CITY of SPRINGFIELD

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

Minutes
September 9, 2021

1. Call to Order

Manley called the meeting to order at 8:30 a.m. The meeting was held at the Busch Municipal Building, 840 Boonville Avenue. Minutes taken by White.

Attendance

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

Gail Church with human resources, Lance Roskins with the City's attorney office, Tony Kelley and Paul Carroll were also present. Manley presented Carroll, Kelley and Bridges with a plaque and thanked Carroll and Kelley for their service as board members and Bridges for his term as president.

2. Approval Meeting Minutes – July 8, 2021 and August 12, 2021

Bridges made a motion to approve the July 8, 2021 and August 12, 2021 minutes as presented; 2nd by Carter. Vote all: Yes.

3. Approval of Financial Statement Ending July 31, 2021

- The cash balance at the end of July was 4,328,748.

- Galliard increased $336,393. The return was 0.71% compared to the index of 0.72%.
- Income Research increased $609,776. The return was 2.80% compared to the index of 2.78%.
- Blackstone had a decrease of ($2,370). The fund returned -0.01% compared to the index return of -0.40%.
- Brookfield increased $426,900. The return was 3.32% compared to the index return of 3.83%.
- Vanguard had an increase of $6,847. The return was 0.28% compared to the index of 0.36%.
- Brandes decreased ($255,794). The return was -1.33% compared to the index return of 0.68%.
- Entrust Capital had a decrease of ($83,281). The fund returned -2.89% compared to the index of return of -0.40%.
- Entrust Global Recovery had a decrease of ($529,122). The fund returned 0.71% compared to the index of return of 1.12%.
- Blue Ocean had a decrease of ($129,751). The return was 0.71% compared to the index of 1.12%. There was a distribution of $655,055 to Blue Ocean cash,
- Invesco increased $129,751. The return was 0.63% compared to the index return of 0.96%.
- Loomis had an increase of $50,899. The fund returned 0.3% compared to the index return of 1.12%.
- Meridian had a decrease of ($12,732). The fund returned -0.08% compared to the index return of -3.64%.
- Pictet decreased by ($587,215). The return was -0.92% compared to the index return of 0.75%.
- Fidelity had an increase of $125,189. The return was 0.47% compared to the index at 1.34%.
- IFM had a decrease of ($11,420). The fund returned -0.06% compared to the index of 1.34%.
- Systematic had a decrease of ($296,930). The fund returned -1.86% compared to the index return of -3.58%.
- Wells Fargo decreased ($7,361,498). The return was -10.07% compared to the benchmark of -6.73%.
- LGT increased $99,648. The return was 1.17% compared to the benchmark of 1.69%.
- The State Street S&P 500 Flagship NL Fund increased by $2,924,174. The return was 2.36% compared to the index of 2.38%.
- Employee contributions for the month totaled $121,378 and employer contributions totaled $235,068. Fire AFC Tier 1 contributions totaled $321,562.

- Gain/Loss in market value, including managers' fees was ($4,219,931) for the month. Total additions were ($3,540,553).
- Benefit payments totaled $2,580,089. Refunds of contributions totaled $219,398. Administrative expenses totaled $12,622. Net increase to the Plan was ($6,352,951).
- Total Net Assets at the end of July were $602,774,686.

A copy of the June 30, 2021 financials were distributed as well. Stewart made a motion to approve the financials ending June 30, 2021 and July 31, 2021; 2nd by Bridges.

4. Review of Applications

Retiree's Name	Application Type	Application Date	Retirement Date	Department
David Haun	Surviving Spouse	08/17/2021	N/A	Police
Roger Wells	Surviving Spouse	08/07/2021	N/A	Fire
Michael Pringle	Surviving Spouse	08/31/2021	N/A	Fire
Matthew Shackelford	Age & Service	09/03/2021	10/22/2021	Police
Michael Snider	Age & Service	08/13/2021	10/22/2021	Fire

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

5. Review of Calculations

Name	Type	Years of Service	Monthly Pension Amount	Partial Pension Amount
Andy Iorg	Age & Serivce	23.02	$3,330.64	$429.76
David Haun	Surviving Spouse	31.98	$3,819.57	$2,587.45
Michael Pringle	Final Check	24.69	$3,980.97	$385.26
Michael Pringle	Surviving Spouse	24.69	$2,715.22	$2,452.46
Roger Wells	Surviving Spouse	28.42	$2,763.29	$1,069.66

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

6. Approval of Return of Contributions

Name	Type	Years of Service	ROC
Andy Iorg	Age & Service	23.02	$145,297.94

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

 Secretary Signature: Nikki White

7. Administrative Director Report

Manley recommends sending the IPS revisions to outside counsel for review. She doesn't feel she has the expertise to complete the changes. She recommended sending it to Charlie Cowherd of Spencer Fane. Bridges made a motion to retain Spencer Fane to review and analize the proposed IPS changes and to complete a letter of engagement; 2nd by Setser. Vote all: Yes.

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

Bridges made a motion to move to closed session at 9:00 a.m. pursuant to Section 610.021(1, 3, 12, 13) RSMo.; 2nd by Carter. Vote Yes: Bridges, Carter, Setser, Shackleford and Stewart. Vote no: none. Open session resumed at 9:21 a.m.

Bridges announced that the Board approved in closed session to extend Manley's contract for another year with a 5% increase. Bridges, Carter, Milam, Setser, Shackelford and Stewart voted in favor. There were no objections.

9. Quarterly Investment Report ending June 30, 2021 – Segal Rogerscasey

Rob Hungerbuhler joined the meeting via conference call.

The beginning market value in July 2020 was $469,040,000. The ending market value in June 2021 was $597,177,000. The return on investment for the fiscal year is $118,154,000 which is 25.0%.

The Flagship Fund returned 8.53% compared to the index of 8.55%. ArrowMark returned 7.18% compared to the index of 3.92%. Systematic returned 3.41% compared to the index of 4.56%. Pictet returned 2.59% compared to the benchmark of 5.17%. Brandes returned 9.27% compared to the index of 4.34%. Wells Capital returned 5.63% compared to the index of 5.05%. Galliard returned 0.99% compared to the index of 0.78%. IR&M returned 7.60% compared to the index of 6.44%. Vanguard returned 0.72% compared to the index of 0.61%. FIAM returned 3.83% compared to the benchmark of 4.06%. Prudential returned 3.93% compared to the index of 4.39%. Brookfield returned 8.46% compared to the index of 9.17%. EnTrust Diversified Fund returned -0.05% compared to the benchmark of 1.99%. Blackstone returned 2.96% compared to the benchmark of 1.99%. EnTrust Blue Ocean returned 0.00% compared to the index of 1.83%. Loomis returned 2.82% compared to the index of 1.83%. IFM returned 5.83% compared to the index of 2.89%. Invesco returned 2.55% compared to the index of 5.02%. The total plan returned 5.28% for the quarter compared to the policy index of 4.89%

10. Opportunistic Real Estate Manager Search

Hungerbuhler presented four candidates for the opportunistic real estate search. They were Kayne Anderson Real Estate Partners VI, Madison International Real Estate Liquidity Fund VIII, Prime Storage Fund III and Phoenix Fund X. The target allocation is approximately $15 million. Hungerbuhler provided a presentation which compared each candidate. All of the managers are well qualified to positively contribute to the Plan and all offer significant experience implementing the strategy and experienced professionals with real estate investment experience ransing from 17 to 25 years for senior investment professionals.

Nevertheless, there are several points of distinction. • Kayne and Phoenix will be 100% US focused, and Prime is mostly US focused with 5-10% outside the US. Madison will have 50-60% US, with up to 40-

50% Europe. • Madison will invest in 60-80% apartment, office, and industrial, 20-40% grocery-anchored and urban infill retail, hospitality and 20-40% Life Sciences, Cold Storage, Data Centers, Alternative Housing (Senior Housing, Student Housing & Single Family Rentals). Kayne Anderson will invest in 70-85% Healthcare (MOB & Seniors Housing) and 15-30% Student/Multifamily Housing. Prime will only invest in self-storage properties and Phoenix will only invest in multifamily. • All four strategies are targeting value add to opportunistic risk/return profiles. Madison is targeting 12-15% net IRR, Kayne 15-18% net IRR, Prime 25% net IRR and Phoenix 16% net IRR. • Madison and Prime are both targeting a $1.5 billion fundraise, Kayne $2.5 billion and Phoenix $350 million.

Manley asked the Board for their input and whether they wanted to bring any of the managers in to present to the Board or if they were comfortable moving forward based on today's presentation. A few expressed their interest in moving forward with Prime. Setser said he thinks all four are solid. It was discussed possibly selecting two. Manley said that she would pass on that the Board is interested in the primary one being Prime and Kayne Anderson the second manager at a lower amount. Due to lack of quorum the Board wasn't able to vote. The vote will be taken at the October meeting.

11. Adjournment

The meeting adjourned at 10:40 a.m. on September 9, 2021.