Citizen	X	
Charlie Cowherd	Citizen	X	
James Gillette	Citizen		X
Marilyn Hill	Citizen	X	
Ron Hoffman	Retiree		X
Tony Kelley	Fire	X	
Scott Steck	Police	X	
Ed Cantrell (NV)	Retiree		X
Adam Carter (NV)	Fire	X	
Grant Dorrell (NV)	Police	X	
Mary Mannix-Decker (NV)	Finance	X	
Cindy Rushefsky (NV)	City Council Liaison		X
Dan Wichmer (NV)	Law	X	
Janell Manley (NV)	Administrative Director	X	
Nikki White (NV)	Secretary	X	

NV = Non-voting

2. Approval Meeting Minutes – April 10, 2014 (open session)

Carroll made a motion to approve the April 10, 2014 minutes as presented; 2nd by Cowherd. Vote all: Yes.

3. Approval of Financial Statement Ending March 31, 2014

Mannix-Decker reminded everyone that they are in the process of rebalancing the portfolio so that should be kept in mind when reviewing the gains/losses. The in/out transfers are noted in the performance section of each manager.

- The cash balance at the end of March was $5,753,862. Some of this cash was invested in April and will be done again in May.

- The State Street S&P 500 Flagship NL Fund decreased by ($4,507,891). $5 million was transferred out so there was actually a positive gain on the investment. The return was even with the index at 0.84%.

- The State Street Russell 2000 NL Fund decreased by ($1,178,953). The return was -0.66% compared to the benchmark of -0.68%. $1 million was transferred out.

- Pictet decreased by ($91,168). The return was -0.09% compared to the index return of -0.64%.

- Wells Fargo had an increase of $1,857,868. The return was 3.63% compared to the benchmark of 3.07%. $1.2 million was transferred in.

- Galliard decreased ($88,077). The return was -0.24% compared to the benchmark of -0.30%.

- The US Tips NL Fund increased by $953,191. The return was -0.49% compared to the benchmark of -0.47%. $1 million was transferred into the fund.

- Brandywine had an increase of $1,767,155. The fund returned 1.60% compared to the index return of -0.02%. $1.4 million was transferred into the fund.

- Pyramis' had an increase of $1,320,923. The return was 1.45% compared to the index at 1.26%. $1.2 million was transferred into the fund.

- The State Street Commodities NL Fund increased by $44,745. The return was even with the index of 0.41%.

- Blackstone had an increase of $1,183,751. $1.2 million was transferred in. The fund returned -0.22% compared to the index return of -0.48%.

- Entrust had a decrease of ($20,168). The return was -0.05% compared to the index return of -0.48%.

- Employee contributions for the month totaled $266,990 and employer contributions totaled $638,732. The March sales tax was $2,507,730.

- Gain/Loss in market value, including managers' fees was $1,478,689 for the month. Net increase to the Plan was $2,325,284.

- Benefit payments totaled $1,621,198. Refund of employee contributions totaled $882,613. Administrative expenses totaled $63,115.

- Total Net Assets at the end of March were $292,101,275.

- Sales tax numbers are up 3.49% on a year-to-date basis.

Cowherd made a motion to approve the financial statement ending March 31, 2014; 2nd by Kelley. Vote all: Yes.

Hartman introduced Gus Krafve. Krafve will fill the citizen member position left vacant by Jerry Fenstermaker if approved by Council at their next meeting. He is a portfolio manager at the Trust Co. of the Ozarks. Upon approval, Krafve would be sworn in as a board member and begin participating at the June meeting.

4. Retirement Applications

Retiree's Name	Application Type	Application Date	Retirement Date	Department
Robert Pitts	Age & Service	04/18/2014	06/06/2014	Police
John House	Age & Service	04/28/2014	06/27/2014	Fire

Wichmer entered the meeting.

Homer Walker also submitted an age and service application along with a disability application. Wichmer said that Walker has to retire because of his age, but if he's found to be disabled he will convert over to a disability pension. It was questioned if that could be done. Wichmer said that you have to because the disability occurred on the day he claims and if the doctor agrees that the disability existed on that day. So that will pre-date his retirement, but since he can't go beyond 60 the Board will have to deal with his age and service retirement. If the disability pre-dates his retirement, he is a disabled pensioner. Wichmer said he has talked to David Hall about it and he agrees. Cowherd questioned disabling someone who is retired. Wichmer said no. He hits his retirement age while he's in the disability process. If he's found to be disabled, the disability starts on the day he claimed he was disabled if his doctor concurs. His doctor may say that he's not disabled. Wichmer said it is his understanding that he's had a review within the last year and the doctor said he was not disabled due to the condition. The doctors may still say that. It could be that he has a condition, but it wasn't a disability. Wichmer advised the Board to go into closed session if they wanted to talk about the condition. The discussion was tabled until closed session.

Kelley made a motion to accept the applications for Robert Pitts and John House; 2nd by Carroll. Vote all: Yes.

Retiree's Name	Application Type	Spouse's Name	Application Date	Department
Raymond Lake	Surviving Spouse	Claudine Lake	04/04/2014	Fire
Harold Miller	Surviving Spouse	Wanda Miller	05/01/2014	Fire
Charles Ware	Surviving Spouse	Rita Ware	04/18/2014	Police

Cowherd made a motion to accept the applications presented above; 2nd by Steck. Vote all: Yes.

5. Approval of Calculations

Name	Type	Monthly Pension Amount	Final Check Amount
Harold Miller	Final Check	$2,642.54	$1,497.44
Jacob Tracy	Final Check	$2,643.74	$2,555.62

Hill made a motion to accept the final check calculations as presented above; 2nd by Carroll. Vote all: Yes.

Name	Type	Monthly Pension Amount	Survivor's Pension Amount	Partial Pension Amount
Harold Miller	Surviving Spouse	$2,642.54	$2,329.45	$1,009.43
Raymond Lake	Surviving Spouse	$1,542.05	$1,613.29	$988.79
Charles Ware	Surviving Spouse	$1,922.54	$1,774.53	$1,537.92

Cowherd made a motion to accept the surviving spouse calculations as presented above; 2nd by Steck. Vote all: Yes.

Name	Department	Type	Years of Service	Monthly Pension Amount	Partial Pension Amount
John England	Police	Age & Service	20.01	$3,578.34	$230.86
Steven Licis	Police	Age & Service	24.25	$4.996.47	$1,998.59

Cowherd made a motion to accept the calculations presented above; 2nd by Kelley. Vote all: Yes.

Manley presented an adjusted pension for Jimmy Bench. The incorrect start date was originally used in his calculation. He had worked for the airport prior to joining the fire department and his airport hire date was used in his original calculation. His corrected monthly amount is $3,465.15. Bench's cumulative adjustment since retirement is ($2,281.36). Bench has indicated that he would like it all taken out of his May check.

Kelley made a motion to accept Bench's adjusted monthly pension calculation of $3,465.15 a month and to make a one-time adjustment of ($2,281.56) on his May check; 2nd by Carroll. Vote all: Yes.

6. Approval of Return of Contributions

Name	Dept.	Type	Years of Service	Less Military Buyout	ROC
John England	Police	Age & Service	20.01	($7,904.00)	$105,629.76
Steven Licis	Police	Age & Service	24.25		$142,938.56

Dorrell again expressed his concerns about being able to explain the buyout calculations. Steck asked if we were still waiting on an explanation from Milliman. Manley said that she requested from Milliman that if they can't give us a list of the items that are considered. She said that Milliman says the overriding factor is that because we have a zero impact to the fund that makes it so that it is not explainable. The only way to change that is to have Council change it so that it is not zero impact to the fund and then they would probably be able to supply a formula. Hartman said that he could see six months being a huge variable. That number has to be net neutral to the Plan. That's a one off adjustment for each individual at the end of the day and that's something that's on a case by case basis. Hartman said he would guess that the same formula is being used for each individual before the final adjustment is made to make it net neutral. Carter said that is the formula we have been asking for. Dorrell said that basically it boils down to the estimated time someone will live. Carroll said he would disagree. Manley said the most important thing is what kind of eligibility they are buying. How long they are going live is only one piece. Manley said the difference is that one is buying the right to draw the same amount, where the other one is already eligible. Carroll asked if the two being compared are the same age. Dorrell said pretty close. Carroll said the difference in age can be a big factor. Dorrell said $8,000 versus $30,000 is a lot. Carroll said it's not if there is a couple of years difference in age and one is buying eligibility and one is not. He said the dollar amount doesn't seem like a big difference considering those factors. Dorrell said that there have been some that have ranked higher and it still came out this way. Manley said the key thing is the purchase of eligibility. That's the most costly factor and that has been the key to what he has shown us. Carroll agreed that he should be able to show the factors that go into the calculations. Steck said he has members wanting an explanation and he's been trying to get that since he's been on the Board. Nobody can seem to satisfactorily explain this to the common person that's a member of the Plan. He's getting frustrated because the members are getting very frustrated that it can't be explained. The only answer we seem to get from Milliman is that it is very complicated. Steck said that the factors that have been mentioned are so close that he doesn't know how to explain $9,000 versus $30,000. Hartman said the factors may be close now, but you have to spread that out over the rest of their life. If you put $10,000 in the market on Monday and then put $10,000 in on Tuesday and then look at them 30 years later, there can be a vast difference in the numbers. Carroll said that the difference in the numbers doesn't shock him, but he agrees that we need to be able to explain it to the members. He thinks getting the factors that are considered will help explain.

Kelley made a motion to approve the return of contributions for England and Licis; 2nd by Steck. Vote all: Yes, with the exception of Cowherd who voted no.

7. Fire Overtime Adjustment

The following schedule of pay adjustments that were a result of the fire overtime calculation error was presented:

City of Springfield
Schedule of Pay adjustments
as of 5/30/2014

Name	Pension Type	Original Pension	Adjusted Pension	Monthly Difference	Cumulative Adjustment
Jonathan White	Age & Service	3,212.70	3,212.72	0.02	$ 0.80
William Weaver	Age & Service Survivor with Dependent benefit				
	Survivor benefit	1,284.67	1,284.78	0.11	7.81
	Dependent benefit	824.83	824.90	0.07	5.93
Michael Strozewski	Age & Service	3,608.21	3,608.39	0.18	$ 21.70
Gerry Gillenwaters	Age & Service	2,099.20	2,099.32	0.13	$ 13.25
Larry Giggy	Age & Service	4,505.17	4,505.35	0.18	$ 18.90
Ronald French	Age & Service , Survivor	1,287.82	1,287.92	0.10	$ 9.75
Jack Casteel	Age & Service	2,415.98	2,416.40	0.42	$ 45.42
Charles Bush	Age & Service	2,684.98	2,685.31	0.33	$ 20.15
Stanley Budzyna	Age & Service	2,719.85	2,720.44	0.58	$ 37.38
Steven Annin	Age & Service	3,041.66	3,041.69	0.03	$ 2.94
Michael Abbey	Age & Service	2,974.88	2,974.90	0.02	$ 2.35
Total Adjustments					**$ 186.37**

Duty Disability - Calculated on FINAL salary - Overtime is not in calculation

Harold Zinter	Duty Disability
Ronald Smith	Duty Disability
Paul McQuire	Duty Disability
Dennis Lilly	Duty Disability
Edward Cantrell	Duty Disability

Vested - Has not started receiving his pension yet

Thomas McKellips Vested

Age & Service - Original salary more than revised- Board voted not to lower pensions

Gary Helvey	Age and Service	3,868.75	3,868.65	(0.10)

Prepared By: M. Kerringer 4/22/2014

Approved By: Mary Mannix Decker

Mannix-Decker said the cumulative adjustments will be included with the May checks. Carroll made a motion to accept the report as presented including the adjusted pension amounts listed and making the cumulative adjustments payments in May. ; 2nd by Cowherd. Vote all: Yes.

8. Legal Matters – Closed Session, pursuant to Section 610.021, RSMo.

Cowherd made a motion to move to closed session at 9:16 a.m. pursuant to Section 610.021(1, 3, 13, 14) RSMo.; 2nd by Carroll. Vote all: Yes. Open session resumed at 9:30 a.m.

9. Retirement Applications Resumed

Retiree's Name	Application Type	Application Date	Retirement Date	Department
Homer Walker	Age & Service	05/01/2014	05/16/2014	Fire
Homer Walker	Disability	04/25/2014		Fire

Carroll made a motion to accept both the age and service application, and the disability application for Homer Walker; 2nd by Kelley. Vote all: Yes.

10. Administrative Director's Report

Manley reported that Raymond Lake's family made a donation to the Fund in his name. She also informed the Board that the next pre-retirement seminar will be held June 6th at 8:15 a.m. at the police and fire training center. She welcomed anyone who would like to attend.

Wichmer drafted the ordinance language that would offset the terms of the voting and non-voting police members so their terms would no longer expire at the same time leaving one experience member on the board each time an election is held. The ordinance language was presented to the Board for review. Carroll made a motion to accept the ordinance language as presented; 2nd by Cowherd. Vote all: Yes.

Policies and Procedures – Manley asked the Board if they had any changes to the draft policies and procedures items that were presented last month. Both Sheppard and Manley were involved in drafting these items. The Board was reminded that they only approved these items to be drafted in efforts to gain a better idea of the scope of the project and the associated costs. Cowherd suggested a committee be formed to review the policies and procedures on an annual basis. Manley informed the Board that the City will need a contract with Sheppard since they are covering these expenses. Wichmer suggested entering a contract with Sheppard that has a "not to exceed amount" so you know what you are spending. He suggested a general services contract. Depending on what may be going on, you can adjust the amount. Manley asked if the Board needed to go through the purchasing department. Wichmer said it would be easier. Cowherd suggested a separate contract for the policies and procedures.

Steck suggested an exhibit sheet for the buy-back calculations if we are able to get one from Milliman. Manley asked that any additional comments on the first four sections be sent to her. Wichmer suggested the associations look at them as well as the collective bargaining attorney. Kelley suggested waiting until all of the final changes are made and the buy-back calculation addendum is received before sending it on to the associations. There was discussion as to whether the Board wanted to continue developing the remaining policies and procedures that were outlined at when this project was first presented.

Cowherd made a motion to continue the process of developing the remaining policies and procedures; 2nd by Steck. Vote all: Yes.

11. Quarterly Investment Report – Segal Rogerscasey

Katarski was present for the report and Boucek joined via conference call.

Katarski reported that the Plan returned 1.64% compared to the policy index at 1.67% for the first quarter. The beginning market value was $281,986,256 and the ending market value was $286,390,051 which is an increase of around $4.4 million. For the fiscal-year-to-date, the Plan is up 11.62% which is well on the way to meet the 7.5% goal for the fiscal year. The policy index was at 11.98% for the fiscal year. The fiscal-year increase is about $42 million of which about $29.1 million is investment performance and $13.4 million in contributions. For the five-year period, the return is 13.80% versus the index at 13.15%. The market value five years ago was $91,488,982 compared to $286,390,051 as of March 31, 2014.

Both domestic equity portfolios are tracking their index closely as you would expect to see from an index fund. Pictet is one of the international equity managers. They are up 20 basis points for the quarter. Although it is a nice positive return, they did trail the benchmark by 46-basis points. For the longer-term, they are above their index. Wells trailed the benchmark by 69 basis points for a -1.12% decline.

Galliard is up 1.66% for the quarter and beat the benchmark by 40 basis points. They are in the top quartile of the peer group. The TIPS fund saw an increase of 1.93% compared to the index of 1.95. Brandywine increased 3.23% and was only one basis point off the index. Longer-term they have beat the benchmark by over 4%. Pyramis increased by 3.07%, but trailed the benchmark by 66 basis points. Since inception they have seen a 6.84% increase.

PRISA increase 2.46%. The one and three year numbers are just over 13%. The State Street Commodity Fund increased 6.97% and only trailed the benchmark by two basis points. EnTrust was up 1.89% compared to the index at 1.29%. Blackstone increased 2.13% compared to the index at 1.29%. To recap, for the quarter the Plan is up 1.6% which is a $4.4 million increase. For the fiscal-year-to-date the, the Plan was up 11.6% which is an over $42 million increase.

Hartman asked Katarski if they have started the search process for a long-term bond manager. Katarski said they have not started the process. They don't feel the timing is right to enter long-term bonds, but nothing negative can come from launching the search and having candidates identified for when the timing is right. If the Board wishes, they can start the process now. Several agreed that the process should be started. Katarksi added that there are other areas that the Segal-Rogerscasey research team likes about other strategies. They still think there is still some room for credit-focused strategies. From a real estate prospective they like valued-added and opportunistic type strategies as opposed to core. They still believe in core fixed income and them having a place in client portfolios, but if you're putting money to work today does it make sense to put that in core versus other types of real estate? He said they would be happy to look at some of these areas and provide some education on the different strategies before making widespread recommendations. He said they could do that at the next meeting or come back for a special meeting. It was agreed that the next meeting would be fine.

12. <u>Long-term Expected Rate of Return</u>

Katarski said that the quick answer is that Segal-Rogerscasey still believes the Plan can get to the7.5% and it is justifiable with the current allocation. Boucek said that when you lower the rate of return it will impact contributions. The one positive is that you are being more conservative and that's probably a good thing. He said that at 7.5% the Plan is not too aggressive. If it was at 8.5% he would probably be suggesting talking further with the actuary because that would be a little bit of a stretch. He said that each year they go through an exhaustive exercise of determining expected rates of returns, standard deviations and correlation between a rather broad list of asset classes. They refine those each year. A presentation regarding the rate of return was distributed. Rate of return = passive return (Segal Rogerscasey's assumptions) + active return (alpha based on average median and top quartile manager performance). Boucek said that number isn't something he would say for you to go hang your hat on because it is all based on assumptions. The assumptions are solid and they are reasonable, but they are assumptions. If you lined up 10 different investment consulting firms you will see the assumptions group out similarly, but there will be subtle differences. The alpha component is based on historical results. This report will give some basis to the 7.5% still being reasonable. He knows that the actuarial world would prefer a more conservative number, but the good thing is that this Plan is within striking distance.

Segal-Rogerscasey assumption methodology incorporates a top-down (Capital Asset Pricing Model or CAPM reverse optimization and bottom-up (yield curve for bonds and equity building block for U.S. equities) analyses of asset class characteristics. Asset class returns and risks can be thought of assumption of multiple factors including risk-free rate, inflation, macro economic factors and asset class specific factors. A chart outlining the average returns, standard deviation and the compound return for each asset class was included in the report. An asset class correlation chart was also included. The expected average annual passive return for the Plan based on SRC's forward looking assumptions is 7.5%. The expected annual passive compound return, which incorporated the effect of volatility, is 7.04%. The compound return fall 46 basis points short of the required 7.5% return. This gap is expected to be bridged with the active return delivered by the Plan's investment managers.

Taking the average of the net of fee alpha range, the expected annual active return for the Plan is 1.14%. Therefore, SRC calculated the expected total long-term rate of return for the Plan to be 8.18% (7.04% passive + 1.14% active). Conclusion: The results of our analysis suggest that using the 7.5% discount rate is reasonable for the Plan. Will you obtain that every year? Probably not, but over 20 years can it average out given where you are in terms of asset classes and hit it? Probably. Boucek thinks the odds are in our favor to do that. This is a little bit of art versus science. This report should give some degree of confidence that it's reasonable approach to getting to the heart of, is this a reasonable number? Boucek said that is the long-winded approach to saying that 7.5% is a comfortable number from SRC's perspective. He added that obviously the actuary is the one who has to sign off that number so he would encourage the Board to share the report with them. They would also be happy to visit with the actuary in terms of the methodology.

Cowherd asked if this analysis has been done for other plans. Boucek said they have done this for another plan that is similar in nature. He said it will depend on asset allocation and where you take your active risk. He added that they haven't done a lot of these analyses, but he wouldn't be surprised if they do a lot more in the next year because they will all probably question if their number makes sense. The public funds are under a lot of scrutiny so the more confidence they can have in their number, the better. Boucek reiterated that none of this is certain and a lot of things can happen that can't really be captured in a study like this. He doesn't know of really any better way that to do it the way it was done in the report provided. The active component is the big picture. If you don't factor that in, then you run the risk. Cowherd asked how our rate of return compares to others in the same universe. Boucek said he thinks this Plan is right there in the thick of it. He's seen some plans as high as 8.25% and he's seen them down around 7%, but he thinks 7.5% tends to be one that he sees more often than not. He can check with their actuarial group since they deal with 350-400 public pension funds and see how 7.5% sounds to them. Katarski added that he has a report that just came out on rate of return of public pension funds across the United States. There are some as low as 7%, but there are a whole host of them that are 8% and even up to 8.5% He said he would circulate the report via email. Cowherd asked if the rate of return was changed to 7% would that change the asset allocation. Boucek said no. Katarski said it would be changes at the margins and not a dramatic shift in the allocation. Boucek said our Plan looks very healthy compared to others he's seen.

Carter asked if an actuary is more or less qualified to offer an accurate prediction of the discount rate. Boucek said the actuary is the one who has to sign off on it. His firm is just giving sort of a benchmark kind of look at this. They are the ones that have to say if it is reasonable or not. He added that at the end of the day everyone would probably like for the numbers to be lower because that becomes more of a conservative approach, but that does have a direct relationship on contributions.

Carroll made a motion to accept the quarterly investment report as of March 31, 2014 as presented by Segal Rogerscasey; 2nd by Kelley. Vote all: Yes.

13. Other Business

Cowherd presented draft proclamations for Police Chief Paul Williams and Fire Chief David Hall regarding the passing of the Public Safety Sales Tax. He also presented a thank you letter to the citizens for their support. Steck made a motion to accept the proclamations and letter as presented; 2nd by Carroll. Vote all: Yes.

Steck informed the Board that both associations are currently engaging in collective bargaining. A DROP program proposal was presented to the City by the police association yesterday. DROP stands for Deferred Retirement Option Program. It is basically a deferment of payments. Steck said that it appears to be a win, win situation. Police is less than three years away from double academies retiring. The proposal would keep the experience and the institutional knowledge around for an additional five years. The impact on the fund would be very similar to what happens with the ROC. The money would stay in the Plan for a maximum of five years if an officer chooses to DROP. They payments they would have received monthly if they retired will stay in the Fund. The Pension will keep that money and invest it just like the ROC. All of the interest on the ROC and the interest on the five years of deferred payments, the Fund would keep. The advantage to the officer is that they would have the five years of deferred payments, plus the ROC waiting on them when they retire. The benefit for the Plan is that the money will remain in the Fund for an additional five years. Manley asked what would happen if they were to go out on disability during those five years. Steck said there will be no disabilities. They will be locked into their age and service retirement. Manley questioned if there would be a liability with a disability for the Fund. Steck said no. Steck added that as more of the police officers retire, it is becoming a much younger department. DROP programs are not something new. They have been around for a long time. He thinks the way this one has been presented it is cost-neutral plan that benefits the Pension, the City and the employee.

Steck said that the one stipulation is that the interest that is made on the DROP money that is left in the Fund will be credited to the AFC payback that the officers are required to pay. This plan was modeled after several other plans. The only difference from other plans is that the interested earned usually goes back to the employee. In our case it would go toward the AFC. Steck said it is kind of a band aid for all of the experience walking out the door in three years. There were four or five years that police had double academies. Dorrell said that in the next 10 years there are 250 people who will hit the 25-year mark in the police department. They only have 287 sworn officers right now so there will be close to a 100 percent turnover in the next 10 years. There is currently nothing to keep a 25-year employee from leaving. The only difference he suggested was to go ahead and let them draw their monthly check and not defer the payments since they were going to get paid anyway.

Steck said the benefits will be locked at the point they choose to DROP. The alternative is that these employees go ahead and retire, draw their pension and go work somewhere else. Steck said the deadline for negotiations for the new fiscal year is sometime in June. Manley said she would think that the Board would need for Milliman to look at it. Steck agreed that they need to look at it and make sure everything is cost-neutral. Carroll said that the Board would need to consider segregating these funds into a separate account to keep track of them. Kelley said it is his understanding that the IRS will not allow for the employee to receive their retirement payments while still working, as Dorrell mentioned, since it is designed to be a deferred program. It might be something that needs to be looked into. It would be considered an in-service contribution which he doesn't think the IRS allows. He said they can go to work somewhere else and still receive the monthly payments, but not while still working in the same department. Steck concluded with saying that it just seems like a win on many levels. Hartman suggested sending the proposal over to Milliman for review immediately. Carter said that the City should probably pay for Milliman's review of the proposal. Steck asked that it be rushed since the goal is to have everything complete by July 1.

Manley asked for authorization to prepay for Homer Walker's disability examinations if so requested by the physicians. Carroll made a motion granting Manley permission to prepay for the examinations as requested; 2nd by Kelley. Vote all: Yes.

Steck mentioned that there is currently a Missouri bill that passed the Senate and the House that has a mechanism that would allow the City to roll this Plan into LAGERS. Kelley said it will be going to the Governor and there's a good chance it will get vetoed. He won't say it's a dead issue at this point though.

14. <u>Adjournment</u>

Carroll made a motion to adjourn the meeting; 2nd by Cowherd. Vote all: Yes. The meeting was adjourned at 11:35 a.m. on May 8, 2014.

 Secretary Signature: Nikki White