



**POLICE AND FIRE RETIREMENT SYSTEM OF SPRINGFIELD, MO**

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

**Minutes  
 October 9, 2025**

1. Call to Order

Setser 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 Setser         | President               | X       |        |
| Charles Alexander     | Police                  | X       |        |
| Jamie Frieze          | Fire                    | X       |        |
| Ron Hoffman           | Retiree                 |         | X      |
| Chad Munsey           | Citizen                 | X       |        |
| Laura Robinson        | Citizen                 | X       |        |
| Andy Stewart          | Citizen                 | X       |        |
| Jonathan Winn         | Citizen                 |         | X      |
| Ann Young             | Citizen                 |         | X      |
| Chad Davis (NV)       | Fire                    |         | X      |
| Andrew McPherson (NV) | Retiree                 | X       |        |
| Bryan Welch (NV)      | Police                  | X       |        |
| Callie Carroll (NV)   | City Council Liaison    |         | X      |
| David Holtmann (NV)   | Finance                 | X       |        |
| Tony Kelley (NV)      | Administrative Director | X       |        |
| Nikki White (NV)      | Secretary               | X       |        |

NV = non-voting

Mary Bozarth was also present.

2. Approval of Meeting Minutes – September 11, 2025

Munsey made a motion to approve the September 11, 2025 minutes as presented; 2<sup>nd</sup> by Stewart. Vote all: Yes.

3. Approval of Financial Statement Ending August 31, 2025

The cash and short-term investments balance at the end of August was (\$4,134,061). The cash – UMB investments balance was \$30,231,747.

- IRM increased \$1,569,647. The fund returned 1.12% compared to the index return of 1.20%.
- Acadian Emerging Markets increased \$223,224. The fund returned 1.05% compared to the index return of 1.30%.
- Brandes increased \$415,018. The fund returned 1.66% compared to the index of 1.30%.
- Fidelity INTL Index had an increase of \$3,353,701. The fund returned 4.49% compared to the index of 4.30%.
- IFM had an increase of \$34,039. The fund returned 0.14% compared to the index of 1.60%.
- Loomis Sayles had an increase of \$939,595. The fund returned 1.38% compared to the index return of 1.20%.
- LGT had an increase of \$525,092. The fund returned 2.71% compared to the index return of 2.30%.
- Black Rock Russell increased \$3,860,087. The return was 2.64% compared to the index of 2.20%.
- Ares Multi Global Asset returned \$155,620. The fund returned 0.51% compared to the index of 0.40%.
- Baird Core Plus increased \$704,155. The return was 0.79% compared to the index of 1.20%.
- Prime Storage increased. \$1,501,422.
- Employee contributions for the month totaled \$111,002 and employer contributions totaled \$208,920. The Public Safety Sales Tax totaled \$481,727.
- Gain/Loss in market value, including managers’ fees, was \$12,093,533 for the month. Total additions were \$12,895,182.
- Benefit payments totaled \$3,438,480. Return of contributions totaled \$1,463,268. Administrative expenses totaled \$22,151. Net increase to the Plan was \$12,895,182.
- Total Net Assets at the end of August were \$766,518,254.

Frieze made a motion to approve the financials ending August 31, 2025; 2<sup>nd</sup> by Stewart. Vote all: Yes.

4. Review of Applications

| Retiree’s Name | Application Type | Application Date | Retirement Date | Department |
|----------------|------------------|------------------|-----------------|------------|
| Chad Davis     | Age & Service    | 09/09/20025      | 10/27/2025      | Fire       |
| Dustin Martin  | Age & Service    | 09/29/2025       | 12/16/2025      | Police     |
| Brian Smith    | Age & Service    | 10/07/2025       | 12/19/2025      | Police     |

Frieze made a motion to accept the applications as presented; 2<sup>nd</sup> by McPherson. Vote all: Yes.

5. Review of Calculations

| Name         | Type          | Years of Service | Monthly Pension Amount | Partial Pension Amount |
|--------------|---------------|------------------|------------------------|------------------------|
| Gary Rushing | Final Pay     | 15.94            | \$4,034.20             | \$2,993.12             |
| Jeff Prior   | Age & Service | 23.97            | \$7,321.30             | \$1,417.03             |

Frieze made a motion to accept the calculations as presented above; 2<sup>nd</sup> by McPherson. Vote all: Yes.

6. Approval of Return of Contributions

| Name       | Type          | Years of Service | ROC          |
|------------|---------------|------------------|--------------|
| Jeff Prior | Age & Service | 23.97            | \$228,569.17 |

Frieze made a motion to accept the return of contribution as presented above; 2<sup>nd</sup> by McPherson. Vote all: Yes.

7. Administrative Director’s Report

Kelley presented an invoice from NCPERS for annual membership fees of \$475.00. McPherson made a motion to approve the invoice as presented; 2<sup>nd</sup> by Robinson. Vote all: Yes.

Kelley reported that he’s working with Roskens on the China divestment report. Verus said that we don’t have investments with anyone on the OFAC list so we will likely just have to complete the report stating that we don’t have any investments.

8. Investment Records Closure

Munsey made a motion to close all existing and future Pension Fund and Board records that are allowed to be closed under section 105.688 RSMo; 2<sup>nd</sup> by Robinson. Vote all: Yes.

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

McPherson made a motion to move to closed session at 8:44 a.m. pursuant to Section 610.021(1, 12 and 14) RSMo.; 2<sup>nd</sup> by Stewart. Vote Yes: Alexander, Frieze, McPherson, Munsey, Robinson, Setser and Stewart. Vote no: none. Open session resumed at 8:48 a.m.

10. Secretary Contract

Alexander made a motion to extend White’s contract for an additional year with a 5% increase plus a \$500 offset; 2<sup>nd</sup> by Munsey. Vote all: Yes.

11. Actuarial Valuation as of June 30, 2025

Michael Sudduth and Ryan Falls of Milliman presented the actuarial valuation results.

Valuation Highlights:

**Trust fund investments experience second strong year.**

Market value of assets returned approximately 10.0% for the plan year.

Actuarial (smoothed) value of assets returned approximately 4.8% for the plan year.

- Final year of recognizing a portion of the -11.2% return (\$109 million shortfall) in FY2022.
- AVA return resulted in a \$8.3 million loss on the unfunded liability.
- Deferred investment gains of \$40.4 million will be reflected in future valuations.

**Current Sales Tax Commitment**

- System will need contributions from the sales tax (or another source beyond payroll contributions) going forward.
- Policy Contribution (i.e., “funding policy”) called for \$4.5 million of sales tax revenue in FY2026.
- City has budgeted \$5.0 million in sales tax revenue for the pension fund in FY2026.
- Due to losses on the actuarial value of assets, Policy Contribution calls for \$5.9 million of from the sales tax in FY2027.

**Summary of Valuation Results:**

|                                  | <u>7/1/2024</u> | <u>7/1/2025</u> |
|----------------------------------|-----------------|-----------------|
| Actuarial Liability              | \$728.1         | \$730.0         |
| <b>Actuarial Value of Assets</b> | <b>\$690.5</b>  | <b>\$718.70</b> |
| Unfunded Actuarial Liability     | 37.6            | \$11.3          |
| Funded Ratio                     | 98.4%           | 98.4%           |
| Unfunded Actuarial Liability     | \$33.4          | (\$29.0)        |
| Funded Ratio                     | 95.4%           | 104.0%          |

**Investment returns on trust assets**

Market value of assets returned approximately 10.0% for FY2025

- Last five years
- FY2024 11.3%
- FY2023 8.4%
- FY2022 -11.2%
- FY2021 24.2%

Actuarial value smooths these returns over four years to dampen volatility in plan’s funded status.

- AVA returned 4.8% for FY2025 with \$40.4 million in deferred gains for future.
  - Prior year deferred gains were \$4.2 million

**Funding policy outlines the Board’s desired funding levels and target date for eliminating the UAL**

- Policy Contribution, also referred to as the Actuarially Determined Contribution (ADC), is the annual contribution necessary to fund:
  - Normal cost – Cost of benefits that will be earned during the year by active members, plus
  - Amortization Payment – Annual payment towards eliminating the UAL

- In 2010, the Board established a funding policy target eliminated the UAAL by 2030 (20 year closed amortization). Would have increased volatility as 2030 approaches.
  - This was a very strong funding policy.
    - Warranted by the closed nature of the Plan.
  - Board adopted a new funding policy in 2023.
    - Maintain goal of eliminating June 30, 2023 UAAL by 2030
    - Introduce “layers” in each subsequent valuation that establishes a 10-year payment schedule for each year’s unexpected change in the UAAL.
    - Policy Contribution will be the normal cost plus an amortization payment on each outstanding “layer”.

Policy Contribution serves as a benchmark for the appropriateness of the actual contributions to the System. How does the current level of contributions compare to the Policy Contribution?

| <b>Valuation</b>                                 | <b>7/1/2024</b>    | <b>7/1/2025</b>    |
|--|--------------------|--------------------|
|  | <b>Amount</b>      | <b>Amount</b>      |
| <i>Applicable Fiscal Year</i>                    | <i>FY2026</i>      | <i>FY2027</i>      |
| Normal Cost                                      | \$1,901,510        | \$1,052,603        |
| Amortization of UAL                              | \$5,080,938        | \$6,188,390        |
| <b>Total Policy Contribution</b>                 | <b>\$6,982,448</b> | <b>\$7,240,993</b> |
| Anticipated Member Contribution                  | \$855,732          | \$452,612          |
| Anticipated Employer Contribution                | \$1,637,840        | 899,889            |
| <b>Actuarially Determined Sales Tax Proceeds</b> | <b>\$4,488,876</b> | <b>\$5,888,492</b> |

Munsey made a motion to accept the Actuarial Valuation as of June 30, 2025 as presented; 2<sup>nd</sup> by Alexander. Vote all: Yes.

## 12. Adjournment

Munsey made a motion to adjourn the meeting; 2<sup>nd</sup> by Alexander. Vote all: Yes. The meeting adjourned at 9:09 a.m. on October 9, 2025.