



MINUTES

POLICE RETIREMENT SYSTEM OF KANSAS CITY and CIVILIAN EMPLOYEES' RETIREMENT SYSTEM
OF THE POLICE DEPARTMENT OF KANSAS CITY
INVESTMENT COMMITTEE MEETING
Thursday, September 10, 2026

Steve Miller called the meeting to order.

PRESENT:

Steve Miller, Chair
Leslie Foreman, Member
Nate Simecek, Member
Cheryl Rose, Member

Jason Hoy, Staff
Ryan Sullivan, RVK

PIMCO MANAGER PRESENTATION

Prerna Gupta and Bill Murphy updated the Committee on the PIMCO Income Fund. The presentation also served as the first manager review in the Committee's broader evaluation of the Systems' fixed income structure.

PIMCO reviewed the current fixed income environment and discussed the improved opportunity set created by higher starting yields. PIMCO noted that fixed income yields remain attractive relative to much of the post-Global Financial Crisis period and emphasized the historical relationship between starting yields and subsequent longer-term bond returns. They also discussed the potential for high-quality fixed income to provide income, diversification, and downside protection amid continued uncertainty surrounding inflation, monetary policy, geopolitical conditions, and economic growth.

The Committee reviewed the Income Fund's flexible, multi-sector investment approach, which allows PIMCO to allocate across government securities, agency and non-agency mortgages, securitized credit, corporate credit, emerging markets, and other fixed income opportunities. PIMCO emphasized its current focus on quality and liquidity, including meaningful exposure to agency mortgage-backed securities and securitized credit, while remaining selective within corporate credit given relatively tight spreads.

PIMCO also reviewed the strategy's long-term performance and risk profile. Since its March 2007 inception, the Income Fund had generated an annualized return of 6.74%, compared with 3.02% for the Bloomberg U.S. Aggregate Bond Index. They discussed the Fund's performance through

multiple market cycles and its emphasis on balancing income generation with capital preservation through active duration management, sector diversification, and disciplined credit selection.

JULY 31, 2026 INVESTMENT PERFORMANCE REVIEW

Mr. Sullivan from RVK presented the July 31, 2026 investment performance report for the Police and Civilian Retirement Systems. Mr. Sullivan reviewed a challenging July market environment, including renewed geopolitical concerns, higher energy prices, rising long-term interest rates, and weakness in growth-oriented equities. Fixed income markets were negatively affected by the increase in longer-term Treasury yields, while value-oriented equities generally outperformed growth stocks.

The Committee also reviewed overall portfolio performance and asset allocation relative to established targets. For the month of July, both the Police & Civilian Plan returned -0.81%, underperforming its benchmark return of -0.31%. Fiscal year-to-date, the Police Plan returned 2.20%, while the Civilian Plan returned 2.18% compared with 1.74% for its benchmark.

COMMITTEE MEMBER COMMENTS

Time was made for public comments.

PUBLIC COMMENTS

Time was made for public comments.

ADJOURNMENT

The next regularly scheduled IC meeting is on October 6, 2026, at the South Patrol Community Room.