CITY of SPRINGFIELD

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

Minutes
March 14, 2024

1. Call to Order

White called the meeting to order at 8:38 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 member in Hoffman's absence. Phillips was the voting fire member in Frieze's absence. Welch was the voting police member in Friend's absence. McPherson made a motion to elect Munsey as President Pro Tem in Stewart's absence; 2nd by Phillips. Vote all: Yes.

2. Approval of Meeting Minutes – February 8, 2024

Young made a motion to approve the February 8, 2024 minutes as presented; 2nd by Phillips. Vote all: Yes.

3. Approval of Financial Statement Ending January 31, 2024

- The cash and short-term investments balance at the end of January was $2,999,976. The cash – UMB investments balance was $11,982,804.
- Galliard increased $140,003. The return was 0.20% compared to the index of 0.00%.
- Income Research decreased ($178,486). The return was -1.36% compared to the index of -1.53%.
- Blackstone increased $351,776. The fund returned 1.28% compared to the index return of 0.70%.
- Brookfield decreased ($567,169). The return was -5.31% compared to the index return of -4.00%.
- Vanguard increased $40,895. The return was 0.10% compared to the index return of 0.40%.
- Brandes decreased ($359,683). The return was -1.43% compared to the index return of -1.63%.
- Entrust Capital Diversified Fund increased $20,430. The return was 3.19% compared to the index return of 0.70%.
- Invesco increased $446,426. The return was 2.20% compared to the index return of -0.20%.
- Meridian had a decrease of ($210,080). The fund returned -2.74% compared to the index return of -3.20%.
- Fidelity INTL Index had a decrease of ($218,384). The fund returned -0.36% compared to the index of 5.30%.
- Fidelity had a decrease of ($220,030). The fund returned -0.85% compared to the index of -1.18%.
- IFM had a decrease of ($510,920). The fund returned -2.25% compared to the index of -2.40%.
- Systematic had a decrease of ($435,653). The fund returned -2.47% compared to the index return of -4.50%.
- Allspring decreased ($2,993,723). The return was -5.56% compared to the benchmark of -4.64%.
- LGT decreased ($59,714). The return was -0.35% compared to the benchmark of 1.10%.

- The State Street S&P 500 Flagship NL Fund increased by $3,402,390. The return was even with the index of 1.68%.

- Employee contributions for the month totaled $148,475 and employer contributions totaled $285,631. Public safety sales tax contributions totaled $4,059,082.

- Gain/Loss in market value, including managers' fees, was ($5,649,171) for the month. Total additions were ($1,155,089).

- Benefit payments totaled $2,981,756. Return of contributions totaled $176,850. Administrative expenses totaled $35,582. Net increase to the Plan was ($4,349,277).

- Total Net Assets at the end of January were $643,525,111.

Phillips made a motion to approve the financials ending January 31, 2024; 2nd by Welch. Vote all: Yes.

4. Review of Applications

Retiree's Name	Application Type	Application Date	Retirement Date	Department
Eric Reece	Age & Service	03/04/2024	04/08/2024	Police
Jason McCormick	Age & Service	02/14/2024	04/26/2024 (new date)	Fire
Jerry Witt	Age & Service	02/24/2024	04/24/2024	Fire

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

5. Review of Calculations

Name	Type	Years of Service	Monthly Pension Amount	Partial Pension Amount
Donald Schwenn	Final Pay - Surviving Spouse	N/A	$4,362.94	$3,309.82

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

6. Administrative Director's Report

Kelley presented a Spencer Fane invoice in the amount of $3,052.00, a Miller Adkins invoice in the amount of $387.25, and a MAPERS invoice in the amount of $150.00. Phillips made a motion to approve payment of the invoices as presented; 2nd by Welch. Vote all: Yes.

Munsey and Kelley presented recommendations that were voted on by the investment subcommittee during their meeting with Verus. The following action items were approved by the Board.

Phillips made a motion to concur with the investment subcommittee recommendation to replace domestic equity active management funds with the Blackrock passive funds; 2nd by Young. Vote all: Yes.

Phillips made a motion to concur with the investment subcommittee recommendation to replace Allspring with Acadian in the emerging Market asset class; 2nd by Welch. Vote all: Yes.

Young made a motion to concur with the investment subcommittee recommendation to replace Allspring (Galliard) with IR&M for fixed income core; 2nd by Phillips. Vote all: Yes.

Managers for fixed income core plus. Recommended to have Baird and Loomis Sales to split the core plus asset subclass, with 10% of the Fixed Income portfolio each. Young made a motion to concur with the investment subcommittee recommendation to implement the recommendation on core plus; 2nd by Phillips. Vote all: Yes.

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

Welch made a motion to move to closed session at 8:52 a.m. pursuant to Section 610.021(1, 12 and 14) RSMo.; 2nd by McPherson. Vote Yes: McPherson, Munsey, Phillips, Welch and Young. Vote no: none. Open session resumed at 8:58 a.m.

Phillips made a motion to extend Kelley's contract for one year with a 5% increase; 2nd by Welch. Vote all: Yes.

8. Experience Study - Milliman

Ryan Falls presented the experience study on behalf of Milliman. The following are the primary actuarial assumptions used in performing the valuation:

Interest Rate (effective July 1, 2022)
6.00% per annum, net of all expenses

Annual Pay Increases (effective July 1, 2024)

Years of Service	Fire	Police
1-14	N/A	N/A
15 & later	3.5%	3.5%

Final Average Salary Adjustment (effective July 1, 2014)
For Fire Members, the Average Salary at retirement is increased by a factor of 1.09 for Members age 40 and older and a factor of 1.03 for Members younger than age 40.

For Police Members, the Average Salary at retirement is increased to reflect the assumption that each participant will have the maximum accrual paid out from their continuous operating holiday balance. For Members age 40 and older, the maximum accrual amount is quadrupled.

Mortality (effective July 1, 2024)
Pub-2010 Public Safety Amount-Weighted Mortality Tables for Employees, Healthy Retirees and Disabled Retirees, male and female rates, with generational projection from 2010 using Scale MP-2021.

Active deaths are assumed to be 50% duty related and 50% non-duty related.

Turnover (effective July 1, 2024)

Separation from service for reasons other than disability, death, or age/service retirement. Rate is 2.4% per year for Police Members and 3.2% per year for Fire Members.

Forfeiture of City Provided Benefit

A vested member who terminates employment may elect to receive a return of his/her own contributions (ROC) and forfeit any City-provided benefit. The portion of members making such election at selected ages are:

Age	Percentage Electing ROC
35 and under	100%
36 - 54	grading from 95% to 5%
55 and over	0%

Rate of Disability (effective July 1, 2019)

Probability of becoming disabled during the next year. Rates at selected ages are:

Age	Percentage Becoming Disabled in the Next Year
20	0.12%
25	0.15%
30	0.17%
35	0.21%
40	0.29%
45	0.45%
50	0.93%
55	1.90%

100% of all disabilities are assumed to be duty related.

The Workers Compensation offset to the plan disability benefit is assumed to be zero.

Rates of Retirement (effective July 1, 2024)

Probability of an eligible member retiring under the age/service provisions during the next year. Rates are as follows:

Age	Percentage of Members Eligible for Retirement Assumed to Retire during Year
45-49	95%
50	50%
51	50%
52-59	30%
60	100%

Dependent Information

For retired members, actual marital status and spouse birth dates are used. For active members, 90% are assumed to be married, with males assumed three years older than their spouses. Members are assumed to have no dependent children.

Cost-of-Living Adjustment (COLA)
Automatic 3% COLA reflected

Welch made a motion to accept the Experience Study as presented by Milliman with the proposed changes noted July1, 2024; 2nd by Phillips. Vote all: Yes.

Welch made a motion to allow the Board president to sign a contract to allow Milliman to proceed with a study for reinstatement of retirees. The study shall not exceed $4,000 in total cost; 2nd by Phillips. Vote all: Yes.

9. Adjournment

McPherson made a motion to adjourn the meeting; 2nd by Phillips. Vote all: Yes. The meeting adjourned at 9:26 a.m. on March 14, 2024.