CITY of SPRINGFIELD

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

Minutes
November 9, 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 was also present. McPherson was the voting retiree representative in Hoffman's absence.

2. Audit Report as of June 30, 2023

Kristen Hughes, RSM, presented the preliminary draft.

A comparative report was provided which shows a side-by-side comparison of 2022 versus 2023. The Plan's net position at the end of June was $615,663,487 compared to June 2022 balance of $554,668,732. The net investment income was $47,711,000 compared to ($68,280,000) in 2022. The sales tax contributions were $44,525,000 compared to $42,814,000 in 2022. The net pension liability is $88,272,578 compared to $130,872,758 in 2022. The fiduciary net position as a % of total pension liability is 87% compared to 81% in 2022. These numbers don't include any actuarial smoothing.

Phillips made a motion to deviate from the agenda order; 2nd by Munsey. Vote all: Yes.

3. Approval of Meeting Minutes – October 12, 2023

Munsey made a motion to approve the September 14, 2023 minutes as presented; 2nd by Friend. Vote all: Yes.

4. Approval of Financial Statement Ending September 30, 2023

- The cash and short-term investments balance at the end of September was $2,313,369. The cash – UMB investments balance was $838,056.
- Galliard decreased ($766,658). The return was -1.74% compared to the index of -1.76%.
- Income Research decreased ($1,069,598). The return was -6.51% compared to the index of -6.22%.
- Blackstone increased $167,830. The fund returned 0.63% compared to the index return of 0.70%.
- Brookfield decreased ($670,530). The return was -6.75% compared to the index return of -6.10%.
- Vanguard decreased ($327,161). The return was -0.80% compared to the index return of -0.50%.
- Brandes decreased ($847,764). The return was -3.83% compared to the index return of -3.40%.
- Entrust Capital Diversified Fund decreased ($12,966). The return was -2.06% compared to the index return of 0.70%.
- Invesco increased $253,661. The return was 1.28% compared to the index return of -3.60%.
- Meridian had a decrease of ($522,017). The fund returned -7.52% compared to the index return of -6.60%.
- Fidelity INTL Index had a decrease of ($2,106,761). The fund returned -3.73% compared to the index of -3.40%.
- Prudential had a decrease of ($798,542). The fund returned -4.27% compared to the index of 0.00%.
- Fidelity had a decrease of ($610,772). The fund returned -2.62% compared to the index of -2.81%.
- IFM had an increase of $19,943. The fund returned 0.09% compared to the index of -4.60%.
- Systematic had a decrease of ($670,485). The fund returned -4.10% compared to the index return of -5.20%.

- Allspring decreased ($1,799,775). The return was -3.66% compared to the benchmark of -2.62%.
- LGT increased $186,450. The return was 1.14% compared to the benchmark of -4.80%.
- The State Street S&P 500 Flagship NL Fund decreased by ($6,417,506). The return was even with the index of -4.77%.
- Employee contributions for the month totaled $203,567 and employer contributions totaled $389,444. Public safety sales tax contributions totaled $4,744,405.
- Gain/Loss in market value, including managers' fees, was ($15,571,176) for the month. Total additions were ($10,989,643).
- Benefit payments totaled $2,928,953. Return of contributions totaled $366,824. Administrative expenses totaled $27,950. Net increase to the Plan was ($14,313,370).
- Total Net Assets at the end of September were $597,773,962.

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

4. Review of Applications

Retiree's Name	Application Type	Application Date	Retirement Date	Department
Kirk Broberg	Age & Service	11/06/2023	01/01/2024	Police

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

5. Review of Calculations

Name	Type	Years of Service	Monthly Pension Amount	Partial Pension Amount
Casey Wilson	Age & Service	25.00	$5,209.74	$694.63
Roger Wells	Final Pay	28.42	$2,931.58	$1,418.51

Friend 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
Casey Wilson	Age & Service	24.34 +.66 buyback	$190,869.77

Friend made a motion to accept the return of contribution as presented above; 2nd by Setser. Vote all: Yes.

7. Board Member Election Nominations

White reported that the following nominations were received prior to the deadline.

Bryan Welch – non-voting police representative

James Frieze – voting fire representative
Mark Phillips – non-voting fire representative

The election will be held the first full week in December. McPherson made a motion to accept the nominations as presented; 2nd by Setser. Vote all: Yes.

8. Quarterly Investment Report & Investment Policy Statement Review – Verus

The beginning market value in July 2023 was $605,763,686. The ending market value in September 2023 was $595,086,167.

The Flagship Fund returned -3.3%, which was even with the index. ArrowMark returned -10.2% compared to the index of -7.3%. Systematic returned -1.1% compared to the index of -3.0% Fidelity returned -4.7% compared to the benchmark of -4.1%. Brandes returned 3.6% compared to the index of -3.5%. Allspring returned -5.9% compared to the index of -2.9%. Galliard returned -1.8% compared to the index of -0.8%. IR&M returned -9.0% compared to the index of -9.4%. Vanguard returned 0.3% compared to the index of 0.2. FIAM returned -2.1% compared to the benchmark of -2.2%. Prudential returned -3.3% compared to the index of -1.9%. Brookfield returned -6.7% compared to the index of -5.8%. Blackstone returned 2.0% compared to the benchmark of 1.5%. IFM returned 0.4% compared to the index of -7.8%. Invesco returned 2.3% compared to the index of -3.4%. The total plan returned -2.2% for the quarter compared to the policy index of -3.1%.

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

Verus also presented a draft of the IPS that they are proposing. The Board and legal counsel will begin reviewing the document and a final version will be voted on at a later date.

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

Phillips made a motion to move to closed session at 9:59 a.m. pursuant to Section 610.021(1, 12, 14) RSMo.; 2nd by Munsey. Vote Yes: Friend, McPherson, Munsey, Phillips, Setser, Stewart, Winn and Young. Vote no: none. Open session resumed at 10:33 a.m.

10. Spencer Fane Contract Addendum

Phillips made a motion to increase the Spencer Fane contract to $15,000 and give Stewart authorization to sign the addendum; 2nd by Munsey. Vote all: Yes.

11. Invoices

Munsey made a motion to approve the Miller Adkins invoice in the amount of $361.25 and the Spencer Fane invoice in the amount of $89.00; 2nd by McPherson. Vote all: Yes.

12. Adjournment

Phillips made a motion to adjourn the meeting; 2nd by Setser. Vote all: Yes. The meeting adjourned at 10:35 a.m. on November 9, 2023.

 Secretary Signature: Nikki White