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MINUTES OF MEETING

Monday, May 4, 2020

The Board of Trustees of the Kansas City Public School Retirement System met in REGULAR SESSION on Monday, May 4, 2020 at 4:00 p.m. via phone conference call.

Members Present (via phone): Horace Coleman, Jr., Chairperson
Javier Alfonso (joined call at 4:45 p.m.)
Mark Bedell (joined call from 4:38 p.m. to 5:04 p.m.)
Joanne Collins
Carl Evans
Anthony Madry
Roger Offield
Beverly Pratt
Curtis L. Rogers
Debbie Siragusa
Von Smalley (left call at 4:40 p.m.)
Brian Welch

Staff Present (via phone): Christine Gierer, Executive Director
Jill Chaloupka
Laura J. Oswald

Others Present (via phone): Patrice A. Beckham, Cavanaugh Macdonald
Mark Flaherty, Esq. (joined call at 4:54 p.m.)
Rosemary Guillette, Segal Marco Advisors
Ruth Hays, Esq., Husch Blackwell, LLP
Alyssa Cheatham, Wells Capital Management
Tom Galfano, Wells Capital Management
Julie Gerend, Wells Capital Management
Bob Hrabchak, Wells Capital Management
Patty Ingrassia, Wells Capital Management

Roll call was taken.

There being a quorum present, the meeting was called to order at 4:03 p.m.

Horace Coleman, Jr., Chairperson presiding:

On motion of Mr. Rogers, seconded by Mr. Welch the Board voted with Trustees Coleman, Collins, Evans, Madry, Offield, Pratt, Rogers, Siragusa, Smalley, and Welch voting in favor to approve the following items on the consent agenda:

Approval of the minutes of the Regular Meeting of the Board of Trustees held Monday, April 6, 2020

Approval of cash disbursements for the month of March 2020

Approval of the report of the Secretary submitting the names of members retiring since last report including dates of retirement

Approval of the report of the Secretary submitting the names of members who have passed away since the last report

Approval of Budget Variance Report for pension fund and technology for the quarter ending March 31st, 2020

Mr. Coleman called for the report of Wells Capital.

On motion of Mr. Rogers, seconded by Ms. Collins the Board voted with Trustees Coleman, Collins, Evans, Madry, Offield, Pratt, Rogers, Siragusa, Smalley, and Welch voting in favor to receive and file the report of Wells Capital as presented by Mr. Galfano, Ms. Gerend, and Mr. Hrabchak.

Mr. Coleman requested Pat Beckham, of Cavanaugh Macdonald, to present the Actuary recommendations to the Board.

On motion of Ms. Collins, seconded by Mr. Rogers, the Board voted with Trustees Coleman, Alfonso, Collins, Evans, Madry, Offield, Pratt, Rogers, Siragusa, and Welch voting in favor of performing an experience study in 2020 for the years, 2016, 2017, 2018, and 2019.

After further discussion, on motion of Ms. Pratt, seconded by Mr. Rogers, the Board voted with Trustees, Coleman, Alfonso, Collins, Evans, Madry, Offield, Pratt, Rogers, Siragusa, and Welch voting in favor of decreasing the actuarial assumption for the investment return from 7.75% to 7.50% for the January 1, 2020 Valuation report.

Mr. Coleman called for the Policy and Evaluation Committee report. Mr. Rogers, Chairperson of the committee, requested Ms. Gierer and Ms. Hays to summarize the policy revisions and clarifications recommended by the Policy and Evaluation Committee. Ms. Gierer and Ms. Hays brought forward the following Committee recommendations:

- Board governance policy regarding annual interest policy and procedures revising the annual interest rate to the median of the 1-, 2-, 3-, and 5- year rate as of the first business day of the year.
- Investment policy regarding Asset Allocation Target, keeping the 12% for the total Real Estate allocation but adjusting the subclasses, Core Real Estate, Value Added Real Estate and Opportunistic Real Estate to 4% each.
- Board governance policy clarifications to the policy on Actuarial Measures of Funding Status and Reports.
- Benefit Administration Rules and Procedure clarifications to the Calculation of Payment of Benefits.
- Employment Policy clarification to the policy regarding Employee Benefits – Medical, Dental and Vision Insurance.

On motion of Mr. Rogers, seconded by Mr. Evans, the Board voted with Trustees, Coleman, Alfonso, Collins, Evans, Madry, Offield, Pratt, Rogers, Siragusa and Welch voting in favor of accepting the revisions and clarifications to the Board policies as recommended by the Policy and Evaluation Committee.

Report of Chairperson

Mr. Coleman reported on the NCTR webinars, "Impact of COVID-19 on Commercial Real Estate and REITs" and others; he recommended Trustees may wish to go to the NCTR member website and listen to recent webinars.

Report of the Executive Director

Ms. Gierer provided her report on operational, communication, and Board issues. Ms. Gierer reported working with BNY Mellon on setting up and training on a new process for cap calls and distributions. Ms. Gierer stated staff are still working remotely to serve our members and continue to meet via conference calls, at least weekly and as needed for specific issues. Ms. Gierer reported that remote work continues with the Auditors on the completing the 2019 audit.

Other Business

The Audit Committee will meet at 3:00 pm on Wednesday, May 27th.

The Board adjourned by common consent at 5:25 p.m.

Respectfully submitted,



Christine Gierer, Executive Director