



3100 Broadway, Suite 1211
Kansas City, MO 64111
816.472.5800
Fax: 816.472.5909
Email: kcpsrs@kcpsrs.org
Website: www.kcpsrs.org

MINUTES OF MEETING

Monday, June 7, 2021

The Board of Trustees of the Kansas City Public School Retirement System met in REGULAR SESSION on Monday, June 7, 2021, at 4:00 p.m. via Zoom. Meeting held electronically due to social distancing requirements related to the COVID-19 pandemic.

Members Present (via Zoom):

- Horace Coleman, Jr., Chairperson
- Mark Bedell (joined at 4:26 p.m.)
- Ben Bullington
- Joanne Collins
- Carl Evans
- Anthony Madry
- Roger Offield (joined at 4:12 p.m.)
- Beverly Pratt
- Curtis L. Rogers
- Debbie Siragusa
- Von Smalley
- Brian Welch

Staff Present (via Zoom):

- Jim Roehner, Executive Director
- Jill Chaloupka
- Laura J. Oswald

Others Present (via Zoom):

- Patrice A. Beckham, Cavanaugh Macdonald
- Mark Flaherty, Esq.
- Rosemary Guillette, Segal Marco Advisors

There being a quorum present, the meeting was called to order at 4:01 p.m.

Horace Coleman, Jr., Chairperson presiding:

On motion of Ms. Collins, seconded by Mr. Rogers the Board voted unanimously to approve the following items on the consent agenda:

Approval of the minutes of the Board meeting held Monday, May 3, 2021

Approval of the minutes of the Audit Committee meeting held Wednesday, May 26, 2021

Approval of cash disbursements for the month of April 2021

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

Mr. Coleman requested a motion to elect Mr. Jim Roehner, Executive Director, as Secretary and Assistant Treasurer.

On motion of Ms. Collins, seconded by Ms. Siragusa, the Board voted unanimously to approve Mr. Roehner as Secretary and Assistant Treasurer.

Mr. Coleman called for the report of the Audit Committee.

Mr. Welch, Chairperson of the Audit Committee, summarized the Committee's review of the Audit Report on the Financial Statements for the years ended December 31, 2020 and 2019. The Auditor's Report gave a clean opinion of the Financial Statements. Mr. Welch reported that four of the Audit Committee members and himself agreed with the updated Financial Statements sent via email and included in the Board packet.

On motion of Mr. Welch, seconded by Ms. Collins the Board voted unanimously to accept and file the Audit report on the Financial Statements for the years ended December 31, 2020 and 2019.

Mr. Coleman requested Pat Beckham, of Cavanaugh Macdonald, present the 1/1/2021 actuarial valuation.

Ms. Patrice A. Beckham, of Cavanaugh Macdonald, gave a thorough overview of the 2021 valuation results for KCPSRS. She reminded the Board the 2021 valuation reflects a new set of actuarial assumptions and methods that included lowering the investment return assumption from 7.50% to 7.25% based on the findings in the Experience Study for Four Years ended December 2019 and adopted at their February 2021 meeting. She noted the unfunded actuarial accrued liability decreased \$40.3M in this valuation, and the actuarial funded ratio is 66.5% up from last year's 63.3%. She noted the largest drivers of the change in this rate is due to 2020 favorable market experience and the impact of the new set of actuarial assumptions that included updating the mortality assumption to the Pub 2010 Mortality Table Below Median General Employees. She provided details of the employer contribution rate per Missouri law. Ms. Beckham noted the contribution rate for employers will remain 12.0% effective July 1, 2022 to June 30, 2023. She provided projections of the funded ratio and of employer contribution rates. Assuming all current actuarial assumptions occur in all future years, the System is projected to reach full funding in 2037.

On motion of Ms. Siragusa, seconded by Mr. Welch, the Board voted unanimously to accept and file the report of Cavanaugh Macdonald Consulting, LLC.

Mr. Coleman called for the report of the Investment Committee.

Rosemary Guillette, of Segal Marco Advisors, presented a summary of the 1st quarter investment performance analysis.

On motion of Ms. Siragusa, seconded by Mr. Offield, the Board voted unanimously to accept and file the report of the Investment Committee and adopt the proposed revisions to correspond with the most current actuarial assumptions and with our Asset Consultant's recommendation to change the policy benchmark for private equity from the S&P 500 Index to the Cambridge Associates US Private Equity Index.

Report of Chairperson

Mr. Coleman shared encouraged opportunities for trustee education, both virtual and in person.

Mr. Coleman discussed options for Board meetings in the fall.

On motion of Ms. Collins, seconded by Dr. Bedell, the Board voted unanimously to meet in person in September.

Report of the Executive Director

Mr. Roehner provided his report on operational, communication, and Board issues. He summarized many accomplishments during the Executive Director transition period. Mr. Roehner informed the Board of the employer “Meet and Greet” via Zoom in May, the current suspension of benefits for twelve retirees, and reviewing the Investment Policy changes, first quarter results and the upcoming PE search with the asset consultant. Mr. Roehner reminded the Board of the executive director onboarding questionnaire and the Hospitality Disclosure Forms that were recently sent out.

Other Business

The Board adjourned by common consent at 5:29 p.m.

Respectfully submitted,



Jim Roehner, Executive Director