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

Minutes
August 10, 2023

1. Call to Order

Stewart 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
Andy Stewart	President	X	
Jason Friend	Police	X	
Jamie Frieze	Fire		X
Ron Hoffman	Retiree		X
Chad Munsey	Citizen		X
Laura Robinson	Citizen	X	
Justin Setser	Citizen	X	
Jonathan Winn	Citizen		X
Ann Young	Citizen	X	
Andrew McPherson (NV)	Retiree		X
Mark Phillips (NV)	Fire	X	
Bryan Welch (NV)	Police	X	
David Holtmann (NV)	Finance	X	
Matt Simpson (NV)	City Council Liaison	X	
Tony Kelley (NV)	Administrative Director	X	
Nikki White (NV)	Secretary	X	

NV = non-voting

Lance Roskens and Gail Church were also present. Phillips was the voting fire representative in Frieze's absence.

2. Approval of Meeting Minutes – July 20, 2023

Setser made a motion to approve the July 20, 2023 minutes as presented; 2nd by Friend. Vote all: Yes.

- Galliard decreased ($170,476). The return was -0.41% compared to the index of -0.60%.
- Income Research increased $154,987. The return was 0.84% compared to the index of 0.77%.
- Blackstone increased $295,028. The fund returned 1.14% compared to the index return of 0.10%.
- Brookfield increased $299,482. The return was 2.81% compared to the index return of 3.00%.
- Vanguard increased $4,635,555. The return was -0.41% compared to the index return of 0.80%. Transferred $4,800,000 from Marathon.
- Brandes increased $924,270. The return was 4.67% compared to the index return of 2.89%.
- Entrust Capital increased $35,551. The return was 6.58% compared to the index return of 0.10%.
- Entrust Global decreased ($297,076). The return was -2.47% compared to the index return of -0.40%.
- Blue Ocean increased $2,098,721. The return was 5.71% compared to the index return of -0.40%.
- Invesco decreased ($120,830). The return was -0.61% compared to the index return of 3.50%.
- Meridian had an increase of $401,032. The fund returned 5.19% compared to the index return of 8.30%.
- Fidelity Intl Index increased by $2,569,221. The return was 4.33% compared to the index of 4.60%.
- Prudential had a decrease of ($562,179). The fund returned -2.07% compared to the index of 0.00%.
- Fidelity had an increase of $622,154. The fund returned 2.69% compared to the index of 1.93%.
- IFM had an increase of $565,790. The fund returned 2.67% compared to the index of 2.90%.
- Systematic had an increase of $1,209,474. The fund returned 7.34% compared to the index return of 7.90%.
- Allspring increased $2,378,978. The return was 4.70% compared to the benchmark of 3.80%.
- LGT increased $347,657. The return was 2.16% compared to the benchmark of 6.80%.
- The State Street S&P 500 Flagship NL Fund increased by $8,206,635. The return was even with the index of 6.61%.
- Employee contributions for the month totaled $248,182 and employer contributions totaled $481,931. Public Safety Sales Tax contributions totaled $11,544,899.
- Gain/Loss in market value, including managers' fees was $19,398,860 for the month. Total additions were $31,673,944.

- Benefit payments totaled $2,814,251. Return of contributions totaled $39,281. Administrative expenses totaled $29,199. Net increase to the Plan was $28,791,213.

- Total Net Assets at the end of June were $614,845,775.

Friend made a motion to approve the financials ending June 30, 2023; 2nd by Setser. Vote all: Yes.

4. Review of Applications

Retiree's Name	Application Type	Application Date	Retirement Date	Department
Erik Brown	Age & Service	07/21/2023	09/21/2023	Police
Casey Wilson	Age & Service	08/04/2023	09/26/2023	Police
Christopher Koester	Age & Service	07/31/2023	09/23/2023	Fire
Matthew Farmer	Age & Service	07/31/2023	09/01/2023	Police
Craig Schmucker	Age & Service	07/22/2023	09/11/2023	Fire
Jimmie Wiseman	Surviving Spouse	08/01/2023	N/A	Fire

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

5. Review of Calculations

Name	Type	Years of Service	Monthly Pension Amount	Partial Pension Amount
Anthony Gomez	Age & Service	24.19	$9,235.26	$1,191.65
Brian Athen	Age & Service	24.02	$5,726.78	$3,140.49
Casey Wilkerson	Age & Service	23.50	$7,384.24	$4,049.42
Gary Dishman	Widow's Final Pay	26.40	$2,132.42	$1,100.60
Jimmie Wiseman	Final Pay	30.50	$4,104.4	$3,045.08
Jimmie Wiseman	Surviving Spouse	30.50	$2,499.94	$645.15
Katherine Dunnegan	Age & Service	24.13	$6,067.86	$4,893.43
Kent Clayton	Age & Service	20.13	$6,058.00	$781.68
Ryan Russell	Age & Service	22.50	$6,076.77	$3,528.45

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

6. Approval of Return of Contributions

Name	Type	Years of Service	ROC
Mark Priebe	Duty Disability	23.6 (add'l ROC on lump sum payments	$5,445.16
Kent Clayton	Age & Service	20.1	$204,788.41
Ryan Russell	Age & Service	22.5	$218,129.47
Katherine Dunnegan	Age & Service	24.1	$219,380.96
Anthony Gomez	Age & Service	24.2	$257,368.65
Casey Wilkerson	Age & Service	23.5	$234,805.21
Brian Athen	Age & Service	24.0	$196,503.40

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

7. Administrative Director Report

Kelley reported that he's currently work with City staff and the auditor to complete this year's audit.

Milliman contract renewal – Setser made a motion to renew the Milliman contract for an additional year with an amendment to include the cost of the work comp study which should not exceed $1,000 and the additional work of buyback calculations and other requested work to not exceed $25,000 per year; 2nd by Friend. Vote all: Yes.

Phillips made a motion to pay the Spencer Fane invoice in the amount of $4,865.50; 2nd by Young. Vote all: Yes.

Phillips made a motion to pay the Miller & Associates invoice in the amount of $362.25; 2nd by Young. Vote all: Yes.

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

Setser made a motion to move to closed session at 8:50 a.m. pursuant to Section 610.021(1, 11, 14) RSMo.; 2nd by Friend. Vote Yes: Friend, Phillips, Robinson, Setser, Stewart and Young. Vote no: none. Open session resumed at 9:01 a.m.

9. Quarterly Investment Report & Asset/Liability Study - Verus

Tim McEnery with Verus presented the quarterly investment report and the asset/liability study.

The beginning market value in July 2022 was $545,318,692. The ending market value in June 2023 was $604,039,197.

The Flagship Fund returned 8.7%, which was even with the index. ArrowMark returned 4.7% compared to the index of 7.1%. Systematic returned 4.2% compared to the index of 3.2% Fidelity returned 3.2% compared to the benchmark of 3.0%. Brandes returned 4.7% compared to the index of 0.6%. Allspring returned 1.0% compared to the index of 0.9%. Galliard returned -0.6% compared to the index of -0.8%. IR&M returned -1.4% compared to the index of -1.3%. Vanguard returned -0.1%, which was even with the index. FIAM returned 1.9% compared to the benchmark of 2.2%. Prudential returned -2.1% compared to the index of -2.9%. Brookfield returned 0.1% compared to the index of 0.2%. Blackstone returned 1.7% compared to the benchmark of 0.9%. IFM returned 2.5% compared to the index of -0.1%. Invesco returned -0.5% compared to the index of 3.2%. The total plan returned 2.7% for the quarter compared to the policy index of 2.5%.

Setser made a motion to approve the quarterly report as presented; 2nd by Phillips. Vote all: Yes.

Asset/Liability Study

Summary findings – Recent market performance in combination with contributions related to the Public Safety Sales Tax has improved the Plan's funded status materially. The Plan is now projected to reach full funding by 2030 if the 6.0% actuarial return is realized. The expected 10-year return of the current policy is well above the 6.0% actuarial return. Given the anticipated contribution policy (and expiration of the Public Safety Sales Tax in March 2025), drawdown events become a more significant risk to the Plan. Verus believes a lower risk asset allocation mix relative to the current policy is appropriate. Based on the asset-liability analysis and an explicit consideration of the Plan's policies and needs, Verus is recommending the adoption of a lower risk asset allocation mix. They tend to favor the "diversification with privates" mix which appropriately balances the Plan's risk and returns needs.

10. Adjournment

Young made a motion to adjourn the meeting; 2nd by Setser. Vote all: Yes. The meeting adjourned at 10:17 a.m. on August 10, 2023.