

# PENSION NEWS

*Active Member Newsletter*



*Jim Roehner, Executive Director*

## MEET THE NEW EXECUTIVE DIRECTOR

The KCPSRS Board of Trustees (Board) was assisted by EFL Associates in a five month-long, nationwide search for its next executive director – it was important to bring in someone who had a great mix of leadership, operational excellence, pension experience, and passion for our members. Jim Roehner was named executive director of the \$700 million Kansas City Public Schools Retirement System (KCPSRS). Mr. Roehner, who resigned as the deputy executive director of the \$3 billion Educational Employees' Supplementary Retirement System of Fairfax County (ERFC) in April, took over for Christine Gierer, who retired on June 1. In December 2020, Ms. Gierer announced her intention to retire in June 2021. She joined KCPSRS in 2015.

Before joining KCPSRS, Mr. Roehner served 11 years as the deputy executive director of the ERFC, which administers the Fairfax County Public Schools' defined benefit plan for more than 39,000 public teachers and school personnel. Prior to his role at ERFC, Mr. Roehner worked at the Washington Post Company and the American Red Cross in retirement benefit-based roles, respectively and various roles including a finance position, at Discovery Communications Inc.

Jim earned a master's degree in business administration and a bachelor of science degree in political science. He and his family relocated to Kansas City from the D.C. metropolitan area.

**"I am thankful for the opportunity to continue serving public educators, librarians, and support personnel of the Kansas City School District, Kansas City Charter Schools, and the Kansas City Public Library reach their expectation of retirement income security. I also am looking forward to working with a talented team to deliver exceptional customer service and timely retirement benefit payments to the hardworking members of KCPSRS."**

## SEPTEMBER 2021

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# KCPSRS BOARD OF TRUSTEES NOMINATION AND ELECTION PROCESS

Two active member trustee positions will be open for nominations in October followed by an election held in November.

- The nominee with the most votes will begin serving a four-year term effective January 1, 2022 to December 31, 2025.
- The nominee with the next highest votes will begin serving a two-year term effective January 1, 2022 to December 31, 2023.

## Nominee Qualifications:

- Any "active member" (a full-time employee of one of the participating employers, the KC School District, any KC charter school, and KC Public Library) may nominate someone for the active member trustee position.
- Must be employed in a KCPSRS-covered position at the time of the election and must reside in

the boundaries of the Kansas City, Missouri School District.

- Self-nominations are acceptable.

## How to nominate someone:

The Board of Trustees only accepts nominations during their meeting commencing at 4:00 p.m. on October 4, 2021. Options for attending the Board meeting to make a nomination:

- Come to the KCPSRS office at 3100 Broadway, Suite 1211. Arrive by 3:55 p.m.
- Attend virtually via conference call or Zoom. For instructions to attend meeting virtually, call 816-472-5800 ext. 0 or email ([kcpsrs@kcpsrs.org](mailto:kcpsrs@kcpsrs.org)) no later than noon on October 4, 2021.

## Election:

All eligible nominees will be on the KCPSRS election ballot.

- In November, ballots will be mailed to all active members' homes and emailed if KCPSRS has an email address.
- Ballots will include voting instructions and nominee bios for review.

## Voting Instructions:

- If voting by mail, complete the ballot and place it in the enclosed return envelope.
- If voting online, login to the website using your unique member number and election passcode to cast your vote.  
***Do not mail your ballot if you plan to vote online.***
- Only one vote per member will be counted.

The election results will be announced on the KCPSRS website and published in January's newsletter.



*It is important that you take an active role in the nomination and voting process. These trustees will represent you on retirement issues.*

# SUMMARY OF TRUSTEE RESPONSIBILITIES

The Board is responsible for:

- Ensuring the Retirement System is appropriately governed and managed with the overriding goal of protecting Fund assets.
- Creating and maintaining an atmosphere that encourages frank and collegial discussions both at the Board and Committee level and between the Board and management.
- Establishing and communicating Board policies and priorities and monitoring performance considering its established policies and priorities.
- Attend special meetings of the Board, which may be held occasionally as needed.
- Complete at least six hours of Board education each year. A new Board member must complete six hours of Board orientation education within ninety days of becoming a Board member. Educational opportunities are available on-line and in person.

## BOARD OF TRUSTEES

### ELECTED MEMBERS

#### Active Members

Ben Bullington  
Anthony Madry  
Roger Offield  
Von Smalley

#### Retired Members

Beverly Pratt  
Curtis L. Rogers

### APPOINTED MEMBERS

#### School District

Horace Coleman, Jr.  
Joanne Collins  
Carl Evans  
Brian Welch

#### Library

Debbie Siragusa  
District Superintendent  
Dr. Mark Bedell

Each Board Member must:

- Act as a fiduciary of the Retirement System. *A fiduciary is a person who holds the trust and confidence of another and is charged with acting in the best interest of this individual or group.*
- Attend regular meetings of the Board of Trustees normally held 4:00 – 6:00 p.m. the first Monday of each month, except no regular Board meetings in July or August.

## Important Election Dates:

October 4, 2021 4 p.m.  
Nominations Accepted

November 2, 2021  
Ballots sent

November 23, 2021  
Ballots must be received by  
the election service by 5 p.m.

December 6, 2021  
Election results are reported  
to the Board of Trustees

# KCPSRS SUMMARY ANNUAL FINANCIAL REPORT

## FISCAL YEAR 2020

### ABOUT THIS REPORT

The Kansas City Public School Retirement System (KCPSRS) is pleased to present the Summary Annual Financial Report for the fiscal year ended December 31, 2020. This report provides a brief overview of the System's financial condition at fiscal year-end and provides a ten-year historical data

of membership changes, investment returns, and the actuarial funded ratio.

Despite the strain the effects of the Pandemic put on operations, the wild ride of 2020 reached the finish line on a high note for KCPSRS: Active membership grew thereby

increasing contributions; excess investment gains net expenses increased the actuarial funded ratio; and KCPSRS received an award of excellence in financial reporting.

In this report, we highlight some of the Plan's financials, membership data, and achievements.

### ABOUT KCPSRS

KCPSRS was established in 1944 as a defined benefit plan. The plan provides lifetime pension benefits determined at retirement under formulas prescribed by Missouri law, the pension benefit is not calculated based on investment returns or contributions. KCPSRS is also governed by policies adopted by the Board of Trustees (Board). In accordance with Missouri statutes, the Board administers and operates the plan.

During the year ended December 31, 2020, there were 22 participating employers including the School District of Kansas City, Missouri; the Kansas City Public Library; the Retirement System; and the following charter schools: Académie Lafayette, Academy for Integrated Arts, Allen Village Charter School, Brookside Charter School, Citizens of the World Kansas City, Crossroads Charter Schools, DeLaSalle Charter School, Ewing Marion Kauffman School, Frontier

Schools, Genesis School, Inc., Gordon Parks Elementary, Guadalupe Center Schools, Hogan Preparatory Academy, Hope Leadership Academy, Kansas City Girl's Preparatory Academy, Kansas City International Academy, KIPP Endeavor Academy, Lee A. Tolbert Community Academy, Scuola Vita Nuova, and University Academy.

All regular, full-time employees of the participating employers become members of KCPSRS as a condition of employment. KCPSRS has 4,108 active, contributing members; 4,099 retirees or benefit recipients; and 521 inactive vested members.

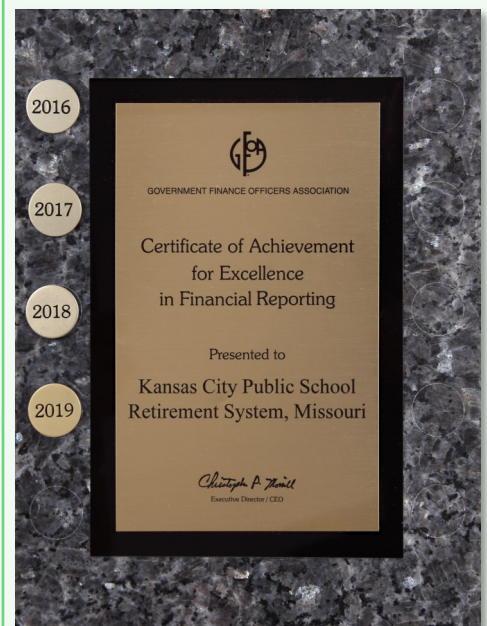
Benefits are funded by member contributions, employer contributions, and net investment returns. Investment returns have historically provided the majority of the funding for pension benefits.

### LEARN MORE

The information in this summary report is taken from KCPSRS' more detailed Comprehensive Annual Financial Report (the Report), which is prepared in accordance with Generally Accepted Accounting Principles. Our 2019 report was awarded a Certificate of Excellence in Financial Reporting from the

Government Finance Officers Association (GFOA) as shown in the sidebar on this page. KCPSRS submitted the 2020 Report to GFOA for review and we expect to win the excellence award again for 2020. Copies of the 2020 report may be viewed or downloaded on our website, [www.kcpsrs.org](http://www.kcpsrs.org).

### OUTSTANDING ACHIEVEMENT



*The Government Finance Officers Association of the United States and Canada (GFOA) presented an Award for Excellence in Financial Reporting to the Kansas City Public School Retirement System for its Comprehensive Annual Financial Report for the fiscal year ended December 31, 2019.*

# FINANCIAL HIGHLIGHTS

## FISCAL YEAR 2020

**\$73.3 Million**  
Investment Income

**\$45.3 Million**  
Employee/Employer  
Contributions

**\$80.4 Million**  
Benefit Payments

**11.9 %**  
Net Investment Return

**4,099**  
Benefit Recipients

**\$694 Million**  
Net Trust Fund Assets

## ECONOMIC IMPACT

- KCPSRS' benefit is the major source of income to many retirees.
- Our neighbors, friends, and families spend their KCPSRS benefits in our local communities. A recent study conducted by the National Institute on Retirement Security (NIRS) measuring the economic impact of defined benefit pension expenditures found "Each \$1 in state and local pension benefits paid to Missouri residents ultimately supported \$1.50 in total output in the state."
- The average annual benefit for retirees was nearly \$20,000.

## Net Position

The *Summary Statement of Fiduciary Net Position* reports the pension plan's financial position as of the end of the fiscal year. As of December 31, 2020, KCPSRS had \$664 million in net assets for the payment of retirement benefits.

### Summary Statement of Fiduciary Net Position

(Fiscal Year Ended December 31, 2020 and 2019)

	December 31, 2020	December 31, 2019
<b>Assets</b>		
Cash	\$ 1,270,156	\$ 1,324,695
Receivables	\$ 3,454,463	\$ 3,268,216
Investments at fair value	\$ 690,839,707	\$ 658,275,646
Other assets	\$ 75,604	\$ 82,393
<b>Total assets</b>	<b>\$ 695,639,930</b>	<b>\$ 662,950,950</b>
<b>Liabilities</b>		
Accounts payable	\$ 575,230	\$ 546,467
Investment payables	\$ 689,003	\$ 208,162
Accrued expenses	\$ 137,957	\$ 110,481
<b>Total liabilities</b>	<b>\$ 1,402,190</b>	<b>\$ 865,110</b>
Net positions restricted for pensions	\$ 694,237,740	\$ 662,085,840

The *Summary Statement of Changes in Fiduciary Net Position* reports contributions, investment income, benefit expenses and expenses.

### Summary Statement of Changes in Fiduciary Net Position

(Fiscal Year Ended December 31, 2020 and 2019)

	Year Ended December 31, 2020	Year Ended December 31, 2019
<b>Additions</b>		
Contributions*	\$ 45,303,195	\$ 40,013,495
Net investment income	\$ 73,263,968	\$ 106,033,717
<b>Total additions</b>	<b>\$ 118,567,163</b>	<b>\$ 146,047,212</b>
<b>Deductions</b>		
Benefits payments	\$ 80,473,732	\$ 80,228,574
Member refunds	\$ 4,316,797	\$ 4,937,877
Administrative expenses	\$ 1,614,904	\$ 1,546,380
Other expenses	\$ 9,830	\$ 11,020
<b>Total deductions</b>	<b>\$ 86,415,263</b>	<b>\$ 86,723,851</b>
Net increase (decrease)	\$ 32,151,900	\$ 59,323,361
Beginning of year	\$ 662,085,840	\$ 602,762,479
Net positions restricted for pensions-end of year	<b>\$ 694,237,740</b>	<b>\$ 662,085,840</b>

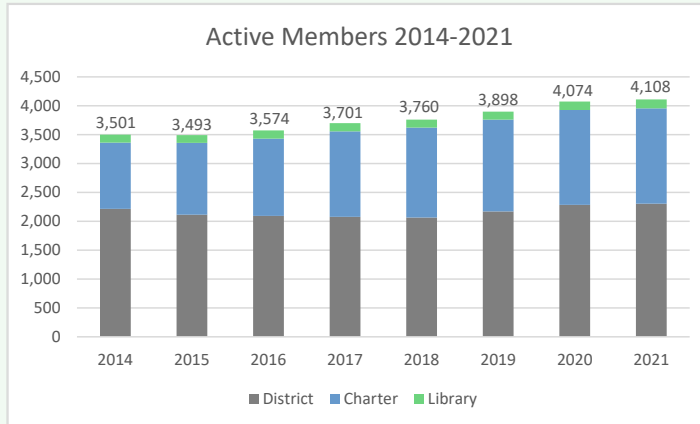
\*Includes employee and employer contributions and purchases of service credit.



# HISTORICAL MEMBER AND RETIREE DATA

As of January 1, 2021

## Change in Active Members

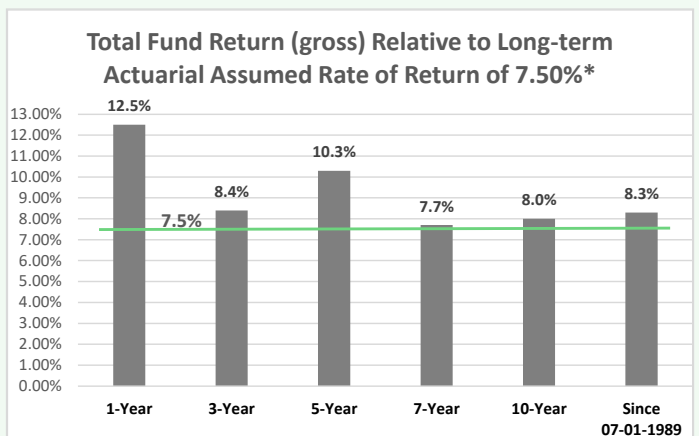
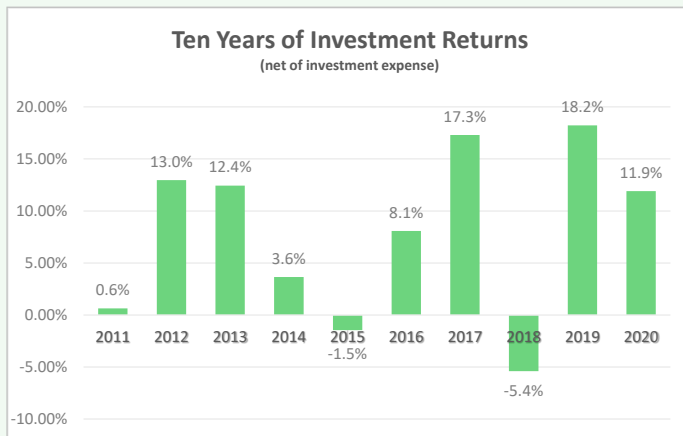


## Change in Retired Members



# INVESTMENT RETURN DATA

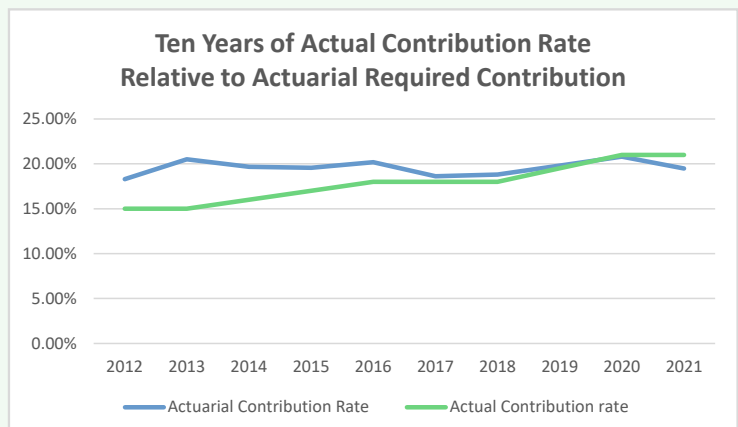
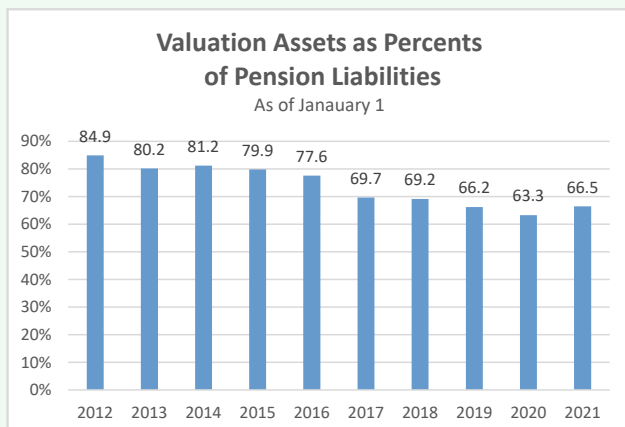
As of December 31, 2020



\*In February 2021, the Board changed the actuarial assumed investment return rate to 7.25%.

# ACTUARIAL FUNDED RATIO AND CONTRIBUTION RATE

As of January 1, 2021



Current law requires the total contribution rate (paid by active members and employers) to remain at or above the actuarially required rate.

## KCPSRS SUCCESSES IN 2020

While 2020 was an eventful year worldwide, it was successful for KCPSRS in many ways.

**\$32.2 million**

Added to our total fund, which, in turn,  
provides a secure future  
for all our members

**\$73.3 million**

Net investment income  
for a strong investment return  
of 11.90%

**\$80.4 million**

Paid in retirement benefits  
to our retirees

### KCPSRS' Funded Ratio

January 1, 2021	January 1, 2020
<b>66.5%</b>	<b>63.3%</b>

KCPSRS' benefit is the major source of income to many retirees.

### Benefit Recipients

Retirees or their survivors

**4,099**  
benefit  
recipients

**73.2**  
average  
age

nearly  
**\$20,000**  
average  
annual  
benefit

### Active Members

Employees of the KC School District,  
charter schools, and KC Public Library

**42.8**  
average  
age

**\$55,000**  
average  
annual  
salary

**7.4**  
average  
years of  
service

**4,108**  
active  
members

KCPSRS Staff is proud to be a part of this System  
and its many achievements over the years.

We look forward to continuing to serve Kansas City and our members.

# SO YOU WANT TO RETIRE...WHAT DO YOU DO NOW?



KCPSRS is your retirement system. We manage your pension. We do not manage life insurance policies, health insurance, or your unused vacation or sick time. We can provide you with an estimate of what your monthly benefit payment will be and show you your available payment options. In most cases, you will need to schedule an appointment with both KCPSRS and Human Resources (HR) to complete processes for retirement and ending your employment. Your employment

must be terminated for you to retire effectively on your intended retirement date. KCPSRS partners with KCPS, KC charter schools and the KC Public Libraries to ensure you retire without any delays.

KCPS – members must inform their employer and HR of their intent to end their employment and retire.

Charter schools – members must inform their superintendent and/or administrator of their intent to end their employment and retire.

KC Public Library – members must inform their supervisor and HR of their intent to end their employment and retire.

The KCPSRS Retirement Education Specialist, Erica Hill, may be reached Monday – Friday 8:00 a.m. to 4:30 p.m. to schedule an

appointment to complete the application for retirement. Most appointments are via phone conference or Zoom video meeting. If you schedule a phone or Zoom meeting, all instructions, documents, and meeting notices will be sent directly to you. We provide several different ways for you to return your completed documents safely and securely to KCPSRS. You can mail, fax, email or attach to a secure file.

Please be sure to submit your application to KCPSRS in the time frame specified. As a reminder, we retire the 1<sup>st</sup> of every month. Please note you must submit your application by a hard deadline for your preferred retirement date to be effective. Most deadlines occur 30 days prior to month you want to retire. For full schedule, please see page 8.

## YOUR RETIREMENT BENEFIT OPTIONS

KCPSRS not only offers regular retirement benefit options, but also options in the unforeseeable event that a member dies before retirement eligibility is met, or, if a member becomes mentally or physically totally incapacitated and no longer can perform their job function. KCPSRS provides lifetime, monthly benefit payments.

If you have questions about when to retire or the retirement process for one of the options listed here, please contact your Retirement Education Specialist at 816-472-5800 press option #2.



<b><u>Death Benefit</u></b> Update your beneficiary designation regularly. The <a href="#">Beneficiary Designation</a> form may be found at <a href="http://www.kcpsrs.org">www.kcpsrs.org</a>	If a member dies while actively employed, the designated beneficiary on file may be entitled to a refund of the member's contributions and interest, or an option to have benefits paid as if the member retired more than 30 days before death. If no designated beneficiary is on file, the balance of the member's account will go to the member's estate.
<b><u>Disability Retirement Benefit</u></b> <a href="#">Must be vested with 5 years of creditable service.</a>	Members who are certified by our Medical Board as being totally mentally or physically incapacitated from further performance of duty; the incapacity is likely to be permanent.
<b><u>Regular Retirement Benefit</u></b> <a href="#">Must be vested with 5 years of creditable service.</a>	There are two Retirement plans that qualify for a full retirement benefit: <b>Plan B</b> (Members who were hired prior to January 1, 2014) must be 60 years old; <b>or</b> have at least 75 credit points (points = age + years of service). <b>Plan C</b> (Members who were hired on or after January 1, 2014) must be 62 years old; <b>or</b> have at least 80 credit points (points = age + years of service).
<b><u>Early Reduced Retirement Benefit</u></b> <a href="#">Must be vested with 5 years of creditable service.</a>	Members who wish to retire early can do so if they are at least age 55. The retirement allowance is the basic benefit times the early retirement actuarial reduction factor based on the member's current age.

# KCPSRS OFFICE TO CONTINUE TO OPERATE REMOTELY

Due to the recent surge in COVID-19 and the Delta variant, and the significant changes to the Center of Disease Control (CDC) and local health recommendations and guidelines, KCPSRS will continue to operate remotely.

**KCPSRS Staff is available to our members via phone, email, and virtual appointments.**

To contact us and/or schedule your virtual appointment:

- Call (816) 472-5800  
Extension #1 – Retirees/Payees (those who currently receive a KCPSRS monthly benefit payment)  
Extension #2 – Planning to Retire  
Extension #3 – Refunds, Transfers and Purchase of Service

Send documents and completed, signed forms by mail, fax, or email:

Mailing address:  
3100 Broadway Suite 1211  
Kansas City, MO 64111  
Fax: (816) 472-5909  
Email: [kcpsrs@kcpsrs.org](mailto:kcpsrs@kcpsrs.org)

## KCPSRS Cares:

If you've been around someone who has COVID-19, you should get tested 3-5 days after your exposure, even if you don't have symptoms. You should also wear a mask indoors in public for 14 days following exposure or until your test result is negative. You should isolate for 10 days if your test result is positive. If you feel sick for any reason, please stay home.

All Vaccinated and Unvaccinated members:

- Wear a mask over your nose and mouth when indoors.
- Cover coughs and sneezes.
- Socially distance by at least 6 feet whenever possible.

More details may be found on the CDC website:  
<https://www.cdc.gov/coronavirus/2019-ncov/vaccines/fully-vaccinated-guidance.html>

Vaccination efforts continue throughout the states of Missouri and Kansas. Our blog offers updated resources for more information:

<https://www.kcpsrs.org/blog/updated-covid-19-vaccine-information/>.

We trust that with mutual respect and consideration, we can reduce the risk of COVID-19 in our communities by meeting current state health and CDC safety standards. Together, we can keep each other safe. KCPSRS wishes all our members good health.

## New to KCPSRS?

You can find up-to-date information about the retirement system and specific topics on the Publications page of KCPSRS' website ([www.kcpsrs.org](http://www.kcpsrs.org)).

If you are a new KCPSRS member, be sure to consult the [Basic Information About Your Retirement](#), [FACTS](#), [KCPSRS Defined Benefit vs. Defined Contribution](#) publications. There are also some useful [videos](#) on the Publications page and on our [YouTube channel](#); check out - "[New Member Presentation](#)".



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[www.kcpsrs.org](http://www.kcpsrs.org)

## 2021-2022 KCPSRS

### SEPTEMBER

6 KCPSRS Office closed—Labor Day  
13 Board of Trustees meeting  
30 Deadline to apply for November 1st retirement

### OCTOBER

4 Board of Trustees meeting  
4 Board member nominations received at Board of Trustees meeting  
29 Deadline to apply for December 1st retirement

### NOVEMBER

1 Board of Trustees meeting  
2 Ballots mailed  
23 Ballots must be received by election service  
30 Deadline to apply for January 1st retirement

### DECEMBER

6 Board of Trustees meeting  
6 Election results announced at Board of Trustee Meeting  
23 Deadline to apply for February 1st retirement  
24-31 KCPSRS Office closed—Christmas

### JANUARY

3 Board of Trustees meeting  
17 KCPSRS Office closed—Martin Luther King, Jr. Day  
31 Deadline to apply for March 1st retirement

### FEBRUARY (Retirement Education Seminars—dates TBD)

7 Board of Trustees meeting  
21 KCPSRS Office closed—President's Day  
28 Deadline to apply for April 1st retirement