



MINUTES

POLICE RETIREMENT SYSTEM OF KANSAS CITY and CIVILIAN EMPLOYEES' RETIREMENT SYSTEM
 OF THE POLICE DEPARTMENT OF KANSAS CITY
 BOARD MEETING
 Thursday, November 13, 2025

Scott Hummel called the meeting to order.

PRESENT:

- | | |
|-----------------------------------|--------------------------|
| Scott Hummel (Chair) | Lisa Colclasure, Staff |
| Nate Simecek, Member (Vice Chair) | Jason Hoy, Staff |
| Leslie Lewis, Member | Jonathan Dilly, Attorney |
| Steven Miller, Member | Ryan Sullivan, RVK |
| Sidney Smith, Member | Jake Derrah, RVK |
| Wayne Stewart, Member | |
| Pat Trysla, Member | |

3ND QUARTER 2025 INVESTMENT PERFORMANCE ANALYSIS

Mr. Sullivan and Mr. Derrah presented the September 30, 2025, Investment Performance Analysis for the Police Retirement System and Civilian Employees' Retirement System.

	3rd Qtr 2025	1 Year Ending 9/30/2025	3 Years Ending 9/30/2025	5 Years Ending 9/30/2025
Police Total Fund (net)	3.28%	8.06%	9.51%	6.36%
Relative Objective	3.77%	9.12%	10.70%	6.76%
Over/(Under) Relative Objective	-0.49%	-1.06%	-1.19%	-0.40%
Civilian Employees' Total Fund (net)	3.35%	8.25%	9.55%	6.35%
Relative Objective	3.77%	9.12%	10.70%	6.76%
Over/(Under) Relative Objective	-0.42%	-0.87%	-1.15%	-0.41%

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)	3rd Qtr 2025	Market Value
Police Global Equity	5.78%	\$ 434.78
Civilian Global Equity	5.88%	\$ 78.60
MSCI ACW IM Index	7.67%	
Police Fixed Income	2.21%	\$ 342.07
Civilian Fixed Income	2.24%	\$ 62.29
Bloomberg US Aggregate Bond Index	2.03%	
Police Direct Lending*	0.82%	\$ 101.26
Civilian Direct Lending*	0.84%	\$ 17.19
Direct Lending Custom Index*	2.84%	
Police Real Estate	0.98%	\$ 116.11
Civilian Real Estate	0.98%	\$ 19.78
NCREIF ODCE Index	0.52%	
Police Absolute Return	2.77%	\$ 100.45
Civilian Absolute Return	2.77%	\$ 17.12
Absolute Return Custom Index	3.26%	
Police Total Fund		\$ 1,103.22
Civilian Total Fund		\$ 198.60

*Performance as of 06/30/25

Police Fund Manager Performance (net)	3rd Qtr 2025	Benchmark QTD	YTD 9/30/2025	Benchmark YTD
LSV (global large cap value)	7.63%	5.83%	17.69%	13.07%
Artisan (global large cap growth)	4.69%	8.58%	14.20%	23.83%
Northern Trust ACWI (global)	7.63%	7.67%	18.84%	19.06%
Wellington (global small cap)	4.42%	8.07%	14.97%	20.26%
GQG (emerging markets)	0.82%	10.64%	6.03%	22.30%
FCI Advisors (fixed income)	2.05%	1.91%	3.14%	2.72%
PIMCO (fixed income)	2.57%	2.03%	4.60%	2.86%
White Oak (direct lending)*	-0.02%	2.84%	-0.02%	2.74%
Ares Pathfinder (direct lending)*	2.14%	2.84%	2.14%	2.74%
Morgan Stanley (real estate)	1.29%	0.52%	1.59%	1.34%
Prudential (real estate)	0.64%	0.52%	2.02%	1.34%
Grosvenor (hedge fund)	2.77%	3.26%	6.34%	5.95%

*Performance as of 06/30/25

Civilian Employees' Fund Manager Performance (net)	3rd Qtr 2025	Benchmark QTD	YTD 9/30/2025	Benchmark YTD
LSV (global large cap value)	7.92%	5.83%	18.05%	13.07%
Artisan (global large cap growth)	4.58%	8.58%	14.10%	23.83%
Northern Trust ACWI (global)	7.71%	7.67%	19.06%	19.06%
Wellington (global small cap)	4.42%	8.07%	14.97%	20.26%
GQG (emerging markets)	0.82%	10.64%	6.03%	22.30%
FCI Advisors (fixed income)	2.05%	1.91%	3.15%	2.72%
PIMCO (fixed income)	2.57%	2.03%	4.60%	2.86%
White Oak (direct lending)*	-0.02%	2.84%	-0.02%	2.74%
Ares Pathfinder (direct lending)*	2.14%	2.84%	2.14%	2.74%
Morgan Stanley (real estate)	1.29%	0.52%	1.59%	1.34%
Prudential (real estate)	0.64%	0.52%	2.02%	1.34%
Grosvenor (hedge fund)	2.77%	3.26%	6.34%	5.95%
*Performance as of 06/30/25				

Difference in manager performance vs. benchmark	Police 3rd Qtr 2025	Benchmark QTD	Civilian 3rd Qtr 2025	Benchmark YTD
LSV (global large cap value)	1.80%	4.62%	2.09%	4.98%
Artisan (global large cap growth)	-3.89%	-9.63%	-4.00%	-9.73%
Northern Trust ACWI (global)	-0.04%	-0.22%	0.04%	0.00%
Wellington (global small cap)	-3.65%	-5.29%	-3.65%	-5.29%
GQG (emerging markets)	-9.82%	-16.27%	-9.82%	-16.27%
FCI Advisors (fixed income)	0.14%	0.42%	0.14%	0.43%
PIMCO (fixed income)	0.54%	1.74%	0.54%	1.74%
White Oak (direct lending)*	-2.86%	-2.76%	-2.86%	-2.76%
Ares Pathfinder (direct lending)*	-0.70%	-0.60%	-0.70%	-0.60%
Morgan Stanley (real estate)	0.77%	0.25%	0.77%	0.25%
Prudential (real estate)	0.12%	0.68%	0.12%	0.68%
Grosvenor (hedge fund)	-0.49%	0.39%	-0.49%	0.39%
*Performance as of 06/30/25				

Mr. Sullivan reviewed performance and trends in the capital markets for Q3 2025. He said that risk assets performed well in the third quarter, supported by expectations of more accommodative monetary policy, stable economic conditions, and new U.S. trade agreements. Global equities continued to rebound from the volatility earlier in April following U.S. tariff announcements. The Federal Reserve shifted policy by cutting the Federal Funds rate by 25 basis points to 4.00–4.25 percent, its first reduction since December 2024, reflecting concerns about weakening labor market conditions despite inflation remaining above target. Economic data throughout the quarter were mixed: job growth slowed markedly, prior payroll estimates were revised sharply downward, unemployment rose to 4.3 percent, consumer confidence fell, and core PCE inflation held at 2.9 percent.

The Police Plan posted a 3.28% net-of-fees gain for the quarter, while the target benchmark posted a 3.77% gain. From a peer perspective, the Police Plan ranked in the bottom decile relative to public plans under \$2 billion. The Civilian Employees' plan posted a gain of 3.35% net of fees for the quarter, while the target benchmark gained 3.77%. Similarly, the Civilian Plan ranked in the bottom decile of public plans under \$250 million, finishing in the 89th percentile for the quarter, 89th percentile for the last year, and 93rd percentile for the three years.

The Police plan began the quarter with a market value of \$1.071 billion and a gain in investment assets of \$35.1 million, resulting in an ending market value of \$1.103 billion. Similarly, the Civilian Employees' plan started with a market value of \$192.0 million and an investment gain of \$6.4 million, ending with a market value of \$198.6 million.

The quarter's gains and losses were attributed as follows: Asset allocation added 3.77% to both plans compared to the benchmark. However, the Police plan subtracted .49%, and the Civilian Employees' plan subtracted .42% due to the combination of tactical asset allocation, style selection, and manager skill. For the one-year period, asset allocation added 8.06% to the Police plan & 8.25% to the Civilian plan. The combination of tactical asset allocation, style selection, and manager skill subtracted 1.06% from the Police plan and .87% from the Civilian Employees' plan.

2025 LEGISLATION DISCUSSION

Mr. Hoy reported that KCPERS, the Board of Police Commissioners, and the Fraternal Order of Police recently met to discuss the possibility of re-opening or refining changes to the System's disability statutes. He noted that the meeting was productive, with constructive dialogue and a shared commitment to ensuring that any statutory framework appropriately balances member protections, administrative clarity, and operational needs.

A few actionable items emerged from the discussion, and staff will continue working through those points with the stakeholders. Mr. Hoy emphasized that, overall, the parties were essentially in agreement with the statute in its current proposed form, and future conversations will focus on addressing technical considerations and confirming implementation pathways.

SECRETARY'S REPORT:

2026 Retirement Board Calendar

Mr. Hoy presented the draft 2026 Retirement Board calendar for review. He outlined the proposed meeting dates, key reporting deadlines, committee schedules, and statutory obligations across both the Police and Civilian Plans. Board members were invited to provide comments before final publication.

Pension Administration Software RFP Update

Mr. Hoy reported that the Pension Administration Software RFP process continues to progress. Staff is completing reference checks, reviewing written follow-up responses, and compiling evaluation results for presentation to the Board at the December meeting. He stated that additional details will be provided as vendor assessments are finalized and that the Board will receive a complete summary of the evaluation process and recommendation.

OMNIBUS MOTION

Mr. Simecek 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 October 2025

The monthly financial statements for September 2025;

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

Mr. Miller informed the Board that United Healthcare will no longer be accepted at North Kansas City Hospital and noted that notification letters have been sent to affected members. He stated that this change reflects the continued evolution of the Police Department's retiree health insurance environment and underscores the importance of communicating provider and coverage updates promptly to retirees.

Mr. Hoy then reported that the Retirement System is organizing a Retiree Town Hall focused on healthcare. He noted that staff have been working closely with Polaris Insurance Solutions to provide retirees with education, guidance, and access to insurance resources. The Town Hall is intended to help members better understand their options and navigate ongoing changes in the Department's retiree health insurance programs.

PUBLIC COMMENTS

No public comments were presented.

ADJOURNMENT

The next regularly scheduled board meeting is on December 17, 2025, via WebEx.

BOARD SECRETARY

CHAIRMAN