

Police Retirement System of Kansas City, Missouri and Civilian Employees' Retirement System of the
Police Department of Kansas City, Missouri

Investment Committee Meeting

March 3, 2020

Mr. Pickens called the meeting to order.

Present:

Chad Pickens, Member	Ryan Sullivan, RVK
Scott Hummel, Member	Robert Woodard, Mariner
Robert Jones, Member	Jason Hoy, Staff
John Mueller, Member	Jim Pyle, Staff
Marcia Beard, RVK	

Asset Liability Study

Ryan Sullivan and Marcia Beard, from RVK, presented the results of the Asset/Liability study as of April 30, 2019. RVK used data from the April 30, 2019 actuarial valuations to complete the liability side of the study and our current asset allocation and RVK's 2020 Capital Markets Assumptions for the asset side of the study. Marcia and Ryan will be attending the April 9 Retirement Board meeting to review the details of the A/L study with the board. RVK used deterministic and stochastic modeling to review a wide range of outcomes for the plan.

The outcomes showed both plans to be relatively healthy with consistent projected payout ratios (benefit payments/market value of assets). The testing also showed that with our current and projected assumed rates of return that our target asset allocation produces reasonable returns without taking undue risk. The study also shows that taking greater risk in the portfolio does not produce significantly greater returns.

January 2020 Investment Portfolio Analysis

Mr. Sullivan reviewed the January 2020 Investment Performance Analysis. The Police plan lost 0.270% for the month and 0.31% net of fees and had an ending market value of \$923.6 million. The Civilian Employees' plan lost 0.25% for the month and 0.29% net of fees and had an ending market value of \$153.2 million. The target benchmark for both plans gained 0.18%. For the one year period ending in January, the Police plan gained 10.1% net of fees and the Civilian Employees' plan gained 10.3% net of fees. The target benchmark for the same time period gained 10.6%.

The next IC meeting will follow the April 9 Retirement Board meeting.