MINUTES

POLICE RETIREMENT SYSTEM OF KANSAS CITY and CIVILIAN EMPLOYEES' RETIREMENT SYSTEM
OF THE POLICE DEPARTMENT OF KANSAS CITY
BOARD MEETING
Thursday, August 13, 2026

Scott Hummel called the meeting to order.

PRESENT:

Scott Hummel (Chair)	Lisa Colclasure, Staff
Nate Simecek, Member (Vice Chair)	Jason Hoy, Staff
James Manley, Member (Treasurer)	Jonathan Dilly, General Counsel
Web Bixby, Member	Ryan Sullivan, RVK
Leslie Lewis, Member	Steve Carroll, Steven Carroll & Associates
Steven Miller, Member	
Wayne Stewart, Member	

GENERAL ASSEMBLY UPDATE

Mr. Steven Carroll of Steven R. Carroll Associates provided the Board with an update regarding the Missouri General Assembly and recent legislative activity. Mr. Carroll reviewed matters of interest to the Retirement Systems and discussed the current legislative environment and issues that may impact public retirement systems.

Mr. Hoy also updated the Board on ongoing discussions with the Fraternal Order of Police (FOP) regarding potential legislation to update provisions of the Retirement System's governing statutes. The discussions have focused primarily on modernizing the disability retirement process, clarifying existing statutory provisions, and identifying changes that would improve the administration of disability benefits while maintaining appropriate protections for members and the Retirement System. Mr. Hoy reported that the Retirement System and FOP have been working collaboratively to identify areas of agreement and develop proposed language for further consideration.

The Board discussed the legislative update and the importance of continuing to work with the FOP and other stakeholders before advancing any proposed statutory changes. Staff and legislative counsel will continue discussions and provide additional updates to the Board as the proposed legislation develops.

<u>2ND QUARTER 2026 INVESTMENT PERFORMANCE ANALYSIS</u>

Mr. Sullivan presented the June 30, 2026, Investment Performance Analysis for the Police Retirement System and Civilian Employees' Retirement System.

	2nd Qtr 2026	1 Year Ending 6/30/2026	3 Years Ending 6/30/2026	5 Years Ending 6/30/2026
Police Total Fund (net)	7.19%	13.78%	10.07%	5.47%
Relative Objective	8.73%	11.75%	10.01%	5.89%
Over/(Under) Relative Objective	-1.54%	2.03%	0.06%	-0.42%
Civilian Employees' Total Fund (net)	7.34%	10.96%	8.21%	4.90%
Relative Objective	8.73%	11.75%	10.01%	5.89%
Over/(Under) Relative Objective	-1.39%	-0.79%	-1.80%	-0.99%

The Relative Objective consists of 38% of the MSCI All Country World IM Index, 31% of the Bloomberg US Aggregate Bond Index, 10% of the S&P UBS Leveraged Loan Index +2%, 13% of the NCREIF ODCE Index, and 8% of the Absolute Return Custom Benchmark.

Asset Class Performance (net)	2nd Qtr 2026	Market Value
Police Global Equity	12.94%	$ 489.75
Civilian Global Equity	13.05%	$ 88.24
MSCI ACW IM Index	14.93%	
Police Fixed Income	1.28%	$ 301.91
Civilian Fixed Income	1.34%	$ 56.19
Bloomberg US Aggregate Bond Index	0.67%	
Police Private Credit*	0.74%	$ 100.72
Civilian Private Credit*	0.75%	$ 17.24
Private Credit Custom Index*	0.02%	
Police Real Estate	0.95%	$ 116.40
Civilian Real Estate	0.95%	$ 19.83
NCREIF ODCE Index	1.28%	
Police Absolute Return	16.27%	$ 124.73
Civilian Absolute Return	16.27%	$ 21.25
Absolute Return Custom Index	5.24%	
Police Total Fund		$ 1,184.83
Civilian Total Fund		$ 215.62

***Performance as of 03/31/26**

Police Fund Manager Performance (net)	2nd Qtr 2026	Benchmark QTD	YTD 6/30/2026	Benchmark YTD
LSV (global large cap value)	14.29%	13.76%	5.89%	3.80%
Artisan (global large cap growth)	12.72%	13.76%	4.03%	3.80%
Northern Trust ACWI (global)	14.19%	14.93%	4.33%	4.36%
Wellington (global small cap)	16.38%	14.89%	5.45%	4.75%
GQG (emerging markets)	1.92%	24.05%	-5.01%	8.14%
FCI Advisors (fixed income)	0.85%	0.70%	0.67%	0.57%
PIMCO (fixed income)	2.10%	0.67%	1.26%	0.55%
White Oak (direct lending)*	-0.04%	0.02%	3.80%	6.78%
Ares Pathfinder (direct lending)*	1.90%	0.02%	8.97%	6.78%
Morgan Stanley (real estate)	0.72%	1.28%	0.72%	1.28%
Prudential (real estate)	1.20%	1.28%	1.20%	1.28%
Grosvenor (hedge fund)	16.27%	5.24%	11.97%	2.25%
***Performance as of 03/31/26**				

Civilian Employees' Fund Manager Performance (net)	2nd Qtr 2026	Benchmark QTD	YTD 6/30/2026	Benchmark YTD
LSV (global large cap value)	14.41%	13.76%	6.42%	3.80%
Artisan (global large cap growth)	12.60%	13.76%	3.82%	3.80%
Northern Trust ACWI (global)	14.34%	14.93%	4.37%	4.36%
Wellington (global small cap)	16.38%	14.89%	5.45%	4.75%
GQG (emerging markets)	1.92%	24.05%	-5.01%	8.14%
FCI Advisors (fixed income)	0.82%	0.70%	0.64%	0.57%
PIMCO (fixed income)	2.12%	0.67%	1.26%	0.55%
White Oak (direct lending)*	-0.04%	0.02%	3.80%	6.78%
Ares Pathfinder (direct lending)*	1.90%	0.02%	8.97%	6.78%
Morgan Stanley (real estate)	0.72%	1.28%	0.72%	1.28%
Prudential (real estate)	1.20%	1.28%	1.20%	1.28%
Grosvenor (hedge fund)	16.27%	5.24%	11.97%	2.25%
***Performance as of 03/31/26**				

Difference in manager performance vs. benchmark	Police 2nd Qtr 2026	Benchmark QTD	Civilian 2nd Qtr 2026	Benchmark YTD
LSV (global large cap value)	0.53%	2.09%	0.65%	2.62%
Artisan (global large cap growth)	-1.04%	0.23%	-1.16%	0.02%
Northern Trust ACWI (global)	-0.74%	-0.03%	-0.59%	0.01%
Wellington (global small cap)	1.49%	0.70%	1.49%	0.70%
GQG (emerging markets)	-22.13%	-13.15%	-22.13%	-13.15%
FCI Advisors (fixed income)	0.15%	0.10%	0.12%	0.07%
PIMCO (fixed income)	1.43%	0.71%	1.45%	0.71%
White Oak (direct lending)*	-0.06%	-2.98%	-0.06%	-2.98%
Ares Pathfinder (direct lending)*	1.88%	2.19%	1.88%	2.19%
Morgan Stanley (real estate)	-0.56%	-0.56%	-0.56%	-0.56%
Prudential (real estate)	-0.08%	-0.08%	-0.08%	-0.08%
Grosvenor (hedge fund)	11.03%	9.72%	11.03%	9.72%
***Performance as of 03/31/26**				

Mr. Sullivan reported that global financial markets rebounded strongly during the second quarter following the volatility experienced earlier in the year. Equity markets benefited from easing geopolitical tensions and continued investment associated with artificial intelligence and data center development. U.S. equities advanced significantly, emerging markets were particularly strong, and international developed markets also produced positive returns. Fixed income markets generated modest positive returns despite continued uncertainty surrounding inflation and the future path of interest rates.

The Police Plan posted a 7.07% net-of-fees return for the quarter, compared with a 6.08% return for the target benchmark, outperforming the benchmark by .99%. From a peer perspective, the Police Plan ranked in the bottom 25th percentile among public plans under $2 billion for the quarter. The Civilian Employees' Plan posted a 7.21% net-of-fees return, compared with the 6.08% target benchmark, outperforming the benchmark by 1.13%. The Civilian Plan similarly ranked in the bottom 25th percentile among public plans under $250 million for the quarter.

The Police Plan began the quarter with a market value of approximately $1.112 billion and generated approximately $78.8 million in investment gains during the quarter. After accounting for net cash flows, the Plan ended the quarter with a market value of approximately $1.185 billion. The Civilian Employees' Plan began the quarter with a market value of approximately $201.7 million and generated approximately $14.1 million in investment gains, ending the quarter with a market value of approximately $215.6 million.

The quarter's performance was driven by strong results across several portions of the portfolio. Global equities benefited from the broad market rally, while the Systems' Absolute Return allocation was a particularly significant contributor. Grosvenor produced a 16.27% return for the quarter, materially contributing to total fund results. Fixed income and real estate also generated positive returns during the period.

<u>SECRETARY'S REPORT:</u>

MAPERS Recap

Mr. Hoy recapped the Missouri Association of Public Employee Retirement Systems (MAPERS) Conference held July 15–17 at the Lake of the Ozarks. He discussed educational sessions attended by trustees and staff, along with legislative, investment, governance, and administrative topics affecting Missouri public retirement systems.

Mr. Hoy noted that the conference continues to provide valuable educational and networking opportunities for trustees and staff and allows the Retirement Systems to remain engaged with public pension professionals and policymakers throughout Missouri.

Pre-Retirement Seminars

Mr. Hoy provided an update regarding the Retirement Systems' recent Pre-Retirement Seminars. Staff conducted seminars on July 28 and August 4 as part of the Systems' continuing effort to provide members approaching retirement with timely and comprehensive retirement education.

The seminars provided members with information regarding the retirement process, pension benefits, deferred compensation, insurance considerations, and other decisions associated with transitioning into retirement. Mr. Hoy reported that staff continues to evaluate and enhance the

Retirement Systems' member education efforts to better prepare members throughout the various stages of their careers.

Recent Funding Discussions

Mr. Hoy updated the Board regarding recent discussions concerning the long-term funding of the Retirement Systems. He reported that staff continues to engage with appropriate stakeholders regarding the Systems' unfunded actuarial liabilities and opportunities to strengthen the long-term funded position of both plans. Staff will continue these discussions and provide additional information to the Board as appropriate.

OMNIBUS MOTION

Mr. Manley made the following motion, seconded by Mr. Miller. The motion passed unanimously.

RESOLVED, that the Retirement Board hereby unanimously approves:
The minutes of the previous meetings of June 2026
The monthly financial statements for May & June 2026;
The payment of bills as listed in the Secretary's Reports for this meeting;
The return of contributions to those persons, who have resigned or terminated service, as listed in the Secretary's Reports for this meeting;
The purchases and sales of assets as listed in the Secretary's Reports for this meeting;
The payment or commencement of pensions or other benefits as listed in the Secretary's Reports for this meeting, and
Any purchases of creditable service as listed in the Secretary's Reports for this meeting.

BOARD MEMBER COMMENTS

There were no additional comments from the board members.

PUBLIC COMMENTS

No public comments were presented.

CLOSED SESSION

Mr. Simecek motioned to close this part of the meeting to discuss employment matters pursuant to Sections 610.021(3) RSMo. Mr. Manley seconded the motion.
The following board members were present and voted to go into closed session as follows:

Mr. Bixby	Mr. Manley	Mr. Stewart
Mr. Hummel	Mr. Miller	
Ms. Lewis	Mr. Simecek	

Following the closed session, the Board reconvened in an open session. Mr. Hummel reported that the Board reviewed employment matters with the Executive Director and legal counsel.

ADJOURNMENT

The next regularly scheduled board meeting is on September 10, 2026, at the Public Safety Credit Union, 2800 E. 14th Street.

BOARD SECRETARY

CHAIRMAN