



POLICE AND FIRE RETIREMENT SYSTEM OF SPRINGFIELD, MO

830 Boonville
Springfield, Missouri 65802
Phone: (417) 839-8214

Minutes May 10, 2018

1. Call to Order

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

Attendance

Members	Representation	Present	Absent
Mike Bridges	Citizen	X	
Paul Carroll	President	X	
Adam Carter	Fire	X	
Derek Fraley	Citizen	X	
Ron Hoffman	Retiree	X	
Gus Krafve	Citizen		X
Nancy Martin-Hinds	Citizen		X
Justin Milam	Citizen	X	
Chris Welsh	Police	X	
Ed Cantrell (NV)	Retiree	X	
James Frieze (NV)	Fire		X
Marcus Walker (NV)	Police		X
David Holtmann (NV)	Finance	X	
Ken McClure (NV)	City Council Liaison	X	
Janell Manley (NV)	Administrative Director	X	
Nikki White (NV)	Secretary	X	

NV = Non-voting

Tom Rykowski, City Attorney's Office, was also present.

2. Approval Meeting Minutes – April 12, 2018 (open session)

Carter made a motion to approve the April 12, 2018 minutes as presented; 2nd by Bridges. Vote all: Yes.

3. Approval of Financial Statement Ending March 31, 2018

- The cash balance at the end of March was \$6,678,441.
- The State Street S&P 500 Flagship NL Fund decreased by (\$2,142,287). The return was -2.55% compared to the index of -2.54%.

Nikki White

- The State Street Russell 2000 NL Fund increased by \$269,585. The return was 1.32% compared to the index of 1.29%.
- Pictet decreased by (\$1,061,165). The return was -4.00% compared to the index return of -4.15%.
- Wells Fargo decreased (\$798,807). The return was -1.58% compared to the benchmark of -1.86%.
- Galliard increased \$99,537. The return was 0.32% compared to the index return of 0.45%.
- Income Research increased \$672,573. The return was 1.65% compared to the index return of 1.69%.
- Brandes decreased (\$305,872). The return was -2.06% compared to the index return of -1.13%.
- Brookfield increased \$384,953. The return was 3.81% compared to the index return of 2.34%.
- Brandywine had an increase of \$422,804. The fund returned 1.33% compared to the index return of 1.84%.
- Pyramis had an increase of \$106,221. The return was 0.43% compared to the index at 0.38%.
- Blackstone had an increase of \$6,048. The fund returned 0.04% compared to the index return of 0.19%.
- Entrust had a decrease of (\$133,552). The return was -4.00% compared to the index return of -4.15%.
- Prudential had an increase of \$144,084. The return was 2.41% compared to the index return of 2.15%.
- Employee contributions for the month totaled \$240,583 and employer contributions totaled \$505,595. Sales tax contributions totaled \$3,182,448.
- Gain/Loss in market value, including managers' fees was (\$2,246,700) for the month. Total additions were \$1,681,926.
- Benefit payments totaled \$2,089,475. Refund of contributions totaled \$272,933. Administrative expenses totaled \$94,534. Net increase to the Plan was (\$775,016).
- Total Net Assets at the end of March were \$421,803,860.

Hoffman made a motion to approve the financial statement ending March 31, 2018; 2nd by Bridges. Vote all: Yes.

4. Review of Applications

Retiree's Name	Application Type	Application Date	Retirement Date	Department
Christopher Connell	Age & Service	04/19/2018	06/12/2018	Fire
Grant Dorrell	Age & Service	05/02/2018	06/08/2018	Police

David Carter	Age & Service	04/27/2018	06/15/2018	Fire
Raymond Worley	Surviving Spouse	05/03/2018	N/A	Police

Carter made a motion to accept the applications as presented above; 2nd by Fraley. Vote all: Yes.

5. Review of Calculations

Name	Type	Years of Service	Monthly Pension Amount	Partial Pension Amount
Raymond Worley	Final Check	30.5	\$6,110.80	\$4,073.87
Eric Wester	Age & Service	25.0	\$4,803.78	\$2,241.77
Ronald Powell	Age & Service	21.12	\$4,393.96	\$2,343.44

Carter made a motion to accept the age and service calculations as presented above; 2nd by Fraley. Vote all: Yes.

Carter made a motion to accept the final pay calculation as presented above; 2nd by Welsh. Vote all: Yes.

6. Approval of Return of Contributions

Name	Type	Years of Service	ROC
Eric Wester	Age & Service	25.00 (prepaid 3 yrs. of service)	\$150,440.59
Ronald Powell	Age & Service	21.12	\$147,008.96

Carter made a motion to approve the return of contribution as presented above; 2nd by Milam. Vote all: Yes.

7. Administrative Director's Report

Manley reported that we still don't have all the information that is needed to make a decision on the City's fiduciary policy. Carroll explained that the Board would have to buy tail insurance and that becomes costly. He doesn't have a problem considering it, but we don't have to be in a rush since we have a current policy. Milam said that we would lose the last five years of coverage if we were to go with the City's policy. It would take 5-6 years to break even with having to purchase the tail insurance. If this was the first time we were looking at fiduciary insurance, the City's policy would be a no brainer.

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

Bridges made a motion to move to closed session at 8:53 a.m. pursuant to Section 610.021(1) RSMo.; 2nd by Carter. Vote Yes: Bridges, Carroll, Carter, Fraley, Hoffman, Milam and Welsh. Vote no: none. Open session resumed at 9:02 a.m.

9. Quarterly Investment Report – Segal Marco

The beginning market value was \$383,194,000. The return on the investment was \$22,186,000 for an ending market value of \$414,445,000 for the year. The fiscal year-to-date investment performance is 5.9%.

The total plan was down -0.5% for the quarter. The S&P 500 returned -0.77% compared to the index of -0.76%. The Russell 2000 Index Fund returned -0.06% compared to the index of -0.08%. Pictet returned

-1.46% compared to the index of -1.53%. Brandes returned -1.78% compared to the index of 0.24%. Wells Capital returned 1.86% compared to the index return of 1.42%. Galliard returned -1.14% compared to the index of -1.05%. IR&M returned -3.76% compared to the index of -3.58%. Brandywine decreased 4.74% compared to the index return of 4.42%. Pyramis' return was -0.49% and the benchmark was -1.74%. Prudential was up 2.41% compared to the index of 2.17%. Brookfield returned -4.20% compared to the index of -4.53%. EnTrust returned -0.41% compared to the benchmark of 0.59%. Blackstone was up 0.97% compared to the index of 0.59%.

The report was approved following the educational session.

10. Multi-Asset Class Solutions - Investment Education Session by Segal Marco

Benji Patzik of Segal Marco presented an educational session about investing in Multi-Asset Class Solutions (MACS). A copy of his presentation is on permanent file.

McClure entered the meeting at 9:15 a.m. and exited at 10:00 a.m.

Fraley exited the meeting at 10:10 a.m.

Carter made a motion to accept the quarterly investment report as presented; 2nd by Welsh. Vote all: Yes.

11. Adjournment

Welsh made a motion to adjourn the meeting; 2nd by Bridges. Vote all: Yes. The meeting adjourned at 10:21 a.m. on May 10, 2018.