



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

**Non-Uniformed and Police & Fire Employee's Retirement System
May 2, 2023, 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, Ed Deitzler, Tony Westbrook, Patrick Wall, Brian Isenberg, Joel Myers, Colin Van Hare, Thomas Jennings, Eric Whritenour, Mike Forte, Gregory Rose-non-voting, Steve McMahon-Councilmember**

Member(s) Absent:

Member(s) Excused:

Others in Attendance: **Sean Hughes – Ziegler Capital Management, LLC
Pam Brown – Ziegler Capital Management, LLC
Mike Ribble – Buck Consultants
Duncan Reynolds – Buck Consultants
Heather Mehta – Greensfelder, Hemker & Gale PC
Keith Cole –Treasurer**

Agenda

Chairman Stutz called for an approval of the agenda. Member Whritenour motioned to approve the agenda. The motion was seconded by Member Myers. The motion carried unanimously.

Minutes

Chairman Stutz called for an approval of the January 24, 2023, minutes. Member Myers moved to approve the minutes. The motion was seconded by Member Wall and approval carried unanimously.

Quarterly Portfolio Review

Sean Hughes of Ziegler Capital Management LLC provided an overview of the previous quarter's Non-Uniformed and Police and Fire portfolios.

Sean reviewed the Police and Firemen's Retirement Fund. Sean reviewed page 5 of the portfolio. Portfolio outperformed the benchmarks for both QTR and YTD and the 3-year benchmark of 10.5. The actuarial assumption annualized at 5 years is at 6.5. Underweight in bonds and overweight in equities over 5 – 10-year period. The portfolio is outperforming due to the asset allocation.

Sean reviewed page 7 of the portfolio performance review. Stocks outperformed bonds YTD at 7.5. Stocks at the 5-year mark was at 10.2, and Covered Call was at 6.3. Sean summarized the Equity Characteristics on Page 9. On Page 11, portfolio was overweight in the Tech Sector, and the Consumer was overweight. Consumer was overweight due to a strong consumer market, wage costs were high, and the CPI was at 5%. On Page 12, the Treasury was underweight, while Corporate Credit was overweight. Sean summarized the Call Option Characteristics on Page 13.

Overall, Sean mentioned 65% of the Economists expect to have a recession in 2023. The Fed is trying to slow the economy to help slow down inflation.

Sean has been managing our portfolio for 10 years now, and Wiley Angel had been on the marketing side. Since Wiley's departure, there's no additional signature required. Pam Brown will be attending the meetings on a regular basis.

Review from Buck Consultants

Mike Ribble and Duncan Reynolds from Buck presented 2022 Experience Study and 2023 Vesting Change Impact Analysis.

The Experience Study is recommended to have done every 5 years. The purpose of the experience study is to review actuarial methods and recommend changes, as needed, as well as improve accuracy of results and forecasts, and minimize future experience gains and losses. Duncan summarized the Active Retirement Rates for Police & Fire and Non-Uniform. Mike summarized the Valuation Interest Rates Methodology, Other Assumptions, Impact on Proposed Changes, and reviewed recommended Asset methodology.

Member Myers made a motion to approve the 2022 Experience Study for Police & Fire with all the proposals noted in the study. The motion was seconded by Member Westbrook and approval carried unanimously.

Member Wall made a motion to approve the 2022 Experience Study adjustments and the Asset Methodology adjustments for the Non-Uniformed. The motion was seconded by Member Whritenour and approval carried unanimously.

Mike reviewed the vesting analysis. Potential Plan provisions are as follows:

Potential plan provision #1: 5 years of service to vest for directors, managers, clerks, and secretaries. 10 years of service to vest for all other employees.

Potential plan provision #2: 5 years of service to vest for all employees.

A motion was made to approve a Cost Study to be completed on the Non-Uniform Plan for Provision #2 by Member Van Hare. The motion was seconded by Member Westbrook and approval carried unanimously.

Legal Update from Heather Mehta

Heather Mehta stated there were a few bills in the Missouri House and Senate that would affect the Plans and/or retirees. One Bill would change the benefit deductions for retirees; one Bill

would make it where you could not force a police officer to retire at age 70; and mandatory age retirement has gone to the Senate Committee for review.

Council Liaison's/City Manager's Comments

Councilmember McMahon reported to the Board that QuikTrip is up and running. To the East, Crescent Plumbing, on Olive, has broken ground. The City has received some funds from FEMA for the Dog Park, Ball Fields, and Heman Park. Some of the projects have been approved.

City Manager Rose added the 1st Annual Loop 420 event occurred. Prop M, recreational marijuana, tax passed in the City.

Other Matters

- None noted.

Next Meeting Date(s)

Next meeting dates will be July 25, 2023, and October 24, 2023, tentatively.

Adjournment

The meeting adjourned at 8:02 p.m. with a motion by Member Van Hare, seconded by Member Myers and passed with unanimous consent.