



**BOARD OF TRUSTEES FOR UNIVERSITY CITY PENSION PLAN  
MINUTES OF JOINT MEETING**

**Non-Uniformed and Police & Fire Employee's Retirement System  
July 19, 2022, at 6:30 p.m.**

A meeting of the Board of Trustees via Zoom was called to order by acclamation at 6:30 p.m.

Members in Attendance: **James Stutz, Edward Deitzler, Tony Westbrooks, Patrick Wall, Brian Isenberg, Thomas Jennings, Eric Whritnour, Joel Myers, Mike Forte (Attendee), Gregory Rose-non-voting, Steve McMahon-Councilmember**

Member(s) Absent:

Member(s) Excused:

Others in Attendance: **Wiley Angell– Ziegler Capital Management, LLC  
Todd Davis – Ziegler Capital Management, LLC  
Mike Ribble – Buck Consultants  
Heather Mehta – Greensfelder, Hemker & Gale PC  
Keith Cole –Treasurer**

**Agenda**

Chairman Stutz stated there was an addition to the Non-Uniformed to add new member Ruth Rochman to the agenda. Member Wall motioned to approve the agenda. The motion was seconded by Member Whritnour. The motion was passed with unanimous consent.

**Minutes**

Chairman Stutz called for an approval of the April 19, 2022, minutes. Member Westbrooks moved to approve the minutes. The motion was seconded by Member Wall and approval carried unanimously.

**Quarterly Portfolio Review**

Todd Davis and Wiley Angell of Ziegler Capital Management LLC provided an overview of the previous quarter's Non-Uniformed and Police and Fire portfolios.

Todd reviewed the Police and Firemen's Retirement Fund. Todd mentioned challenging times with capital markets to begin the year. Todd reviewed page 7 of the portfolio. Portfolio states a negative portfolio. Covered Call down 9.9 for the Quarter and 10.9 for the YTD. Domestic Portfolio down 10.2 for the Quarter and 13.0 for the YTD. Negative portfolio overall of 14.8 for YTD and the benchmark is down 17.0. Key take away is we're down less than the market. Going forward, stability of our team is our strength.

Wiley Angell continued with an overview of the markets. Covered Call strategy performs well during these times. Covered Call is at the maximum allocation, and this creates stability. On the Bond side, there's less duration, less risk. On the Equity portfolio, we have reduced the cyclical exposure in the past period, and added defensive exposure this period, and this helped the fund. We entered the quarter defensive, ended the quarter more defensive, and were even more defensive in April. Currently, we need to stay defensive for now.

Federal Reserve is fighting inflation and inflation is tough to fight. Going forward, be conservative in the bonds, less risk. Be conservative in stocks with some risks. Overall, Wiley indicated they are pleased with the results compared to the market, and their objective is to stay conservative because there still are some risks.

### **Presentation – Actuarial Valuation – Buck Consultants**

Mike Ribble of Buck Consultants provided an overview of the 2022 Actuarial Valuations. These valuations are a snapshot as of January 1, 2022, and are based on the assets as of December 31, 2021. No plan changes.

### **Police and Fire Employees Retirement System**

Updated the mortality projection assumptions to MP-2021, most recent mortality improvement scale. By updating the improvement scale, increased the liabilities by approximately \$57,000 as of January 1, 2022.

Overview of the preliminary results, more terminations and retiree deaths than expected which decreased both the normal cost and accrued liability. Market value return of 17.7%, end of year 2021. Results in actual recognized return of 8.6%, compared to 6.5%. Recognized more return than expected, just not the full 17.7%. Unfunded accrued liability decreased from \$8.5 million to \$7.8 million. Other considerations, perform an experience review of actual assumptions, out of date, adding a layered component to the amortization method, and resetting asset valuation method.

On January 1, 2022, market value was \$31.7 million, actuarial value of \$29.3 million. Difference here may help future costs in 2022. Liabilities increased from \$36.5 million to \$37.1 million due to plan population in place, salary increase. This is expected. Unfunded Actuarial Accrued Liability decreased from \$8.5 million to \$7.8 million. The funded ratio increased from 76.5% to 78.8% due to the positive experience. Relative stable contribution with a slight decrease. Currently at a 14 year Closed Amortization of the Unfunded Actuarial Accrued liability. Consider adding a layered component to the amortization to lessen the impact of future gains and losses on the contribution requirement.

### **Non-Uniformed Employees' Retirement System**

There were 6 terminations in the plan. All 6 went into the Police and Fire Fund. Stable population. Updated the mortality projection assumptions to MP-2021, most recent improvement scale. Preliminary results, more terminations than expected decreased both normal costs and accrued liability. Market value return of 17.3%. Only 9.5% got recognized in

this plan. Decreased unfunded accrued liability from \$3.7 million to \$2.3 million. Market value of \$31.7 million, actuarial value of \$28.6 million. Liability slightly increased to \$30.8 million, unfunded actuarial accrued liability of \$2.3 million, funded ratio of 92.6%. Slight decrease in contribution as a percentage of payroll.

Investment risk of not achieving 6.5% expected return. Contribution risk is not making the determined contribution amount.

Chairman Stutz called for an approval of the Police and Firefighter's valuation report. Member Isenberg made a motion to approve the report and was seconded by Member Jennings. The motion carried unanimously.

Chairman Stutz called for an approval of the Non-Uniformed valuation report. Member Wall made a motion to approve the report and was seconded by Member Deitzler. The motion carried unanimously.

Member Deitzler made a motion to approve an Experience Review of Assumptions. The motion was seconded by Member Westbrooks. The motion carried unanimously. Chairman Stutz noted this would be for both plans.

#### **Legal Update from Heather Mehta**

Heather Mehta shared the MO House Legislative has been in closed session so no new information to report.

#### **Council Liaison's/City Manager's Comments**

Councilmember McMahan shared to the Board that construction developments are moving along. We're seeing a lot of construction at Olive / I-170, construction at Delmar and I-170, Total Access Urgent Care at Delmar and Old Bonhomme looking near complete, and the mound of dirt is getting smaller. The good news is police will be moving out of the temporary facilities and into permanent facility. This process continues to move slow and methodically. We're seeing this move to happen in about 18 months.

City Manager Rose stated he has no comments to add.

#### **Other Matters**

- None noted

#### **Next Meeting Date(s)**

Next meeting dates will be October 18, 2022, tentatively

#### **Adjournment**

The meeting adjourned at 7:20 p.m. with a motion by Member Wall, seconded by Member Westbrooks and passed with unanimous consent.