



POLICE AND FIRE RETIREMENT SYSTEM OF SPRINGFIELD, MO

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

Minutes November 18, 2021

1. Call to Order

Milam called the meeting to order at 8:31 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	
Nancy Martin-Hinds	Citizen		X
Chad Munsey	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 and Lance Roskens were also present. Walker was the voting police representative in Shackelford's absence.

2. Approval Meeting Minutes – October 14, 2021

Bridges made a motion to approve the October 14, 2021 minutes as presented; 2nd by Setser. Vote all: Yes.

3. Approval of Financial Statement Ending September 30, 2021

- The cash balance at the end of September was 7,415,785.
- Galliard decreased (\$216,376). The return was -0.49% compared to the index of -0.51%.

Nikki White

- Income Research decreased (\$566,592). The return was -2.31% compared to the index of -2.34%.
- Blackstone had an increase of \$161,658. The fund returned 1.17% compared to the index return of 0.73%.
- Brookfield decreased (\$796,879). The return was -5.57% compared to the index return of -5.80%.
- Vanguard had an increase of \$14,508,919. The return was -0.22% compared to the index of -0.21%. Transferred in \$14,555,036 from liquidation of Loomis.
- Brandes decreased (\$496,526). The return was -2.16% compared to the index return of -3.52%.
- Entrust Capital had a decrease of (\$12,365). The fund returned -0.43% compared to the index of return of 0.73%.
- Entrust Global Recovery had a decrease of (\$288,428). The fund returned -2.93% compared to the index of return of -0.87%.
- Blue Ocean had a decrease of (\$3,333). The return was 3.67% compared to the index of -0.87%.
- Invesco decreased (\$760,875). The return was -3.27% compared to the index return of -3.16%.
- Loomis was liquidated and transferred to Vanguard and Marathon
- Meridian had a decrease of (\$439,259). The fund returned -2.84% compared to the index return of -3.83%.
- Marathon had \$1.2 million transferred in from the liquidation of Loomis.
- Pictet decreased by (\$1,177,189). The return was -1.77% compared to the index return of -2.90%.
- Prudential had an increase of \$1,191,241. The return was 7.77% compared to the index of 5.23%.
- Fidelity had a decrease of (\$417,298). The return was -1.53% compared to the index at -1.96%.
- IFM had an increase of \$891,062. The fund returned 5.07% compared to the index of -3.59%.
- Systematic had a decrease of (\$401,899). The fund returned -2.48% compared to the index return of -2.00%.
- Wells Fargo decreased (\$9,955,265). The return was -5.90% compared to the benchmark of -3.97%.
- LGT increased \$214,384. The return was 2.25% compared to the benchmark of -4.49%.
- The State Street S&P 500 Flagship NL Fund decreased by (\$6,086,943). The return was even with the index of -4.65%.

- Employee contributions for the month totaled \$321,971 and employer contributions totaled \$620,941. The public safety sales tax contributions were \$4,291,845 for the month.
- Gain/Loss in market value, including managers' fees was (\$19,064,512) for the month. Total additions were (\$13,829,255).
- Benefit payments totaled \$2,592,486. Refunds of contributions totaled \$145,298. Administrative expenses totaled \$32,555. Net increase to the Plan was (\$16,599,594).
- Total Net Assets at the end of September were \$591,641,114.

Bridges made a motion to approve the financials ending September 30, 2021; 2nd by Carter. Vote all: Yes.

4. Review of Applications

Retiree's Name	Application Type	Application Date	Retirement Date	Department
Gilbert Correa	Age & Service	11/04/2021	12/17/2021	Police
James Dougherty	Age & Service	10/13/2021	01/04/2022	Police
Michael Evans	Age & Service	10/21/2021	12/17/2021	Police
Chad Hampton	Age & Service	11/03/2021	01/03/2022	Police
John Wilson	Age & Service	10/21/2021	01/03/2022	Police

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
Marc Stevens	Age & Service	20.78	\$3,987.26	\$1,157.59
Matthew Shackelford	Age & Service	25.00	\$5,514.06	\$1,778.73
Michael Snider	Age & Service	25.00	\$4,462.36	\$1,295.52
Patrick Davis	Age & Service	25.54	\$4,025.56	\$779.14

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
Michael Snider	Age & Service	25.00 (purchased 1.25 yrs)	\$122,791.19
Marc Stevens	Age & Service	20.78	\$164,568.72
Matthew Shackelford	Age & Service	25.00 (purchased 1.25 yrs)	\$188,147.66
Patrick Davis	Age & Service	25.00	\$161,095.94

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

7. Administrative Director Report

Manley reported that the 2022 MAPERS Conference will be July 13-15. She's waiting until January to contact managers about presenting to the Board during the monthly meetings because some may have updated travel policies after the first of the year.

Roskens reported that the ordinance change to allow electronic voting for the police and fire representative elections has had the first Council reading. The second reading and vote will be held on November 29th. This will be in time for the December election. It will be the same process that it utilized by LAGERS.

Council will also vote on allowing police and fire employees who retire with 25 years of service to be hired back under the LAGERS system. As Milliman reported, this will have no negative impact on the Plan. Manley reported that the Board needs to vote on this.

Carter said that our job as fiduciaries of the Fund is to weigh in on whether this impacts the Plan or not. Based on Zwiener's review, this doesn't impact the Plan. We are not endorsing or opposing this ordinance change. We are just stating that this doesn't impact the Plan. Manley said that she thinks Council is looking for something a little stronger than that. Milam said he doesn't feel strongly either way. Maybe we word it that given that it has no impact on the Plan, we are supportive of the change. Walker said that most members are not supportive of the initiative because it doesn't reflect the way our retirement system works. He said maybe it can be stated that the Board isn't endorsing the initiative. We are just endorsing that it has no negative impact on the Fund. If it's stated this way, the Board can stay out of the politics and emotion of it. Bridges asked Roskens if any action even needed to be taken by the Board. Roskens said he thinks Council would like to hear the opinion of the Board. Bridges said that it's not an opinion, it's just restating what our expert has told us. Bridges made a motion that having reviewed the report of the Board's actuarial expert, Michael Zwiener, our Board has determined that the rehiring of members (under LAGERS) who retire from our Plan with 25 years of service will have no financial impact on the Plan; 2nd by Carter. Vote all: Yes.

Manley said the investment rate of return will be discussed in December.

8. Police & Fire Nominations

Adam Carter was nominated for the voting fire representative. Marc Phillips was nominated for the non-voting fire representative.

Aaron Cassity, Jason Friend and Bryan Welch were nominated for the voting and the non-voting police representative. The voting position is only being voted upon because of Shackelford's retirement. It will be a one-year term that will expire December 31, 2022.

Walker made a motion to accept the nominations as presented; 2nd by Munsey. Vote all: Yes.

9. Audit Report – June 30, 2021

Kristen Hughes, RSM, presented the preliminary draft. There was an unmodified or clean opinion by RSM.

A comparative report was provided which shows a side-by-side comparison of 2020 versus 2021. The Plan's net position at the end of June was \$608,774,000 compared to June 2020 balance of \$481,188,000.

The net investment income was \$117,878,000 compared to \$8,250,000 in 2020. The contributions and benefit payments were consistent with the prior year. The sales tax contributions were \$37,101,896 compared to \$34,063,300 in 2021. Manley commended the Board on keeping the administrative expenses so low in comparison to other plans. She said the Plan is well under 1% for administrative expenses. The net pension liability is \$15,336,582 compared to \$122,392,028 in 2020. The fiduciary net position as a % of total pension liability is 97.54% compared to 79.72% in 2020. Manley pointed out that these numbers don't include any actuarial smoothing.

Carter made a motion to approve the auditor's report as presented; 2nd by Walker. Vote all: Yes.

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

Carter made a motion to move to closed session at 9:27 a.m. pursuant to Section 610.021(1, 3, 12, 13) RSMo.; 2nd by Bridges. Vote Yes: Bridges, Carter, Hoffman, Milam, Munsey, Setser and Walker. Vote no: none. Open session resumed at 9:52 a.m.

11. Ordinance Revision for 25 Years of Service

Roskens said the intent of the ordinance language is to treat those individuals who retire with 25 years of service in the same manner as if they had left and gone to work somewhere else. In other words, they would not be eligible to receive a duty disability pension because they are already receiving an age and service pension. They would be under the LAGERS plan. Carter asked if this ordinance change was the only one being considered at this time. Roskens said it and the electronic voting change. Carter said the benefits don't change; you can just be rehired under LAGERS. Roskens said yes.

12. Secretary Contract

Manley reported that the Board voted to extend White's contract for another year with a salary of \$20,790. Bridges, Carter, Hoffman, Milam, Munsey, Setser and Walker all voted yes. There were no objections.

13. Adjournment

Carter made a motion to adjourn the meeting; 2nd by Bridges. Vote all: Yes. The meeting adjourned at 9:54 a.m. on November 18, 2021.