CITY of SPRINGFIELD

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

Minutes
August 13, 2020

1. Call to Order

Bridges called the meeting to order at 8:30 a.m. The meeting was held at the Hilton Garden Inn - 4155 S. Nature Center, Springfield, MO 65804. Minutes taken by White.

Attendance

Members	Representation	Present	Absent
Mike Bridges	President	X	
Paul Carroll	Citizen	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
Marcus Walker	Police	X	
Ed Cantrell (NV)	Retiree	X	
Tony Kelley (NV)	Fire		X
Matt Shackelford (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, city attorney's office, was also present.

2. Approval Meeting Minutes – July 9, 2020

Carter made a motion to approve the July 9, 2020 minutes as presented; 2nd by Carroll. Vote all: Yes.

3. Approval of Financial Statement Ending June 30, 2020

- The cash balance at the end of June was $6,830,193.

- The State Street S&P 500 Flagship NL Fund increased by $1,708,491. The return was even with the index of 1.99%.

- The State Street Russell 2000 NL Fund increased by $691,571. The return was even with the index of 3.53%.

- Pictet increase by $1,068,590. The return was 2.35% compared to the index return of 3.40%.

- Wells Fargo increased $4,904,840. The return was 10.28% compared to the benchmark of 7.35%.

- Galliard increased $354,890. The return was 0.77% compared to the index of 0.41%.

- Income Research increased $1,079,826. The return was 1.88% compared to the index of 1.55%.

- Brandes increased $669,520. The return was 5.72% compared to the index return of 2.46%.

- Brookfield increased $158,711. The return was 1.71% compared to the index return of 2.57%.

- Invesco increased $75,721. The return was 2.35% compared to the index return of 3.40%.

- Vanguard had a decrease of ($1,331,912). The return was 1.03% compared to the index of 0.88%.

- Pyramis had an increase of $758,724. The return was 3.17% compared to the index at 2.91%.

- Blue Ocean had an increase of $1,548,973. The return was 2.22% compared to the index of 0.63%.

- Blackstone had an increase of $310,013. The fund returned 1.54% compared to the index return of 1.66%.

- Entrust had a decrease of ($13,469). The fund returned -0.36% compared to the index of return of 1.66%.

- IFM had an increase of $103,015.

- Employee contributions for the month totaled $345,384 and employer contributions totaled $660,308. Sales tax contributions totaled $3,016,153.

- Gain/Loss in market value, including managers' fees was $11,889,142 for the month. Total additions were $15,910,987.

- Benefit payments totaled $2,302,202. Administrative expenses totaled $49,272. Net increase to the Plan was $13,559,513.

- Total Net Assets at the end of June were $476,074,571.

Carroll made a motion to approve the financials ending June 30, 2020; 2nd by Krafve. Vote all: Yes.

4. Review of Applications

Retiree's Name	Application Type	Application Date	Retirement Date	Department
Scott Lambeth	Age & Service	07/09/20	09/13/20	Fire
Gregory McKinney	Age & Service	07/31/20	08/28/20	Police

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

5. Review of Calculations

Name	Type	Years of Service	Monthly Pension Amount	Partial Pension Amount
Brian Crum	Age & Service	24.46	$4,975.21	$0
Lennis Marcotte	Duty Disability	19.46	$3,466.99	$111.84

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

6. Approval of Return of Contributions

Name	Type	Years of Service	ROC
Brian Crum	Age & Service	24.46	$188,197.08
Lennis Marcotte	Duty Disability	19.60	$131,746.03

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

7. Administrative Director Report

Manley reported that Teresa Newton's pension should be reinstated effective July 2020. Newton supplied evidence of a reduction in wages which qualifies her to begin receiving her pension of $1,069.18 per month. Her August payment (July and August combined) is $2,138.36 and her September – December payment will be $1,069.18 per month. Carter made a motion to approve Teresa Newton's pension amount as presented; 2nd by Carroll. Vote all: Yes.

Manley presented an invoice for Stubbe & Associates in the amount of $1,080.00 for Lennis Marcotte's disability review. Carroll made a motion to pay the invoice as presented; 2nd by Walker. Vote all: Yes.

Manley presented an invoice for Nixon & Lindstrom Insurance in the amount of $1,925.00 for Manley's fiduciary bond. Carroll made a motion to pay the invoice as presented; 2nd by Walker. Vote all: Yes.

Manley announced that it is time to start the income verification process. She would like to include the new policy in her letter. She's not sure whether to start the process or not and would like some direction from the Board. Those present agreed that they wanted to hear the legal counsel opinion first.

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

Carter made a motion to move to closed session at 8:44 a.m. pursuant to Section 610.021(1, 3, 13) RSMo.; 2nd by Hoffman. Vote Yes: Bridges, Carroll, Carter, Hoffman, Krafve and Walker. Vote no: none. Open session resumed at 9:57 a.m.

9. Shane Terrell – Vested Retirement

Carter made a motion to allow Terrell to buy back time calculated at his resignation date; 2nd by Krafve. Vote all: Yes.

10. Quarterly Investment Report – Segal Marco

Jeff Boucek and Rob Hungerbuhler joined the meeting via conference call to present the quarterly report. Hungerbuhler reported that Systematic and Arrowmark are ready to fund 50/50 from the Russell 2000. Loomis called $15 million which was funded from Income Research which was overweight. He suggested moving our cash to Vanguard to park it for the short term.

The beginning market value in July 2019 was $453,115,000. The ending market value in June 2020 was $468,688,000. The return on investment for the fiscal year is $9,220,000 which is 2.1%.

The Flagship Fund returned 20.48% compared to the index of 20.54%. The Russell 2000 returned 25.38% compared to the index of 25.42%. Pictet returned 14.59% compared to the benchmark of 14.88%. Brandes returned 12.28% compared to the index of 19.88%. Wells Capital returned 24.07% compared to the index of 18.08%. Galliard returned 3.97% compared to the index of 2.13%. IR&M returned 7.05% compared to the index of 6.23%. Vanguard returned 4.85% compared to the index of 4.63%. FIAM returned 13.00% compared to the benchmark of 12.26%. Prudential returned -1.09% compared to the index of -1.27%. Brookfield returned 8.59% compared to the index of 10.07%. EnTrust returned 4.18% compared to the benchmark of 5.49%. Blackstone returned 5.18% compared to the benchmark of 5.49%. Invesco returned -0.14% compared to the index of 12.08%. IFM returned 1.12% compared to the index of 10.27%. The total plan returned 11.36% for the quarter compared to the policy index of 12.59%.

Carroll made a motion to accept the quarterly report as presented by Segal Marco; 2nd by Walker. Vote all: Yes.

Segal Marco will present more information on asset allocation at the September meeting.

11. Legal Matters – Closed Session, pursuant to Section 610.021, RS MO.

Carroll made a motion to move to closed session at 10:39 a.m. pursuant to Section 610.021(1, 3, 13) RSMo.; 2nd by Walker. Vote Yes: Bridges, Carter, Hoffman, Krafve and Walker. Vote no: none. Open session resumed at 11:01 a.m.

12. Adjournment

Carroll exited the meeting during the closed session and didn't return. Carter made a motion to adjourn the meeting; 2nd by Walker. Vote Yes: Bridges, Carter, Hoffman, Krafve and Walker. Vote no: none. The meeting adjourned at 11:01 a.m. on August 13, 2020.

 Secretary Signature: Nikki White