CITY of SPRINGFIELD

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

Minutes
December 17, 2020

1. Call to Order

Bridges called the meeting to order at 8:30 a.m. The meeting was held via Zoom. Minutes taken by White.

Attendance

Members	Representation	Present	Absent
Mike Bridges	President	X	
Paul Carroll	Citizen	X	
Adam Carter	Fire	X	
Ron Hoffman	Retiree		X
Gus Krafve	Citizen		X
Nancy Martin-Hinds	Citizen	X	
Justin Milam	Citizen	X	
Andy Stewart	Citizen	X	
Marcus Walker	Police		X
Ed Cantrell (NV)	Retiree		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

Matt Shackelford was the voting member in Walker's absence. Don Willoh, city attorney's office, was also present.

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

Carroll made a motion to move to closed session at 8:31 a.m. pursuant to Section 610.021(1, 3, 13) RSMo.; 2nd by Carter. Vote Yes: Bridges, Carroll, Carter, Martin-Hinds, Milam, Shackelford and Stewart. Vote no: none. Open session resumed at 8:40 a.m.

3. Approval Meeting Minutes – November 12, 2020

Carroll made a motion to approve the November 12, 2020 minutes as presented; 2nd by Carter. Vote all: Yes.

4. Approval of Financial Statement Ending October 31, 2020

- The cash balance at the end of October was $1,639,325.
- The State Street S&P 500 Flagship NL Fund decreased by ($2,546,309). The return was even with the index of -2.66%.
- Pictet decreased by ($799,636). The return was -1.68% compared to the index return of -3.99%.
- Wells Fargo increased $1,230,416. The return was 2.12% compared to the benchmark of 2.06%.
- Galliard decreased ($11,541). The return was -0.06% compared to the index of -0.17%.
- Income Research decreased ($564,060). The return was -5.37% compared to the index of -5.40%.
- Brandes decreased ($393,819). The return was -2.99% compared to the index return of -3.51%.
- Brookfield decreased ($323,855). The return was -3.39% compared to the index return of -3.33%.
- Invesco decreased ($233,622). The return was -1.11% compared to the index return of -1.41%.
- Vanguard had an increase of $23,168. The return was 0.10% compared to the index of 0.13%.
- Fidelity had a decrease of ($159,332). The return was -0.32% compared to the index at -1.12%.
- Blue Ocean had an increase of $76,924. The return was 0.68% compared to the index of -0.45%.
- Blackstone had an increase of $23,596. The fund returned 0.12% compared to the index return of 0.31%.
- Entrust had a decrease of ($347,577). The fund returned -3.44% compared to the index of return of 0.31%.
- IFM had a decrease of ($50,781). The fund returned -0.32% compared to the index of -0.67%.
- Loomis had an increase of $25,497. The fund returned 0.17% compared to the index return of - 0.05%.
- Meridian had an increase of $579,315. The fund returned 5.66% compared to the index return of 0.76%.
- Systematic had an increase of $16,299. The fund returned 0.16% compared to the index return of 3.58%.
- Employee contributions for the month totaled $327,013 and employer contributions totaled $633,617.
- Sales tax contributions totaled. $2,829,224.

- Gain/Loss in market value, including managers' fees was ($3,409,569) for the month. Total additions were $381,035.

- Benefit payments totaled $2,443,109. Refunds of contributions totaled $315,713. Administrative expenses totaled $12,530. Net increase to the Plan was ($2,390,317).

- Total Net Assets at the end of October were $493,998,746.

Carroll made a motion to approve the financials ending October 31, 2020; 2nd by Milam. Vote all: Yes

4. Review of Applications

Retiree's Name	Application Type	Application Date	Retirement Date	Department
Heith Aldridge	Age & Service	11/29/20	01/28/21	Fire
James Calhoon Jr.	Age & Service	12/14/20	01/19/21	Police
Vance Holland	Age & Service	11/30/20	02/26/21	Police
Harold Millirons	Age & Service	12/07/20	02/02/21	Police
Aaron Roy	Age & Service	12/07/20	01/19/21	Fire
Greg Sly	Age & Service	11/24/20	01/27/21	Police
Brian Steen	Age & Service	11/12/20	01/16/21	Police

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

5. Review of Calculations

Name	Type	Years of Service	Monthly Pension Amount	Partial Pension Amount
Bradley Dutoit	Age & Service	25.21	$4,165.16	$1,388.39
John VanGorkom	Age & Service	25.24	$3,577.29	$3,115.71
Chadwick White	Age & Service	24.02	$4,571.78	$3,981.87
Robert Word	Final Check	20.15	$3,781.32	$487.91

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

6. Approval of Return of Contributions

Name	Type	Years of Service	ROC
Chadwick White	Age & Service	24.00	$181,129.60
John VanGorkom	Age & Service	25.00	$145,993.98
Bradley Dutoit	Age & Service	25.00	$156,403.13

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

7. Administrative Director Report

Manley reported that White's contract was renewed in closed session with a 5% increase.

Manley announced that Matt Shackelford will be the new voting police representative. The results of the election were Shackelford 11, Welch 3. Manley said that we will be looking into doing the voting electronically in the future due to low turnout. Walker will now be the non-voting police representative.

The Entrust and Marathon contracts have been reviewed by Willoh. We have issued a place holder letter to Marathon for $20 million. Everything should be completed by next week.

Manley said that we will be looking at the recommended IPS revisions presented by Segal. This will be discussed in January. Bridges asked if Manley could send some sample IPS's from other plans to review. Manley said that she has some and will distribute them to the Board.

Manley said that there are several members wanting to purchase service from 20-25 years ago. The records no longer exist so they are having to go to P.O.S.T. (Police Officers Standards and Training). Our guidelines require the service to be documented on letterhead from the department they served in to allow them to purchase that service. We have run into a couple that are no longer in existence. She would like to purpose that our system use authorization from P.O.S.T that the service was rendered by our participant. Carroll made a motion to allow the P.O.S.T. statewide records on service to serve as the authorization for service buy-back when City records aren't available; 2nd by Carter. Discussion: Carter asked if this was military service? Manley said no, it was smaller municipal departments that no longer exist. Vote all: Yes.

8. Quarterly Investment Report – Segal Marco

Jeff Boucek joined the meeting via conference call to present the quarterly report.

The beginning market value in July 2020 was $469,040,000. The ending market value in September 2020 was $494,091,000. The return on investment for the fiscal year is $19,836,000 which is 4.3%.

The Flagship Fund returned 8.93% which matched the index. Pictet returned 4.91% compared to the benchmark of 4.80%. Brandes returned 6.33% compared to the index of 10.25%. Wells Capital returned 7.11% compared to the index of 9.56%. Galliard returned 1.25% compared to the index of 0.48%. IR&M returned 1.54% compared to the index of 1.22%. Vanguard returned 0.92% compared to the index of 0.82%. FIAM returned 2.22% compared to the benchmark of 2.32%. Prudential returned 0.50% compared to the index of 0.57%. Brookfield returned 1.02% compared to the index of 2.09%. EnTrust Diversified Fund returned 1.91% compared to the benchmark of 2.63%. Blackstone returned 2.12% compared to the benchmark of 2.63%. EnTrust Blue Ocean returned 2.40% compared to the index of 0.62%. Invesco returned 4.41% compared to the index of 6.04%. IFM returned 1.87% compared to the index of 2.02%. The total plan returned 4.28% for the quarter compared to the policy index of 4.86%.

Boucek would like to look at private equity managers in the first quarter of 2021. There's a modest rebalancing to consider as well. It would be taking money from away from international markets and putting it into the small cap managers to true things up a little bit. He would suggest doing that in early February.

Manley requested that Boucek send some sample IPS's from other plans to compare to the one he sent for Board review. Boucek said that you are seeing less restrictive IPS's compared to those of two years ago.

Bridges said that the Board is not questioning the direction of changing the IPS. He's just wanting a comparison. Boucek said he understands and that our current IPS is the most complicated one he's seen.

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

9. Adjournment

Carter made a motion to adjourn the meeting; 2nd by Carroll. Vote all: Yes. The meeting adjourned at 9:44 a.m. on December 17, 2020.