



POLICE AND FIRE RETIREMENT SYSTEM OF SPRINGFIELD, MO

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

Minutes April 18, 2019

1. Call to Order

Carroll called the meeting to order at 8:32 a.m. The meeting was held at the Busch Municipal Building, 840 Boonville Avenue. 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
Andrew Lear (NV)	City Council Liaison		X
Janell Manley (NV)	Administrative Director	X	
Nikki White (NV)	Secretary	X	

NV = Non-voting

Don Willoh and Jody Vernon were also present.

2. Approval Meeting Minutes – March 2019 (open session)

Carter made a motion to approve the March 14, 2019 minutes as presented; 2nd by Hoffman. Vote all: Yes.

3. Approval of Financial Statement Ending February 28, 2019

Jody Vernon presented the financials in Holtmann's absence.

- The cash balance at the end of February was \$10,098,452.

Nikki White

- The State Street S&P 500 Flagship NL Fund increased by \$2,400,833. The return was even with the index of 3.21%.
- The State Street Russell 2000 NL Fund increased by \$1,075,411. The return was even with the index of 5.20%
- Pictet increased by \$2,062,194. The return was 4.19% compared to the index return of 2.55%.
- Wells Fargo increased \$1,091,111. The return was 2.35% compared to the benchmark of 0.22%.
- Galliard increased \$135,409. The return was 0.32% compared to the index of 0.04%.
- Income Research decreased (\$413,159). The return was -0.36% compared to the index return of -0.55%.
- Brandes increased \$10,145. The return was 0.26% compared to the index return of 2.24%.
- Brandywine had a decrease of (\$299,053). The fund returned -0.88% compared to the index return of -1.31%.
- Pyramis had an increase of \$151,745 The return was even with the index of 0.62%.
- Blackstone had an increase of \$62,237. The return was even with the index of 0.32%.
- Brookfield had an increase of \$34,185. The fund returned 0.31% compared to the index return of -0.15%.
- Entrust had an increase of \$39,720. The return was 0.34% compared to the index return of 0.32%.
- Invesco had an increase of \$179,350. The fund returned 1.83% compared to the index return 1.40%.
- Employee contributions for the month totaled \$216,278 and employer contributions totaled \$453,232. Sales tax contributions totaled \$3,320,835.
- Gain/Loss in market value, including managers' fees was \$6,530,128 for the month. Total additions were \$9,850,963.
- Benefit payments totaled \$2,208,528. Administrative expenses totaled \$15,431. Net increase to the Plan was \$7,075,837.
- Total Net Assets at the end of February were \$432,762,354.

Bridges made a motion to approve the financial statement ending February 28, 2019; 2nd by Carter. Vote all: Yes.

4. Review of Applications

Retiree's Name	Application Type	Application Date	Retirement Date	Department
Robert Baker	Age & Service	03/21/2019	05/23/2019	Police
Jason Bogema	Age & Service	03/30/2019	05/23/2019	Fire
Scott Jones	Age & Service	03/29/2019	05/25/2019	Fire
Donald Mitchell	Age & Service	04/01/2019	04/28/2019	Police
Robert Greer	Surviving Spouse	03/22/2019	N/A	Police

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

5. Review of Calculations

Name	Type	Years of Service	Monthly Pension Amount	Partial Pension Amount
Robert Greer	Final Check	22.7	\$4,071.23	\$2,101.28
Robert Greer	Surviving Spouse	22.7	\$2,876.41	\$1,391.81

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

6. Administrative Director's Report

Manley reported that both the Segal Marco (Investment Consultant) and Milliman (Actuary for the Fund) contracts are up for a one-year extension. The Segal Marco contract is for \$94,228 and the Milliman contract is for \$19,400. The buy-back calculations are \$260 each. Welsh made a motion to extend both the Segal Marco and Milliman contracts; 2nd by Bridges. Vote all: Yes.

Manley said that the police department and the City have reached an agreement on the Police AFC. It was questioned if the agreement would be considered a decrease in benefits. Don Willoh, City Attorney's Office, concluded that it would be a wash because employees will be receiving more on their monthly checks even though their ROC will be less.

Manley also reported that the City is now using Central Bank. She suggested the Pension Board move the payroll account from US Bank to Central Bank as well. Krafve made a motion to move the Pension Board's payroll account from US Bank to Central Bank; 2nd by Carter. Vote all: Yes.

7. 2019 Experience Study Recommendations

The following recommendations were made by Milliman:

1. Investment Rate – lower to 6.5%. Inflation rate of 2.3%
2. Salary/Compensation – maintain current assumptions
3. Mortality – same for healthy participant; new projection for disabled
4. Disability Retirements – decrease by 50%
5. Turnover – decrease by 50%
6. Retirement Rates – details on page 14 of the report
7. Amortization Schedule – maintain the same

Nikki White

8. Smoothing – maintain the same

Bridges made a motion to accept the Experience Study recommendations as presented by Milliman; 2nd by Krafve. Vote all: Yes.

8. Board President Election

Manley called for nominations. Carroll nominated Mike Bridges. Krafve made a motion to elect Mike Bridges by acclamation; 2nd by Carter. Vote all: Yes.

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

Carter made a motion to move to closed session at 8:56 a.m. pursuant to Section 610.021(1) RSMo.; 2nd by Hoffman. Vote Yes: Bridges, Carroll, Carter, Hoffman, Krafve, Milam and Welsh. Vote no: none. Open session resumed at 10:17 a.m.

10. Adjournment

Carter made a motion to adjourn the meeting; 2nd by Krafve. Vote all: Yes. The meeting adjourned at 10:17 a.m. on April 18, 2019.