



MINUTES

POLICE RETIREMENT SYSTEM OF KANSAS CITY and CIVILIAN EMPLOYEES' RETIREMENT SYSTEM OF
THE POLICE DEPARTMENT OF KANSAS CITY
INVESTMENT COMMITTEE MEETING
Thursday, September 11, 2025

Wayne Stewart called the meeting to order.

PRESENT:

Wayne Stewart, Chair
Steve Miller, Member
Nate Simecek, Member
Cheryl Rose, Member
James Manley, Member

Jason Hoy, Staff
Ryan Sullivan, RVK
Jake Derrah, RVK
Rob Woodard, Mariner

JULY INVESTMENT PERFORMANCE

Mr. Sullivan and Mr. Derrah provided a review of investment performance for the month ended July 31, 2025. Market conditions during the month were generally constructive, as recession fears eased following a stronger-than-expected second-quarter GDP growth estimate of 3.0%. Equity markets posted broad gains, led by large-cap growth stocks, while international markets were more subdued amid renewed trade tensions and tariff announcements. Rising interest rates weighed modestly on fixed income, but credit spreads remained stable and high-yield assets continued to provide positive carry. Overall, risk assets outperformed bonds as investors anticipated a slower pace of rate adjustments by the Federal Reserve.

The Police Plan reported a gain of 0.33% net of fees for July, underperforming the target benchmark return of 0.56%. Similarly, the Civilian Employees' Plan posted a net gain of 0.34% after fees, while the target benchmark gained 0.56%. The Police Plan began the month with a market value of \$1.072 billion and experienced a net investment gain of approximately \$3.6 million, ending the month with a market value of \$1.077 billion. The Civilian Employees' Plan began July with a market value of \$192.2 million and generated an investment gain of roughly \$0.7 million, closing the month with a market value of \$193.3 million.

For the one-year period ending July 31, 2025, the Police Plan achieved a 7.56% return, and the Civilian Employees' Plan achieved a 7.68% return, both exceeding the Systems' assumed rate of return of 6.75%.

GLOBAL EQUITY STRUCTURE REVIEW

RVK presented the first phase of the Global Equity Structure Review, which evaluated the composition and efficiency of KCPERS' public equity portfolio relative to its objectives for diversification, risk, and cost. The total global equity allocation remains at the target weight of 38%, divided among five

managers—LSV Global Value, Artisan Global Opportunities, Northern Trust MSCI ACWI IMI Index, Wellington Global Small Cap Perspectives, and GQG Emerging Markets—with a combined effective fee of approximately 0.55%. The portfolio maintains a 69% active and 31% passive structure and is modestly underweight U.S. large-cap equities while overweight in small-cap and emerging markets exposure, resulting in broader diversification but slightly higher volatility relative to the benchmark.

The Committee reviewed the portfolio’s evolution since its 2020 restructuring, which reduced the number of managers from seven to five to improve efficiency and oversight. While long-term performance has been competitive, RVK noted the composite modestly trails the MSCI ACWI IMI Index over most trailing periods. The discussion included an analysis of structural drivers, such as active versus passive implementation, style, and regional exposures, as well as potential opportunities for consolidation or enhanced indexing to improve cost efficiency and reduce redundancy across mandates.

RVK also highlighted compliance considerations related to recently enacted House Bill 147, which will require divestment of restricted Chinese securities by August 2026. The Committee agreed to continue monitoring these developments and requested that RVK provide potential structural recommendations and fee-savings scenarios at a future meeting.

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 7, 2025, at the Retirement System Offices.