KCPSRS

ANNUAL COMPREHENSIVE FINANCIAL REPORT

Kansas City Public School Retirement System

For the Fiscal Year Ended December 31, 2024
Prepared by the joint effort of the KCSPRS staff

3100 Broadway, Suite 1211, Kansas City, MO 64111
816.472.5800 • www.kcpsrs.org

CHANGING LANDSCAPES

The views from the window offer a glimpse into the future of Kansas City, and the future is promising. Across the landscape, you see cranes rising into the sky as new developments are popping up across the city. Across the street, a new high rise is being erected to house the ever-growing population that is realizing Kansas City is their "home". Along Broadway Boulevard, concrete structures in the medians, featuring beds for greenery, are being installed to provide life back to a corridor wanting an opportunity to pop back to life. There are discussions to evolve the Country Club Plaza into a walking metropolis, limiting traffic and providing a space for pedestrians to enjoy the historic structures. And here at the System, we are finding it is time to usher in the close of 2025 with a new home.

Our office on Broadway Boulevard has seen much growth over its decade's long residence. Membership, both active and retired, has grown over this time. The Board and staff have worked to provide enhancements to the System, creating more automation to meet your needs. Board members and staff alike have shared the space to make your experience unforgettable as you become rewarded with a defined benefit that you have worked passionately for throughout your career.

The time to relocate is now. The System will be returning downtown where urban advancement is growing our city into one of the best places to live and work in America. Four Light and Five Light have been approved to continue the resurgence of living downtown. The Kauffman Center for the Performing Arts is a shining beacon on the skyline of the city. A new development has been approved for 8th and Grand and the South Loop project is about to begin, transforming the area over Interstate 670 downtown into a sprawling green space. The staff and Board are excited to find our way to our new home amongst the ever-changing landscape of Kansas City. We welcome you to join us on this journey.

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INTRODUCTORY SECTION

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KCPSRS
KANSAS CITY PUBLIC SCHOOL RETIREMENT SYSTEM

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Website: www.kcpsrs.org

July 31, 2025

To the Board of Trustees and Members of the Kansas City Public School Retirement System,

We are pleased to submit the *Annual Comprehensive Financial Report* for the Fiscal Year Ended December 31, 2024 (Annual Report) of the Kansas City Public School Retirement System (KCPSRS). This Annual Report is a presentation of the financial results for KCPSRS within the specific time frame of the last fiscal year.

This Annual Report is designed to provide an overview of the financial condition of KCPRS and a chronicle of plan status from one year to another. This Annual Report also meets the reporting requirements of state law as stipulated in Section 105.661 of the Revised Statutes of Missouri (RSMo). In addition to the *Introductory Section*, KCPSRS' Annual Report also contains a *Financial Section, Investment Section, Actuarial Section* and *Statistical Section*. The Annual Report is posted on our website, www.kcpsrs.org, and printed copies are available upon request.

Financial Statements and Management Responsibility

The financial statements were prepared in accordance with accounting principles generally accepted in the United States and established by the Governmental Accounting Standards Board (GASB). Management is responsible for the preparation of this Annual Report and the fairness and completion of the presentation, and the integrity of the information presented therein.

Management is responsible for maintaining adequate internal accounting controls, which are designed to provide reasonable, but not absolute, assurance the financial statements are free of any material misstatements and assets are properly safeguarded. The concept of reasonable assurance recognizes that the cost of internal controls should not exceed the benefit to be derived and the valuation of cost and benefit requires estimates and judgements by management. Management believes the internal controls currently in place support this purpose and the financial statements and accompanying schedules are fairly presented in all material respects.

Management's Discussion and Analysis found in the *Financial Section* page 18-21 of this Annual Report serves as an introduction to and overview of the financial statements.

- CBIZ CPAs P.C., the independent external auditors, selected by the KCPSRS Board of Trustees, have conducted an audit of the basic financial statements in accordance with U.S. generally accepted auditing standards. KCPSRS received an unmodified opinion from our independent auditor on the financial statements included in this Annual Report. This audit and the financial statements and related notes are presented on pages 16-43 in the *Financial Section* of this Annual Report.

Overview of the Retirement System

Public School Retirement System of the School District of Kansas City, Missouri was established in 1943 by the Missouri legislature and became operative on January 1, 1944.

KCPSRS is governed jointly by a twelve-person Board of Trustees, composed of four elected members by active members, four appointed members by the Kansas City School Board, two elected members by the retirants, one appointed member by the Kansas City Public Library and the Superintendent of Kansas City Public Schools.

KCPSRS is funded by its membership as determined by Missouri statute. The contribution rates are as follows: members contribute 9% whereas employers contribute 12%.

The System serves approximately 12,500 members across 23 employers. As of January 1, 2025, over 4,000 individuals received benefits from the System. Total benefits paid by the System total just over $80 million dollars for the year ending December 31, 2024. As of January 1, 2025, the System had a market value of just over $662 million dollars.

Investments

For the fiscal year 2024, KCPSRS' investments generated a return, net of all fees, of 5.5%. The total fund returned 1.75% less than the January 1, 2024 actuarial long-term investment return assumption of 7.25%. The net return of 5.5% fell below the policy benchmark return of 7.6%. For the three-year return, the portfolio was 110 basis points below the benchmark and the five-year return was 40 basis points below the benchmark. Additional information regarding the investments, investment performance, and the asset allocation can be found in the *Investment Section* of this Annual Report on pages 47-59.

Funding Status and Valuation Results

The Board hires an external actuarial consultant, Cavanaugh Macdonald Consulting, LLC, to perform an actuarial valuation each year. The valuations use economic and demographic assumptions adopted by the Board based on experience studies conducted at least every five years.

Expressing the actuarial value of assets as a percentage of the actuarial accrued liability provides an indication of the System's funded status on an on-going basis. KCPSRS adopted this as the appropriate measure of the System's funded status for purposes of RSMo section 169.324.3(1)(a) in determining the potential for cost-of-living adjustments (COLAs). To allow for predictable and stable contribution rates, KCPSRS' funding is based on the actuarial value of assets which smooths asset gains and losses over a five-year period. As of January 1, 2025, KCPSRS actuarial funded status is 68.5%, reflecting a decrease from the January 1, 2024, actuarial funded status of 69.1%. Due to the unfavorable investment experience of 2024 (a net loss of 14.4M), along with the scheduled recognition of the deferred investment experience in the actuarial value of assets, the net deferred loss of 42.3 million in the January 1, 2024, valuation increased to a new deferred asset loss of 43.9 million in the January 1, 2025, valuation. Unless offset by future investment gains or other favorable actuarial experience, the recognition of the 43.9 million net deferred loss will flow through the asset smoothing method over the next four years and negatively impact the funded ratio and actuarial contribution rate. Additional information on actuarial assumptions and funding can be found in the *Actuarial Section* of this Annual Report on pages 62-77.

Acknowledgements

The opportunity to congratulate our new retirees and to welcome the new members into our System is truly a pleasure and an honor here at KCPSRS. We are here to serve all stakeholders as they venture through their journey with one of our employers.

I would like to thank the Board of Trustees for their contributions to the System, especially Roger Offield and Beverly Pratt, who finished their service this past year. I would like to thank the staff and consultants who work each day to ensure we are providing the services you have come to rely upon here at KCPSRS and their work in producing this annual report.

As we look out into the future landscape, we are excited to welcome you into our new offices, where we will continue to strive to provide exceptional services on all aspects of our System.

Respectfully submitted,

Dr. Jason Steliga, Executive Director

Tyler Walock, Accountant

Our Core Values

In pursuit of our mission, our work is guided and informed by four core values.

FIDUCIARY STEWARDSHIP
We are legally and ethically responsible to our members to safeguard the assets that provide for their future financial security.

ACCOUNTABILITY
Our principle obligation and concern is the security of member assets through efficient operations and prudent investment decisions.

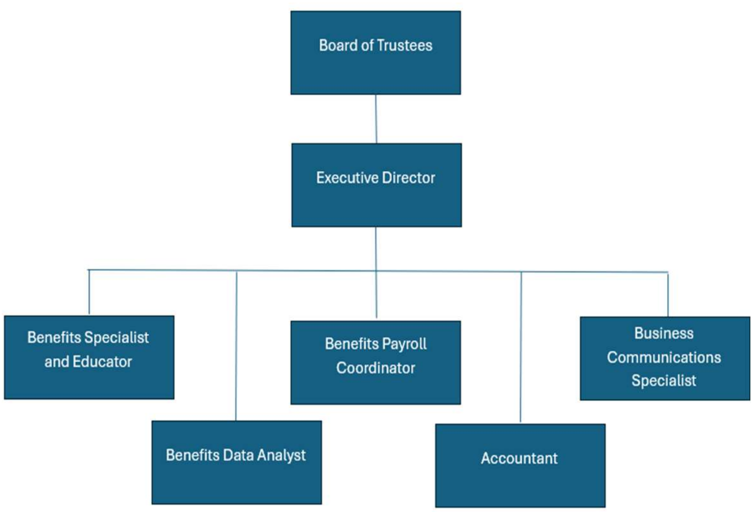
TRANSPARENCY
We ensure openness in all aspects of governance and operations for our members and community.

MEMBER FOCUSED
We strive to make all decisions in the best interests of our members. All of our work begins with the question, ***"Is it good for our members?"***

KCPSRS Board of Trustees

As of December 31, 2024

KCPSRS Staff



Dr. Jason Steliga, Executive Director and Board Secretary

Cheryl Bennett, Benefits Specialist and Educator

Cierra Kelley, Benefits Data Analyst

Shannon McClain, Benefits Payroll Coordinator

Tyler Walock, Accountant

Zoe Wilson – Business Communication Specialist

Outside Professional Services

ACTUARY
Cavanaugh Macdonald Consulting, LLC

AUDITOR
CBIZ CPAs P.C.

INVESTMENT ASSET CONSULTANT
Segal Marco Advisors

LEGAL COUNSEL
Swanson Bernard

MASTER CUSTODIAN
Bank of New York Mellon

BANKING RELATIONSHIP
Bank of America

INSURANCE
Lockton Companies, Inc.
Hartford Insurance Company

TECHNOLOGY CONSULTANTS
Sagitec
GFI

LEGISLATIVE CONSULTANT
The Giddens Group

MEDICAL ADVISORS
Clay Platte Family Medicine Clinic

INVESTMENT ADVISORS

Ares Management, LLC

BlackRock

Brandywine Global
Investment Management, LLC

Brookfield Asset Management Inc.

Churchill Asset Management

Corbin Capital Partners, L.P.

Earnest Partners

Fisher Investments

Gerding Edlin – The Green Cities

HarbourVest Partners, LLC

JP Morgan Investment Management

Kayne Anderson Capital Advisors, L.P.

Lafayette Square USA

Landmark Partners

Loomis Sayles & Company, L.P.

Merganser Capital Management

Mesirow Financial Investment Management

Neuberger Berman Crossroads

Pantheon Ventures Inc.

PGIM

Pugh Capital Management

Ramirez Asset Management

RhumbLine Advisers, L.P.

Schroder Investment Management

Wellington Trust Co.

Wells Capital Partners, LLC

Westfield Capital Management Company, L.P.

Westport Capital Partners, LLC

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FINANCIAL SECTION

CBIZ CPAs

CBIZ CPAs P.C.

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INDEPENDENT AUDITORS' REPORT

To the Board of Trustees
Public School Retirement System of the School District of Kansas City, Missouri
Kansas City, Missouri

Opinion

We have audited the financial statements of the Public School Retirement System of the School District of Kansas City, Missouri (the "Retirement System"), an employee benefit plan, which comprise the statements of fiduciary net position as of December 31, 2024 and 2023, and the related statements of changes in fiduciary net position for the years then ended, and the related notes to the financial statements, as listed in the table of contents.

In our opinion, the accompanying financial statements present fairly, in all material respects, the fiduciary net position of the Retirement System as of December 31, 2024 and 2023, and the changes in its fiduciary net position for the years then ended, in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America ("GAAS"). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Retirement System and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Retirement System's ability to continue as a going concern within one year after the date that the financial statements are issued or available to be issued.

Management is also responsible for maintaining a current plan instrument, including all plan amendments, administering the Retirement System, and determining that the Retirement System's transactions that are presented and disclosed in the financial statements are in conformity with the Retirement System's provisions, including maintaining sufficient records with respect to each of the member, to determine the benefits due or which may become due to such members.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on these financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Retirement System's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Retirement System's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and pension information as listed in the table of contents be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audits were conducted for the purpose of forming opinions on the financial statements that collectively comprise the Retirement System's basic financial statements. The other supplementary information listed in the table of contents is presented for purposes of additional analysis and is not a required part of the basic financial statements.

The other supplementary information is the responsibility of management and was derived from and relates directly to underlying accounting and other records used to prepare the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the other supplementary information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The Introductory, Investment, Actuarial and Statistical sections, as listed in the table of contents, have not been subjected to the auditing procedures applied in the audit of the financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

CBIZ CPAs P.C.

Kansas City, Missouri
July 31, 2025

Management's Discussion and Analysis

The discussion and analysis of the Kansas City Public School Retirement System financial statements provides an overview of its financial activities during the years ended December 31, 2024. Please read it in conjunction with the Transmittal letter and more detailed financial statements, notes, and required supplementary information on pages 40-42 of this report.

KCPSRS is the defined benefit plan for all regular, full-time employees of the Kansas City School District, the Kansas City Public Library, and the charter schools located within the boundaries of the Kansas City School District and the Retirement System. The Plan was established by the Missouri General Assembly, commenced in 1944, and is administered by the KCPSRS Board of Trustees to provide retirement, disability, and survivor benefits to its members.

Overview of Financial Statements and Accompanying Information

- The financial statements presented in this report are the Statements of Fiduciary Net Position as of December 31, 2024, and the Statements of Changes in Fiduciary Net Positions for the years ended December 31, 2024. These statements reflect resources available for the payment of benefits as of the year-end, and the sources and uses of those funds during the year.

- The notes to the financial statements are an integral part of the financial statements and provide facts and detailed information to assist the reader in understanding the statements. Information in the notes includes a description of the Plan, a summary of significant accounting policies, the method used to value investments, a summary of investments, and actuarial methods and assumptions.

- Schedules related to employer contributions and the funding of the Plan are included in the section entitled Required Supplementary Information.

- Other supplementary schedules consist of detailed information supporting administrative and investment expenses.

Fiduciary Net Position

	December 31,			Percentage Change From 2024 to 2023	Percentage Change From 2022 to 2023
	2024	2023	2022		
Receivables	$ 9,953,814	$ 4,801,528	$ 3,716,658	107.31%	29.19%
Investments	652,320,579	652,945,771	626,296,642	-0.10%	4.26%
Cash	1,757,432	2,727,833	2,482,743	-35.57%	9.87%
Prepaid and other assets	88,267	81,793	81,559	7.92%	0.29%
Property and equipment, net of accumulated depreciation	1,398,769	1,747,145	523,016	-19.94%	234.05%
Total assets	665,518,861	662,304,070	633,100,618	0.49%	4.61%
Securities purchased	1,140,750	227	40,863	502433.04%	-99.44%
Accounts payable	446,806	680,813	483,590	-34.37%	40.78%
Lease and subscription liability	1,388,506	1,724,926	437,216	-19.50%	294.52%
Accrued expenses	8,280	2,810	47,812	194.66%	-94.12%
Total liabilities	2,984,342	2,408,776	1,009,481	23.89%	138.62%
Net position restricted for pensions	$ 662,534,519	$ 659,895,294	$ 632,091,137	0.40%	4.40%

Financial Analysis of Fiduciary Net Position

As of December 31, 2024, KCPSRS held $662.53 million in trust on behalf of about 12,465 active, inactive, and retired members. This represented a $2.64 million increase in net position from the previous fiscal year-end. In fiscal 2023, KCPSRS experienced a $27.80 million increase in net position from the previous fiscal year-end.

Assets - Total assets of KCPSRS were $665.52 million as of December 31, 2024, and included receivables, investments, and cash. A large percentage of total assets, 98.0% for fiscal 2024 and 98.6% for fiscal 2023, is represented by investments held to provide retirement, disability, and survivor benefits to its members. Other assets, including cash, receivables from employee and employer contributions, receivables from investment-related transactions, prepaid assets, and property and equipment make up 2.0% and 1.4% for fiscal 2024 and fiscal 2023 of total assets respectively. Total assets increased $3.21 million (0.5%) from the previous fiscal year-end primarily attributable to moderately favorable investment market conditions. In fiscal 2023, total assets increased $29.20 million (4.6%) from the previous fiscal year-end largely attributable to favorable investment market conditions as evidenced by the increase in investable assets of $26.65 million (4.3%).

Liabilities – Total liabilities of KCPSRS were $2.98 million as of December 31, 2024 and $2.41 million as of December 31, 2023 and included payables for investment manager fees, payables from investment-related transactions, lease and subscription liabilities, and accrued expenses. Total liabilities increased $0.58 million in fiscal 2024 from previous fiscal year-end due to the timing of receivables and payables in the investment's accounts. In fiscal 2023, total liabilities increased $1.40 million from the previous fiscal year-end due to new accounting principle implementations recognizing lease and subscription liabilities.

Net Position – The fiduciary net position restricted for pensions increased 0.4% from prior fiscal year, ending at $662.53 million as of December 31, 2024. The fiduciary net position restricted for pensions increased 4.4% during fiscal 2023, ending at $659.89 million as of December 31, 2023.

Changes in Fiduciary Net Position

	Years Ended December 31, 2024	2023	2022	Percentage Change From 2024 to 2023	Percentage Change From 2023 to 2022
Contributions	$ 56,266,568	$ 52,654,923	$ 49,414,292	6.86%	6.56%
Net investment income (loss)	33,815,987	62,395,550	(82,676,608)	-45.80%	175.47%
Total additions	90,082,555	115,050,743	(33,262,316)	-21.70%	445.89%
Benefits paid	80,044,931	80,411,325	80,409,066	-0.46%	0.00%
Refunds of contributions	5,676,826	5,143,598	6,008,392	10.37%	-14.39%
Administrative expenses	1,721,573	1,691,393	1,726,479	1.78%	-2.03%
Total deductions	87,433,330	87,246,316	88,143,937	0.23%	-1.02%
Net increase (decrease)	2,639,225	27,804,157	(121,406,253)	-90.51%	122.90%
Net position restricted for pensions, beginning of year	659,895,294	632,091,137	753,497,390	4.40%	-16.11%
Net position restricted for pensions, end of year	$ 662,534,519	$ 659,895,294	$ 632,091,137	0.40%	4.40%

Financial Analysis of Changes in Fiduciary Net Position

Member contributions, employer contributions, and investment income are additions to fiduciary net position. The employer contribution rate remained steady at 12% and members contributed at 9.0% of covered salary during these time periods. Total contributions for fiscal 2024 show an increase of $3.6 million (6.9%) due to the growth of payroll and increase in number of employees compared to previous year-end. Total contributions for fiscal 2023 show an increase of $3.2 million (6.6%) due to similar reasons compared to fiscal 2022.

The portfolio's investment rate of return gross of fees for the current and preceding two fiscal years were 5.9%, 11.1%, and (11.9) %, respectively. Investment income for fiscal 2024 of $38.5 million and investment expenses of $4.7 million, 2023 of $68.5 million and investment expenses of $6.1 million, investment income for fiscal 2022 of $(75.8) million and investment expenses of $6.9 million, are primarily the result of these market returns. Investment related expenses include investment manager fees, investment advisor and custodial fees.

Total additions to fiduciary net position as of December 31, 2024 increased $2.6 million from previous fiscal year-end and as of December 31, 2023 increased $27.8 million from previous fiscal year-end primarily attributable to investment market returns during those periods, showing positive investment return in both 2024 and 2023.

Benefits paid to members, refunds of member contributions, and administrative expenses are the deductions fiduciary net position. Benefits paid out exceeded contributions received by $23.8 million for fiscal year 2024 and by $27.8 million for fiscal year 2023. This excess of benefits paid relative to contributions received is characteristic of a mature pension plan such as KCPSRS. The administrative expenses for fiscal year 2024 and 2023 were 0.26% of assets.

Total deductions from fiduciary net position as of December 31, 2024 increased $.2 million (.23%) from previous fiscal year-end due to an increase in refunds of contributions and for fiscal year 2023 deductions from fiduciary net position showed a decrease of $.9 million (1.0%) from previous fiscal year-end due to decrease in refunds of contributions.

Request for information

This report is intended to provide the Board of Trustees, the System's membership, and other interested parties with a general overview of the System's financial matters. Questions about this report or requests for additional financial information should be directed to KCPSRS at 3100 Broadway, Suite 1211, Kansas City, MO 64111, or by email to kcpsrs@kcpsrs.org.

Statements of Fiduciary Net Position

December 31, 2024 and 2023

ASSETS	2024	2023
Receivables:		
Plan member contributions	$ 986,838	$ 761,401
Employers' contributions	1,944,068	1,722,234
Due from brokers for securities sold	5,517,688	1,000,644
Accrued interest and dividends	1,505,220	1,317,249
	9,953,814	4,801,528
Investments, at fair value:		
Cash and short term investments	6,367,347	9,497,064
Commingled domestic fixed income	100,791,132	63,744,800
High yield fixed income	16,786,264	15,190,325
Global fixed income	19,879,859	29,720,393
Domestic equity	141,178,015	143,714,898
International equity	129,643,576	148,584,173
Pooled real estate funds	61,010,624	65,289,344
Alternative equity funds	74,347,193	98,544,789
Private equity funds	102,316,569	78,659,985
	652,320,579	652,945,771
Other:		
Cash	1,757,432	2,727,833
Prepaid and other assets	88,267	81,793
Capital assets, net of accumulated depreciation/amortization	1,398,769	1,747,145
	3,244,468	4,556,771
TOTAL ASSETS	665,518,861	662,304,070
LIABILITIES		
Due to broker for securities purchased	1,140,750	227
Accounts payable	446,806	680,813
Lease and subscription liability	1,388,506	1,724,926
Accrued payroll expenses	8,280	2,810
TOTAL LIABILITIES	2,984,342	2,408,776
NET POSITION RESTRICTED FOR PENSIONS	$ 662,534,519	$ 659,895,294

See Notes to the Financial Statements

Statements of Changes in Fiduciary Net Position

Years ended December 31, 2024 and 2023

	2024	2023
ADDITIONS		
Contributions:		
Plan members	$ 24,165,781	$ 22,636,197
Employers	32,100,787	30,018,726
Total contributions	56,266,568	52,654,923
Investment Income:		
Net realized and unrealized appreciation in fair value of investments	29,517,285	61,130,865
Interest	7,080,460	2,575,367
Dividends	1,879,779	4,809,867
	38,477,524	68,516,099
Less: Investment expenses	4,661,537	6,120,549
Net investment income (loss)	33,815,987	62,395,550
TOTAL ADDITIONS	90,082,555	115,050,473
DEDUCTIONS		
Benefits paid	80,044,931	80,411,325
Refunds of contributions	5,676,826	5,143,598
Administrative expenses	1,721,573	1,691,393
TOTAL DEDUCTIONS	87,443,330	87,246,316
NET INCREASE IN NET POSITION	2,639,225	27,804,157
NET POSITION RESTRICTED FOR PENSION		
Beginning of year	659,895,294	632,091,137
End of year	$ 662,534,519	$ 659,895,294

See Notes to the Financial Statements

NOTES TO FINANCIAL STATEMENTS

(1) Description of plan

The following description of the Public School Retirement System of the School District of Kansas City, Missouri (the "Retirement System") provides only general information. Participants should refer to the Missouri Revised Statutes regarding the Retirement System or the Summary Plan Description for a more complete description of the Retirement System's provisions, which are available from the Retirement System's administrator.

General - The Retirement System is a cost-sharing multiple-employer defined benefit pension plan (the "Plan"), which was established by the General Assembly of the State of Missouri and is exempt from the provisions of the Employee Retirement Income Security Act of 1974. The Board of Trustees of the Retirement System (the "Board") administers and operates the Plan in accordance with the statutes of the State of Missouri. During the year ended December 31, 2024, participating employers consisted of the School District of Kansas City, Missouri District #33; the Kansas City, Missouri Public Library District; 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, KC International Academy, Kansas City Girl's Preparatory Academy, KIPP Endeavor Academy, Lee A. Tolbert Community Academy, Scuola Vita Nuova, and University Academy.

Eligibility - All regular employees of the participating employers become members of the Plan as a condition of employment. A regular employee, as defined in RSMo Section 169.270 subsections 16 and 19, is an employee who is in a position requiring not less than 25 hours of work per week and not less than nine calendar months per year. Employees who retire after June 30, 1999 and were hired prior to January 1, 2014 are members of Plan B. Employees hired on or after January 1, 2014 are members of Plan C. At January 1, 2024 and 2023, respectively, the Plan's membership consisted of:

	2024	2023
Active plan members	4,407	4,341
Retirees and beneficiaries receiving benefits	4,073	4,086
Terminated plan members, vested entitled to but not yet receiving benefits	788	673
Terminated plan members, nonvested entitled to a refund of contributions plus accrued interest	2,920	2,678
Total plan membership	12,188	11,778

Contributions – Members were required to contribute 9% of their annual covered salary. Beginning July 1, 2021, the Missouri General Assembly passed legislation that increased the employer contribution rate to be the greater of (1) the actuarial required contribution rate less the member contribution rate, or (2) 12.00% of annual covered salary, until the Retirement System is fully funded. Once the Retirement System is fully funded, the employer contribution rate may increase or decrease, in subsequent years, depending on valuation results and the employee contribution rate may decrease from 9% depending on valuation results. However, such changes are subject to statutory limitations.

(1) Description of plan (continued)

Contributions (continued) - The contribution rate is set each year by the Board of Trustees of the Kansas City Public School Retirement System upon the recommendation of the Retirement System's actuary within the contribution restrictions of RSMo Section 169.350 subsections 5 and 6.

Service - Creditable service is membership service. This is service for which required contributions have been made. Members of Plan B are effectively limited to 30 years of creditable service, regardless of the number of years actually worked, unless the member earned more than 30 years prior to August 28, 1993. Members of Plan C are effectively limited to 34.25 years of creditable service, regardless of the number of years actually worked.

Compensation
Annual compensation - Compensation in excess of the limitations set forth in Section 401(a)(17) of the Internal Revenue Code will be disregarded for purposes of determining contributions and benefits for members of Plan B and C. A member's annual compensation is the member's regular compensation.

Average final compensation - For members of Plan B and C, the average final compensation is the highest average compensation paid during any four consecutive years of creditable service.

Normal retirement
Eligibility - A member of Plan B may retire (a) after the completion of five years of creditable service, provided such member has attained at least the age of 60 or (b) after the member has accumulated a minimum of 75 credits (effective August 28, 1998), where each year of creditable service plus a member's age equals 75 credits. A member of Plan C may retire (a) after the completion of five years of creditable service, provided such member has attained at least the age of 62 or (b) after the member has accumulated a minimum of 80 credits, where each year of creditable service plus a member's age equals 80 credits.

Benefit - For a member of Plan B, the normal monthly retirement benefit equals the product of one-twelfth of 2.00% (1.75% for members who retired prior to June 30, 1999) of the member's average final compensation and years of creditable service, subject to a maximum of 60% of their average final compensation. The normal monthly retirement benefit for a member of Plan B whose years of creditable service exceeded 34.25 years on August 28, 1993, shall equal the product of 1.75% and the member's years of creditable service on August 28, 1993. For a member of Plan C, the normal monthly retirement benefit equals the product of one-twelfth of 1.75% of the member's average final compensation and years of creditable service, subject to a maximum of 60% of their average final compensation.

Minimum benefit - Effective January 1, 1996, any member with at least ten years of service, but less than twenty years, is entitled to a minimum monthly retirement benefit equal to the sum of $150 and $15 for each full year of creditable service in excess of ten years or the actuarial equivalent if an option is elected. Any member with at least twenty years of creditable service at retirement is entitled to a minimum monthly retirement benefit of $300 or the actuarial equivalent of $300 if an option is elected. Beneficiaries of deceased members who retired with at least ten years of creditable service and elected one of the optional plans for payment of benefits may receive the actuarial equivalent of the minimum monthly retirement benefit available for the option chosen.

(1) Description of plan (continued)

Early retirement

Eligibility - A member with at least five years of creditable service and a minimum age of fifty-five is eligible for early retirement.

Benefit - A member eligible for early retirement will receive a reduced benefit, calculated as for normal retirement, which recognizes service and compensation to the actual retirement date. The reduction in benefit will provide a benefit which is actuarially equivalent to the normal retirement benefit that would be payable at the member's normal retirement date.

Disability retirement

Eligibility - A member with at least five years of creditable service who is certified to be totally incapacitated for performance of duty by the Medical Board (as designated by the Board) is eligible for disability retirement.

Benefit - A disabled member will receive a benefit calculated as for normal retirement, based on credible service and average final compensation at the actual disability retirement date, or the minimum disability benefit whichever is greater. The minimum disability retirement benefit shall be the lesser of:

1. 25% of the member's average final compensation; or

2. The member's service retirement benefit calculated on the member's average final compensation and the maximum number of years of creditable service the member would have earned had the member remained an employee until age 60.

Termination benefits - vested

Eligibility - A member who has at least five years of creditable service earns a vested interest in their accrued benefit, provided the member leaves their contributions in the Plan.

Benefit - The vested benefit is calculated as a normal retirement benefit based on a member's creditable service and average final compensation on the termination date. The benefit is payable, at minimum, on the member's normal retirement date.

Termination benefits - non-vested

If the member's termination is for reasons other than death or retirement, and if the member has not met the vesting or retirement requirements, the member's contributions with interest will be refunded.

Death benefit

Prior to retirement - For a member who passes away while actively employed, the member's accumulated contributions with interest will be paid to the member's beneficiary. Certain beneficiaries of a member of Plan B or C have the option to receive a monthly retirement benefit or a refund of the member's contributions with interest. All beneficiaries are guaranteed to receive at least the member's accumulated contributions at retirement, if a member passes away before electing an option.

(1) Description of plan (continued)

Death benefit (continued)

Post retirement - The optional form of benefit payment selected under either Plan B or Plan C will determine what, if any, benefits are payable upon death after retirement.

> Option 1 - The retiree's designated survivor will receive, for life, the same level of monthly retirement benefit. In the event that the retiree's designated survivor predeceases the retiree, the retiree's monthly retirement benefit will be adjusted to the amount it would have been, had the retiree not elected Option 1.
>
> Option 2 - The retiree's designated survivor will receive, for life, a monthly retirement benefit equal to one-half the retiree's benefit. In the event the retiree's designated survivor predeceases the retiree, the retiree's monthly benefit will be adjusted to the amount it would have been, had the retiree not elected Option 2.
>
> Option 3 - No benefits are payable to the retiree's estate or any beneficiary. Retirement benefits payable under this option will be actuarially increased from the normal formula.

If the death of any retiree who has not elected an option occurs before they have received total benefits at least as large as their accumulated contributions and interest, the difference shall be paid to the deceased's beneficiary, if living, or to their estate.

Benefit increase adjustments - The Board shall determine annually whether or not the Retirement System can provide an increase in benefits for those retirees who, as of January 1 preceding the date of such increase, have been retired at least one year (three years prior to January 1, 2002). Any increase also applies to optional retirement allowances paid to a retiree's beneficiary. Before any increases are made, the following requirements must be satisfied:

1. The Retirement System funded ratio as of January 1st of the preceding year of the proposed increase must be at least 100% after adjusting for the effect of the proposed increase. The funded ratio is the ratio of assets to the pension benefit obligation.
2. The actuarially required contribution rate, after adjusting for the effect of the proposed increase, may not exceed the statutory contribution rate.
3. The actuary must certify that the proposed increase will not impair the actuarial soundness of the Retirement System.

In accordance with the Benefit Increase Adjustments Policy, if an increase is permissible, the amount of the increase will be equal to the lesser of 3% or the percentage increase in the CPI for the preceding year, subject to a cumulative increase of 100% subsequent to December 31, 2000.

The Board reserves the right, at its sole discretion, not to award any Benefit Increase Adjustment or other supplements for any year, even if the statutory requirements for an increase are satisfied, or to provide increases in greater or lesser amounts than prescribed by this policy. For the years ended December 31, 2024 and 2023 there was no Benefit Increase Adjustment or an extra check issued to eligible retirees.

Administration of the Retirement System - The Board is responsible for the general administration and proper operation of the Retirement System. The Board consists of twelve members: four members appointed by the Kansas City Public Schools Board of Directors, one member appointed by the Board of Trustees of the Library District, four members elected by and from the members of the Retirement System, two members elected by and from the retirees of the Retirement System, and the Superintendent of Schools of the School District of Kansas City, Missouri. The Board hires an Executive Director to manage the day-to-day operations and implement policies as set by the Board.

(1) Description of plan (continued)

Administrative expenses - All expenses of the Retirement System are paid by the Plan. Fees related to the administration of Plan are included in administrative expenses. Investment related expenses are included in net appreciation (depreciation) of fair value of investments.

(2) Summary of significant accounting policies

Basis of accounting - The financial statements of the Retirement System are prepared on the accrual method of accounting. Plan member and employer contributions are recognized in the period in which the contributions are due. Benefits and refunds are recognized when due and payable in accordance with the terms of the Plan.

The Retirement System's financial statements, notes to the financial statements, and required supplementary information were prepared in conformity with Governmental Accounting Standards Board ("GASB") Statement No.67, *Financial Reporting for Pension Plans*, as amended. GASB No. 67 addresses accounting and financial reporting requirements for pension plans. Significant requirements include an actuarial calculation of total and net pension liability. It also includes comprehensive footnote disclosures regarding the pension liability, the sensitivity of the net pension liability to the discount rate and extensive investment activity disclosures.

New accounting pronouncements - In May 2020, GASB issued Statement No. 96, Subscription-Based Information Technology Arrangements (GASB No. 96). GASB No. 96 provides accounting and financial reporting guidance for the governmental end users of subscription-based information technology arrangements (SBITAs). GASB No. 96 defines an SBITA, establishes right-to-use assets and corresponding liabilities, and provides capitalization criteria and the note disclosures required for SBITAs. The adoption of GASB No. 96 for the year ended December 31, 2023, did not have a significant impact on the Plan's financial statements.

In June 2022, GASB issued Statement No. 101, Compensated Absences. The Statement provides guidance for the recognition and measurement of compensated absences and supersedes the guidance previously provided in GASB Statement No. 16. GASB 101 requires that a liability for compensated absences be recognized when the leave is earned by employees rather than when it is paid or becomes due. The standard also provides a refined model to better reflect the liability and expense related to employee leave benefits. The Plan implemented GASB Statement No. 101 for the fiscal year ended December 31, 2024, as required. The implementation of this Statement did not have a significant impact on the Plan's financial position, results of operations, or disclosures.

Use of estimates - The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect reported amounts of assets and liabilities and changes therein, and disclosures of contingent assets and liabilities. Accordingly, actual results may differ from those estimates.

Capital assets - Capital assets, which include equipment, software, and right-to-use leased assets related to office space, are reported in the Statement of Net Fiduciary Position at cost and are depreciated/amortized over their estimated useful lives by use of the straight-line method.

Lease liability - As a lessee, a lease is defined as a contractual agreement that conveys control of the right-to-use another entity's nonfinancial asset, for a minimum contractual period of greater than one year, in an exchange or exchange-like transaction. The Retirement System entered into an office space lease as a lessee in 2016 for a term of 10 years with a 5-year renewal option. In determining the future minimum lease payments, the Retirement System includes the right to extend option terms in the non-cancelable lease term. The related lease liability is presented at the amount equal to the present value of the lease payments, payable during the remaining lease term ending in 2031.

Subscription liability - In accordance with GASB No. 96, government entities engaged in a SBITA agreement with software vendors are required to report both a subscription asset and a corresponding liability on their financial statements. The Retirement System entered into a 5-year SBITA agreement beginning January 1, 2023. As of December 31, 2024, the SBITA assets are valued at $1,601,737, with accumulated amortization amounting to $640,695.

Investment valuation and income recognition - The net unrealized appreciation in the fair value of investments for the period reflects the net increase in the fair value of the investments, on an aggregate basis, between the beginning and the end of the reporting period. The net realized gain or loss on sale of investments is the difference between the proceeds received and the cost of the investment sold. The net realized gains and losses have been combined with the net unrealized appreciation and depreciation for purposes of this report.

Purchases and sales of securities are recorded on a trade-date basis. Investment income is recorded on the accrual basis. Dividends are recorded on the ex-dividend date.

Rate of return - For the years ended December 31, 2024 and 2023, the annual time-weighted return on the Retirement System's investments, net of investment expense was 5.9% and 10.6%, respectively. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

(2) Summary of significant accounting policies (continued)

The Retirement System's policy regarding the allocation of invested assets has been established and may be amended by the Board. Plan assets are managed on a total return basis with a long-term objective of achieving and maintaining a fully funded status for the benefits provided through the pension plan. In 2017, an asset liability study was completed at the request of the Board. This study identified new optimal portfolio mixes with new asset classes for the Board's consideration. The Board chose a new asset allocation mix that is expected to increase their long-term return slightly while lowering the overall risk of the portfolio. The table below illustrates the Retirement System's Board of Trustees approved asset allocation as of December 31, 2024.

Asset Class	2024 Target Allocation	
US Equity	21.00	%
Multi-Asset Class	9.00	%
Real Estate	12.00	%
International Developed Equity	12.00	%
Emerging Market Equity	10.00	%
Core Fixed Income	17.00	%
Private Equity	8.00	%
Hedge Funds of Funds	2.00	%
Global Fixed Income	2.00	%
High Yield Bonds	2.00	%
Private Credit	5.00	%
Total	100.00	%

Concentration risk - As of December 31, 2024 and 2023, the Retirement System has the following concentrations defined as investments (other than those issued or guaranteed by the U.S. government in any one organization) that represent 5% or more of the Retirement System's net position.

	December 31	
	2024	2023
Rhumbline S&P 500 Pooled Index Fund	$ 63,289,266	$ 67,047,428
Schroder Diversified Growth Collective Investment Trust	*	34,805,052
Wellington Opportunistic Investment	*	42,145,946
Rhumbline S&P Mid-Cap 400 Index Fund	38,015,648	37,971,310
Earnest Partners Emerging Market Fund	33,265,096	34,643,614

*Not applicable, investment amount is below 5%.

(2) Summary of significant accounting policies (continued)

Custodial credit risk - Custodial credit risk is when, in the event a financial institution or counterparty fails, the Retirement System would not be able to recover the value of deposits, investments or collateral securities that are in the possession of an outside party. All investments are held in the Retirement System's name and are not subject to creditors of the custodial financial institution.

Currency risk - Currency risk is the risk that changes in exchange rates will adversely affect the fair value of an investment. All investments held by the Retirement System at December 31, 2024 and 2023 were in United States currency.

Credit risk - Credit risk is the risk that an issuer or other counterparty to a debt investment will not fulfill its obligations. The Retirement System's investment policies require that any investment manager have at least 90% of holdings in issues rated BBB or higher by both Standard & Poor's Corporation and Moody's Investors Service or their equivalents. Each portfolio is required to maintain a reasonable risk level relative to its benchmark. The Retirement System's assets as of December 31, 2024 and 2023 subject to credit risk are shown with current credit ratings below:

	December 31, 2024		Quality Rating						
	Fair Value	%	TSY	AAA/Aaa	AA/Aa	A/A	BBB/Baa	BB/Ba	Not Rated
U.S. Treasuries	$ 27,230,501	27.0%	$ 27,230,501	$ -	$ -	$ -	$ -	$ -	-
U.S. Government Agencies	29,158,895	28.9%	-	-	29,158,895	-	-	-	-
Corporate Bonds, Corporate Asset-Backed Securities, and Collateralized Mortgage-Backed Securities	41,530,936	41.2%	-	6,138,873	3,758,039	9,408,330	21,365,106	183,106	677,482
Other Investments	2,870,800	2.8%	-	252,355	2,205,998	412,447			-
	$ 100,791,132	100%	$ 27,230,501	$ 6,391,228	$ 35,122,932	$ 9,820,777	$ 21,365,106	$ 183,106	$ 677,482

	December 31, 2023		Quality Rating				
	Fair Value	%	TSY	AAA/Aaa	AA/Aa	A/A	BBB/Baa	BB/Ba
U.S. Treasuries	$ 18,735,572	29.4%	$ 18,735,572	$ -	$ -	$ -	$ -	$ -
U.S. Government Agencies and Collateralized Mortgage-Backed Securities	19,577,980	30.7%	-	19,577,980	-	-	-	-
Corporate Bonds, Corporate Asset-Backed Securities, and Non-Agency Collateralized Mortgage Obligations	25,431,248	39.9%	-	3,930,205	722,529	5,977,260	14,801,254	-
	$ 63,744,800	100%	$ 18,735,572	$ 23,508,185	$ 722,529	$ 5,977,260	$ 14,801,254	$ -

Interest rate risk - Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The Retirement System's assets as of December 31, 2024 and 2023 subject to interest rate risk are shown below grouped by effective duration ranges:

	December 31,	Investment Maturities (in years)			
Security Description	2024 Fair Value	Less Than 1	1 - 5	6 - 10	Greater Than 10
U.S. Treasury & Government Agencies	$ 56,389,396	$ -	$ 11,470,748	$ 7,944,349	$ 36,974,299
Corporate Bonds – United States	41,530,936	775,341	16,231,863	13,032,153	11,491,579
Other	2,870,800	-	105,768	667,569	2,097,463
	100,791,132	$775,341	$ 27,808,379	$ 21,644,071	$ 50,563,341

(2) Summary of Significant accounting principles (continued)

Security Description	December 31, 2023 Fair Value	Investment Maturities (in years) Less Than 1	1 - 5	6 - 10	Greater Than 10
U.S. Treasury & Government Agencies	$ 38,313,552	$ -	$ 7,885,510	$ 5,880,801	$ 24,547,241
Corporate Bonds – United States	25,431,248	1,557,205	9,702,590	5,742,883	8,428,570
	$ 63,744,800	$ 1,557,205	$ 17,588,100	$ 11,623,684	$ 32,975,811

(3) Fair value measurements

The framework for measuring fair value provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1) and the lowest priority to unobservable inputs (Level 3). The three levels of the fair value hierarchy are described below:

Level 1 Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Plan has the ability to access.

Level 2 Inputs to the valuation methodology include quoted prices for similar assets and liabilities in active markets; quoted prices for identical or similar assets and liabilities in inactive markets; inputs other than quoted market prices that are observable for the asset or liability; and inputs that are derived principally from or corroborated by observable market data by correlation or other means. If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability.

Level 3 Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The asset or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

Following is a description of the valuation methodologies used for assets measured at fair value.

In instances where inputs used to measure fair value fall into different levels in the fair value hierarchy, fair value measurements in their entirety are categorized based on the lowest-level input that is significant to the valuation.

Debt and equity securities classified in Level 1 are valued using prices quoted in active markets for those securities.

Debt securities classified in Level 2 are valued using either a bid evaluation or a matrix pricing technique. Bid evaluations may include market quotations, yields, maturities, call features, and ratings. Matrix pricing is used to value securities based on the securities' relationship to benchmark quoted prices. Level 2 debt securities have nonproprietary information that is readily available to market participants, from multiple independent sources, which are known to be actively involved in the market.

(3) Fair value measurements (continued)

Investment Type	Fair Value Measurements as of December 31, 2024 Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level3)	Total Fair Value
Common stocks	$ 107,330,010	$ -	$ -	$ 107,330,010
Total equity investments	107,330,010	-	-	107,330,010
U.S. Treasuries	27,230,501	-	-	27,230,501
U.S. Government Agencies	-	29,158,895	-	29,158,895
Collateralized mortgage-backed securities	-	2,474,204	-	2,474,204
Corporate bonds	-	32,337,601	-	32,337,601
Corporate asset-backed securities	-	6,719,131	-	6,719,131
Taxable municipals	-	2,870,800		2,870,800
Total fixed income investments	27,230,501	73,560,631	-	100,791,132
Total investments by fair value level	$ 134,560,511	$ 73,560,631	$ -	$ 208,121,142
Investments measured at NAV practical expedient[(a)]				437,832,090
Investments measured at amortized cost[(b)]				6,367,347
Total investments measured at fair value				$ 652,320,579

Investment Type	Fair Value Measurements as of December 31, 2023 Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Total Fair Value
Common stocks	$ 123,151,617	$ -	$ -	$ 123,151,617
Total equity investments	123,151,617	-	-	123,151,617
U.S. Treasuries	18,735,572	-	-	18,735,572
U.S. Government Agencies	-	19,577,980	-	19,577,980
Collateralized mortgage-backed securities	-	1,701,983	-	1,701,983
Corporate bonds	-	20,550,051	-	20,550,051
Corporate asset-backed securities	-	3,179,214	-	3,179,214
Total fixed income investments	18,735,572	45,009,228	-	63,744,800
Total investments by fair value level	$ 141,887,189	$ 45,009,228	$ -	$ 186,896,417
Investments measured at NAV practical expedient[(a)]				456,552,290
Investments measured at amortized cost[(b)]				9,497,064
Total investments measured at fair value				$ 652,945,771

(a) Certain investments that were measured at net asset value ("NAV") per share (or its equivalent) practical expedient have not been classified in the fair value hierarchy. The fair value amounts presented in this table are intended to permit reconciliation of the fair value hierarchy to the line items presented in the statements of net assets available for benefits.

(3) Fair value measurements (continued)

(b) The EB Temporary Investment Fund of The Bank of New York Mellon (the "Fund) values its investments on the basis of amortized cost which approximates fair value for the Fund as a whole. The amortized cost method involves valuing a security at cost on the date of purchase and thereafter at a constant dollar amortization to maturity of the difference between the principal amount due at maturity and the initial cost of the security. The use of amortized cost is subject to compliance with the Fund's amortized cost procedures as specified under The Bank of New York Mellon Employee Benefit Collective Investment Fund Plan.

The valuation method for investments measured at the net asset value per share, or equivalent, as of December 31, 2024, and 2023 are presented in the tables below.

Investment Type	December 31, 2024 Fair Value	Unfunded Commitments	Redemption Frequency (If Currently Eligible)	Redemption Notice Period
Equity commingled funds				
Developed markets (1)	$ 101,304,901	$ -	Daily	2 days
Emerging markets (1)	62,186,679	-	Daily/Weekly	2 days
Fixed-income comingled funds				
High yield fixed income (1)	16,786,264	-	Daily	2 days
International fixed income (1)	19,879,859	-	Daily	10 days
Hedge fund of funds commingled funds (1)	12,164,980	-	Quarterly	90 - 100 days
Private equity funds (2)	102,316,569	21,300,000	Not Eligible	N/A
Multi-asset class commingled funds (1)	62,182,214	-	Daily/Monthly	15 – 30 days
Real estate commingled fund (3)	16,195,962	-	Quarterly	45 - 60 days
Real estate (3)	44,814,662	8,100,000	Not Eligible	N/A
Investments measured at the NAV practical expedient	**$ 437,832,090**			

Investment Type	December 31, 2023 Fair Value	Unfunded Commitments	Redemption Frequency (If Currently Eligible)	Redemption Notice Period
Equity commingled funds				
Developed markets (1)	$ 105,018,739	$ -	Daily	2 days
Emerging markets (1)	64,128,715	-	Daily/Weekly	2 days
Fixed-income comingled funds				
High yield fixed income (1)	15,190,325	-	Daily	2 days
International fixed income (1)	29,720,393	-	Daily	10 days
Hedge fund of funds commingled funds (1)	21,593,791	-	Quarterly	90 - 100 days
Private equity funds (2)	78,659,985	24,200,000	Not Eligible	N/A
Multi-asset class commingled funds (1)	76,950,998	-	Daily/Monthly	15 - 30 days
Real estate commingled fund (3)	17,791,676	-	Quarterly	45 - 60 days
Real estate (3)	47,497,668	12,700,000	Not Eligible	N/A
Investments measured at the NAV practical expedient	**$ 456,552,290**			

(1) Consists of two domestic equity funds, two international emerging market equity funds, two fixed income funds and two hedge fund of funds, two multi-asset class funds that are considered commingled in nature. Each are valued at the net asset value of the units held at the end of the period based upon the fair value of the underlying investments.

(3) Fair value measurements (continued)

(2) At December 31, 2024 and 2023, respectively, the Retirement System's private equity portfolio consists of 640 and 644 active partnerships with the funds-of-funds investments, which invests primarily in buyout funds, with exposure to venture capital, special situations, growth equity and supplemented by secondary and co-investment opportunities. The fair values of the fund-to-funds have been determined using net assets valued one quarter in arrears plus current quarter cash flows. These funds are not eligible for redemption. Distributions are received as underlying investments within the funds are liquidated, which on average can occur over the span of the next 1 to 7 years.

(3) For real estate and real estate commingled funds, investments generally valued using one or a contribution of the following accepted valuation approaches: market, cost or income. For five of the real estate funds, generally annual appraisals are performed by an independent third-party each year, minimum every three years. For five of the real estate funds, the inputs and assumptions utilized to estimate future cash flows are based upon the manger's evaluation of the economy, capital markets, market trends, operating results, and other factors, including judgments regarding occupancy rates, rental rates, inflation rates, and capitalization rates utilized to estimate the projected cash flows at disposition and discount rates. All portfolios have audited financials completed at fiscal year-end.

(4) Funding policy

The RSMo 169.350.5 and 169.350.6 govern the System's employee and employer contribution rates.

If the Retirement System's funded ratio is less than 100%, the employee contribution rate is 9%. Effective July 1, 2021, if the Retirement System's funded ratio, as of the first day of the preceding calendar year equals or exceeds 100%, the employee contribution rate is the lesser of 9% or one- half of the actuarial required contribution rate.

Effective July 1, 2021, and for each subsequent 12-month period beginning July 1 of each year, the employer contribution rate is the greater of the actuarial required contribution rate less the 9% member contribution rate, or 12% of pay until the Retirement System is fully funded. The employer contribution rate may increase or decrease in any year subject to the limits established in RSMo 169.350.6 (6).

Such statutory limitation provides the employer contribution rate cannot increase by more than 1% or decrease by more than 0.5% from the rate in effect immediately before such increase or decrease. An exception to the limitations exists when the Retirement System is fully funded and the total actuarial required contribution rate for employer and employee rate falls below 18%. In such case, the total actuarially required contribution rate is allocated equally between the employer and employee, regardless of the extent of the decrease from the rate in effect for the prior period.

(5) Net pension liability

The components of the net pension liability of participating entities at December 31, 2024 and 2023, were as follows:

	2024	2023
Total pension liability	$ 1,025,018,922	$ 1,014,072,441
Less: plan fiduciary net position	662,534,519	659,895,294
Net pension liability	$ 362,484,403	$ 354,177,147
Plan fiduciary net position as a percentage of total pension liability	64.64%	65.07%

Actuarial information – The Retirement System engages an independent actuarial firm to perform an annual actuarial valuation to estimate liabilities for future benefits expected to be paid by the Retirement System and to determine the actuarial contribution rates based on the Board's funding policy and evaluate the sufficiency of the current contribution rates. The total pension liability was determined by an actuarial valuation as of January 1, 2024, which was rolled forward to December 31, 2024. The actuarial assumptions used for the most recent valuations are as follows:

Valuation Date	January 1, 2024 and 2023
Actuarial Cost Method	Entry Age Normal
Actuarial Assumptions:	
Investment Rate of Return	7.25% (2024 and 2023) including inflation
Projected Salary Increases	Rates vary by years of service - 3.85% to 9.50%, (2024 and 2023)
Inflation	2.25% (2024 and 2023)
Mortality:	Pre-retirement mortality rates were based on Pub-2010 General Members (Below Median) Employee Mortality Table with a one-year age setback for males and a one-year age set- forward for females, projected 15 years from the valuation date using most recent MP-Scale. Post-retirement mortality rates were based on Pub-2010 General Members (Below Median) Retiree Mortality Table with a one-year age setback for males and a one-year age set-forward for females, projected 7 years from valuation date using most recent MP-Scale. Disability mortality rates were based on Pub- 2010 Disabled Retiree Mortality Table with a one-year age setback for males and a one-year set-forward for females. Beneficiary mortality rates were based on Pub-2010 General Members (Below Median) Contingent Survivor Mortality Table with a one-year age setback for males and a one-year age set-forward for females, projected 7 years from valuation date using most recent MP-Scale.

(5) Net pension liability (continued)

The actuarial assumptions used in the January 1, 2024 and 2023 valuation were adopted by the Board from the results of an actuarial experience study covering the five-year period ended December 31, 2019 (dated February 1, 2021).

The long-term expected rate of return on pension plan investments is reviewed as part of the regular experience study prepared by the Retirement System. Several factors are considered in evaluating the long-term rate of return assumption, including long-term historical data, estimates inherent in current market data, and an analysis in which best-estimate ranges of expected future real rates of return (expected returns, net of investment expense and inflation), along with estimates of variability and correlations for each asset class, were developed by the Retirement System's investment consultant. These ranges are combined to produce the 20-year long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the Retirement System's target asset allocation as of December 31, 2024 (see the discussion of the pension plan's investment policy) are summarized in the following table:

Asset Class	20-Year Long-term Expected Real Rate of Return
US Large Cap Equity	6.2 %
US Mid Cap Equity	6.8 %
US Small Cap Equity	7.2 %
International Developed Equity	7.1 %
Emerging Market Equity	9.0 %
Core Fixed Income	1.2 %
Global Fixed Income	1.2 %
High Yield Bonds	3.7 %
Multi-Asset Class	4.7 %
Hedge Fund of Funds	3.3 %
Private Equity	10.4 %
Real Estate – Core	4.5 %
Real Estate – Value Add	7.0 %
Real Estate – Opportunistic	9.1 %

(6) Net pension liability (continued)

Discount Rate - The discount rate used to measure the total pension liability as of December 31, 2024 and 2023 was 7.25%. The projection of cash flows used to determine the discount rate assumed that contributions from the Plan members will be made at the current contribution rate and that contributions from employers will be made at contractually required rates, actuarially determined. Based on those assumptions, the Plan's fiduciary net position was projected to be available to make all projected future benefit payments of current Plan members. Therefore, the long-term expected rate of return on Plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the Net Pension Liability to Changes in the Discount Rate - The following represents the net pension liability of participating entities as of December 31, 2024 and 2023, calculated using the discount rate assumption, as well as what the net pension liability would be if it were calculated using a discount rate that is one percentage point lower or one percentage point higher than the current assumption

	1% Decrease	Current Assumption	1% Increase
December 31, 2024	6.25%	7.25%	8.25%
	$ 467,022,087	$ 362,484,403	$ 274,460,311
December 31, 2023	6.25%	7.25%	8.25%
	$ 456,663,297	$ 354,177,148	$ 267,742,069

(6) Tax status

The Retirement System is exempt from federal income tax under Section 501 of the Internal Revenue Code.

(7) <u>Risks and uncertainties</u>

The Plan invests in various investment securities. Investment securities are exposed to various risks such as interest rate, market, and credit risk. Market risks include global events which could impact the value of investment securities, such as a pandemic or international conflict. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could materially affect the amounts reported in the statements of plan net assets.

Plan contributions are made and the actuarial present value of accumulated plan benefits are reported based on certain assumptions pertaining to interest rates, inflation rates and employee demographics, all of which are subject to change. Due to uncertainties inherent in the estimation and assumption process, it is at least reasonably possible that changes in these estimates and assumptions in the near term would be material to the financial statements.

Changes in the discount rate and investment returns can have a significant effect on the funded status of the Plan. Management continues to monitor these changes and the potential impact on the future pension plan funding requirements and related expenses.

(8) <u>Subsequent events</u>

The Retirement System has evaluated subsequent events through June 23, 2025, which is the date the financial statements were available to be issued and noted the following item for disclosure. No significant matters were identified for disclosure during this evaluation.

Schedules of Changes in Net Pension Liability

($ in thousands)

	2024	2023	2022	2021	2020	2019	2018	2017
Total Pension Liability								
Service Cost	$ 24,085	$ 22,902	$ 21,371	$ 20,892	$ 18,724	$ 18,024	$ 16,893	$ 18,683
Interest	70,467	69,622	69,580	69,690	73,812	73,812	73,517	68,868
Benefit term changes	-	-	-	-	-	-	-	-
Differences between expected and actual experience	220	2,937	(8,765)	(6,131)	944	(258)	(11,652)	4,918
Assumption Changes	1,896	1,839	4,383	32	570	(14,307)	18,004	77,882
Benefit Payments, including member refunds	(85,721)	(85,555)	(86,417)	(85,587)	(84,971)	(85,166)	(83,419)	(81,763)
Net change in total pension liability	10,947	11,745	152	(1,105)	9,259	(8,947)	13,433	88,588
Total pension liability - beginning	1,014,072	1,002,328	1,002,176	1,003,281	994,022	1,002,969	989,536	900,948
Total pension liability - ending	1,025,019	1,014,073	1,002,328	1,002,176	1,003,281	994,022	1,002,969	989,536
Plan Fiduciary Net Position								
Contributions								
Employer	$ 32,101	$ 30,019	$ 28,210	$ 26,717	$ 25,772	$ 21,489	$ 17,528	$ 19,927
Employee	24,166	22,636	21,204	20,141	19,531	18,524	17,619	16,694
Net investment income (loss)	33,816	62,396	(82,677)	99,639	73,264	106,034	(33,251)	103,768
Benefit Payments, including member refunds	(85,722)	(85,555)	(86,416)	(85,587)	(84,791)	(85,167)	(83,419)	(81,763)
Administrative expenses	(1,722)	(1,691)	(1,716)	(1,645)	(1,615)	(1,546)	(1500)	(1,521)
Other	-	-	(9)	(6)	(10)	(11)	(17)	(16)
Net change in plan fiduciary net position	2,639	27,805	(121,404)	59,260	32,151	59,323	(83,040)	54,359
Plan fiduciary net position - beginning	659,895	632,091	753,496	694,236	662,085	602,762	685,802	631,443
Plan fiduciary net position - ending	662,534	659,896	632,091	753,496	624,236	662,085	602,762	685,802
Net pension liability - ending	362,485	354,177	370,237	248,860	309,045	331,937	400,207	303,734
Plan fiduciary net position as a percentage of the total pension liability	64.64%	65.07%	63.06%	75.19%	69.20%	66.61%	60.10%	69.31%
Covered payroll	$ 267,507	$ 250,156	$ 235,085	$ 222,646	$ 214,765	$ 204,656	$ 194,754	$ 188,073
Employers' Net Pension Liability as a percentage of covered payroll	135.50%	141.58%	157.49%	111.69%	143.90%	162.19%	205.49%	161.50%

Note to Schedule:
This schedule is intended to show 8-year trend. Additional years will be reported as they become available.

Schedules of Net Pension Liability
($ in thousands)

Year Ended	Total Pension Liability (TPL) (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (NPL) (a-b)	Plan Fiduciary Net Position as a % of TPL (b/a)	Covered Employee Payroll (c)	Employer's NPL as a % of Covered Payroll ((b-a)/c)
12/31/2024	$ 1,025,019	$ 662,534	$ 362,485	64.64%	$ 267,507	135.50%
12/31/2023	$ 1,014,073	$ 659,896	$ 354,177	65.07%	$ 250,156	141.58%
12/31/2022	$ 1,002,328	$ 632,091	$ 370,237	63.06%	$ 235,085	157.49%
12/31/2021	$ 1,002,176	$ 753,496	$ 248,680	75.19%	$ 222,646	111.69%
12/31/2020	$ 1,003,281	$ 694,236	$ 309,045	69.20%	$ 214,765	143.90%
12/31/2019	$ 994,022	$ 662,085	$ 331,937	66.61%	$ 204,656	162.19%
12/31/2018	$ 1,002,969	$ 602,762	$ 400,207	60.10%	$ 194,754	205.49%
12/31/2017	$ 989,536	$ 685,802	$ 303,734	69.31%	$ 188,073	161.50%

Schedules of Employers' Contributions
($ in thousands)

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Actuarially determined employer contribution	$ 24,945	$ 24,878	$ 24,660	$ 23,356	$ 25,342	$ 21,144	$ 19,125	18,074	$ 20,224	$ 18,886
Annual employer contributions	32,101	30,019	28,210	26,717	25,772	21,489	17,528	16,927	16,280	14,499
Annual contribution deficiency (excess)	$ (7,156)	$ (5,141)	$ (3,550)	$ (3,361)	$ (430)	$ 655	$ 1,597	$ 1,147	$ 3,944	$ 4,387
Covered-employee payroll*	$ 267,507	$ 250,156	$ 204,656	$ 222,646	$ 214,765	$ 204,656	$ 194,754	$ 188,073	$ 180,893	$ 170,492
Actual contributions as a percentage of covered-employee payroll	12.00%	12.00%	10.50%	12.00%	12.00%	10.50%	9.00%	9.00%	9.00%	8.50%

*Covered-employee payroll based upon the pensionable payroll reported to the Retirement System and excludes additional compensation amounts that may need to be reported by the employer.

Schedules of Investment Returns

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Annual time-weighted rate of return, net of investment expense	5.50%	10.60%	(12.40%)	12.90%	11.90%	18.22%	(5.40%)	17.29%	8.07%	(1.45%)

Notes to Required Supplementary Information
For the Year Ended December 31, 2024

Changes of actuarial methods. Non-disabled mortality tables were updated to reflect an additional year of mortality improvements.

Changes of assumptions. No changes from the prior valuation.

Method and assumptions used in calculations of actuarially determined contributions. The Retirement System is funded with fixed contribution rates for members and employers. The actuarially determined contributions in the Schedule of Employer Contributions are calculated as of the beginning of the fiscal year in which contributions are reported. The following actuarial methods and assumptions were used to determine the employer Actuarially Determined Contribution reported in the most recent actuarial valuation as reported in the January 1, 2024 actuarial valuation:

Actuarial Cost Method	Entry Age Normal
Amortization Method	Level Percent of Pay, Closed
Remaining Amortization Period	Legacy base: 30 years beginning January 1, 2017; Experience bases: 20 years
Asset Valuation Method	5-year Smoothed Fair Value
Investment Rate of Return	7.25%, including inflation
Projected Salary Increases	3.85% - 9.50%, including inflation
Inflation	2.25%

Schedule of Expenses

For the Period Ending December 31, 2024 and 2023

Investment Expenses	2024	2023
Bank custodial fees and expenses	$ 110,670	$ 95,348
Financial consultation	205,000	205,000
Financial management expenses	4,345,867	5,820,201
Total	**4,661,537**	**6,120,549**

Administrative Expenses	2024	2023
Salaries and payroll taxes	489,031	486,888
Fringe Benefits	93,362	98,050
Legal fees	51,977	99,839
Audit fees	43,780	92,034
Actuarial fees	44,200	58,700
Legislative consultation	45,000	45,000
Other professional services	244,422	74,178
Board meetings	1,774	29
Board election	17,720	12,249
Travel and education expense	22,577	46,929
Membership dues	6,065	8,145
Printing and office expense	24,927	22,438
Postage and equipment	8,103	10,588
Payroll processing	2,590	2,795
Bank fees	4,374	6,835
Computer software support	1,562	-
SBITA Expense	367,281	378,516
Depreciation expense	25,720	18,720
Computer expense	52,264	48,937
Telephone and Internet	9,276	9,214
Insurance	92,630	92,543
Member Medical	700	8,000
Miscellaneous	890	1,674
Lease space rental	71,348	69,092
Total	**1,721,573**	**1,691,393**

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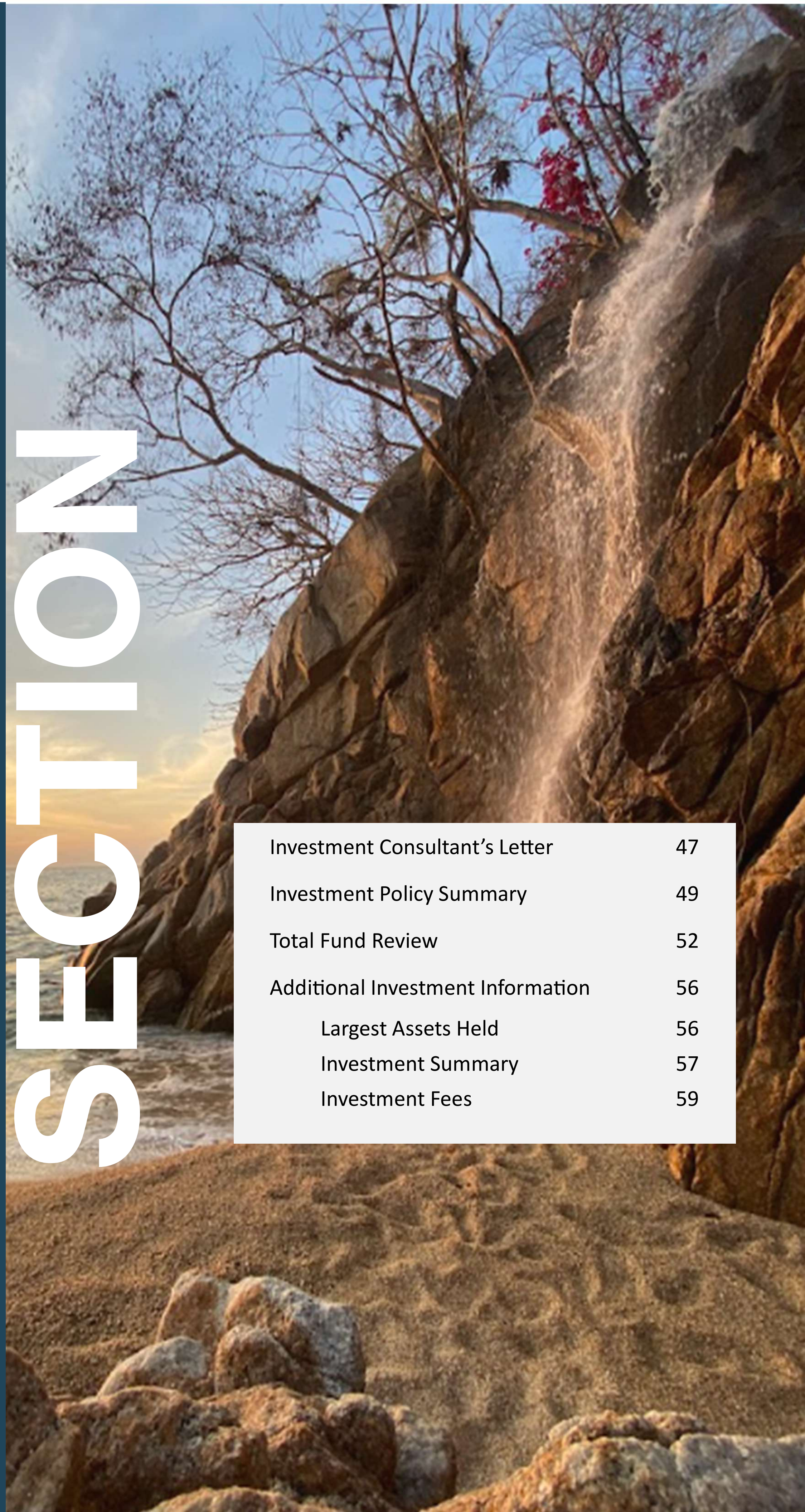
INVESTMENT SECTION



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Segal Marco Advisors

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June 18, 2025

Board of Trustees
Kansas City Public School Retirement System
3100 Boardway, Suite 1211
Kansas City, MO 64111

Dear Trustees:

Fears of a recession haunted the early months of 2024 causing slow growth and a cautious outlook. However by mid-summer, new developments in the AI field caused a sharp increase in technology stocks and foreign equity. The market was further helped by the series of interest rate cuts made by the Federal Reserve. November provided a huge rally for stocks following the election and then stabilized in December back to steady growth of tech stocks.

World equity markets ended the 2024-year solidly positive with U.S. equities having an amazing year with returns in excess of 25%. Most asset classes, apart from emerging markets in Latin America, real estate, and international fixed income, were positive in 2024. Stocks capped off a banner year in spite of higher levels of inflation, brewing global conflicts, and interest rate uncertainties, which proved to be merely speed bumps for stocks. Within U.S. Equities, the S&P 500 Index climbed 25% for the year, with over half of the ten sectors in the S&P 500 Index posting double-digit positive returns. Communication Services, IT, Financials and Consumer Discretionary were the top performers for the year, returning 40%, 37%, 31% and 30%, respectively. Once again, large cap growth stocks bested value stocks for the year, and large cap stocks nearly doubled the performance of small caps. Within small cap, growth beat value.

Overseas, both the developed international markets and the emerging markets, with the notable exception of Latin America, rose despite ongoing global tensions between Russia and Europe. Developed international markets as represented by the MSCI EAFE Index, and emerging markets stocks as represented by the MSCI EM Index, lagged the U.S. market materially for the year, returning +3.8% and 7.5%, respectively.

The yield curve flattens over the year with slight increases going toward the tail end of the curve . The Federal Reserve cut interest rates by 1% this year which led to increases in the economy. The bond market was mixed for 2024. U.S. Corporate High Yield experienced the strongest sector performance at 10.5% for the year, while Non-U. S. fixed income fell -8.8% for the year.

Hedge funds rose in 2024. Although less positive than equity markets, hedge fund of funds also produced gains in 2024 returning 9.1% (as measured by HFRI FOF Composite) for the year.

The alternative investments posted mixed results with private equity and private credit posting positive returns, while real estate markets posted negative results for 2024.

Kansas City Public School Retirement System
[Salutation]
Page 2

KCPSRS was valued at $652.3 million as of December 31, 2024. The total portfolio (Fund) asset allocation was developed to provide a diversified, optimal portfolio to achieve the System's long-term investment and risk objectives. The asset allocation includes investments in U.S. equities, international equities, fixed income, international fixed income, real estate, hedge fund of funds, MACS (multi-asset class strategies), private credit, and private equity. As of the end of December, the Fund's trailing 1-year gross return was 5.9%. The Pension Fund was helped by their U.S. Equity investments which were the best performing asset class in 2024 performing over 17% for the 2024 period. The trailing 5-year gross Total Fund return, for the period ending December 31, 2024, outpaced its benchmark returning 6.2% vs. the 6.0% for the policy index. The trailing 10-year gross return, for the period ending December 31, 2024, outperformed its benchmark returning 6.8% vs. the 6.5% for the policy index.

KCPSRS' investment program continues to change and evolve. During 2024, Segal Marco also completed an updated asset allocation review for KCPSRS in 2024 along with a Liquidity Study and Pacing Study. As a result, of the asset allocation study, the Board voted to add more fixed income to the portfolio. Segal Marco also conducted due diligence meetings with all KCPSRS money managers throughout the year. Segal Marco also moderated round tables at the Fund Office with all the KCPSRS money managers throughout the year. These were great educational opportunities for the Trustees and Staff.

Segal Marco Advisors, working closely with the KCPSRS Board conducted a search for fixed income managers in June of 2024. Segal Marco provided finalists, representing top talent in the fixed income area, to the KCPSRS Board. The Board interviewed the candidates for the search and hired two new investment managers.

Over the years, KCPSRS has revised its asset allocation mix, added new managers and new asset classes, and made investment manager changes to continue to enhance the Fund's risk return profile. Looking ahead to 2025, Segal Marco will continue to support KCPSRS to achieve both long-term and short-term objectives through implementation of the asset allocation mix changes, providing investment educational sessions, investment policy development, manager monitoring, and new manager selection and on-boarding.

Segal Marco Advisors wants to take this time to celebrate the trustees and staff at KCPSRS for the diligence and oversight they provide for the System. The Retirement System has been successful this year, through determination resulting in solid returns, which has in turn provided a more solid outlook for the System. This System is the exclusive support to many retirees and their families along with being a wonderful benefit for new teachers, administrators, and library staff. We are proud to be able to serve as an advisor to this System and contribute to its many successes over the years. We look forward to continuing to assist KCPSRS as an extension of your staff and to support your many members for years to come.

Sincerely yours,

Rosemary E. Guillette
Vice President

Segal Marco Advisors

Investment Policy Summary

Pursuant to investment fiduciary duties provided in Revised Missouri Statutes section 105.688, the KCPSRS Board of Trustees (Board) established the System's investment program, with overall objectives, asset allocation, and operating guidelines. The purpose of the System is to provide retirement and certain other benefits to participants and their beneficiaries. With respect to this purpose, the Board develops a long-term plan to preserve the long-term corpus of the Fund and to maximize the rate of return within prudent risk parameters to meet, when combined with employee and employer contributions, or exceed the benefit and administration funding requirements of the Plan over time. The investment horizon of the Fund is long-term.

To achieve a balanced program, every five years, the Board conducts a review of its investment strategy and plan liability structure to evaluate the potential consequences of alternative investment strategies on the long-term financial wellbeing of the System. The investment policy shall consider the current and expected financial condition of the System, the expected long-term capital market outlook, and the system's risk tolerance. The policy shall consider the potential impact on pension costs of alternative asset allocation policies, the existing and projected liability structure of the pension plan, and other issues affecting governance of the System. An asset allocation review will be conducted annually with the investment policy reviewed and updated, if necessary, at least every two years.

Investment Objectives

The total fund objective is to generate a rate of return equaling or exceeding, over rolling 3- and 5-year periods the following performance objectives:

- A required rate of return, net of expenses, equaling the real rate objective of 5.00% (actuarial assumed rate 7.25% less actuarial assumed inflation 2.25%) plus current inflation, as measured by the Consumer Price Index, to ensure that real asset growth maintains pace with real pay growth and cost of living adjustments, primary determinants of benefits and, therefore, pension costs.
- The System's actuarial interest rate assumption of 7.25% to avoid an actuarial loss which would increase future years' contributions.
- A policy index that measures the value added through active management is calculated by weighting the appropriate capital market indices per the established asset allocation.

Roles and Responsibilities

Board of Trustees

The Board bears the ultimate fiduciary responsibility for the investment of Fund assets. Members of the Board must adhere to state law and prudent standards of diligence with respect to their duties as investment fiduciaries. In so doing, the members of the Board and its advisors, as investment fiduciaries, shall discharge their duties in the sole interest of the plan participants and their beneficiaries and shall act with the same care, skill, prudence, and diligence that a prudent person acting in a similar capacity and familiar with these matters would use in the conduct of a similar enterprise with similar aims. To accomplish this, the Board utilizes staff, as well as investment and actuarial consultants, to provide expert assistance.

Investment Asset Consultant

The investment consultant is hired by and serves at the pleasure of the Board. The investment consultant shall assist the Board in the development, implementation, and monitoring of investment policy on behalf of the System. Specifically, the investment consultant shall be responsible for the following functions:

- Development and periodic revision, as needed at least annually, of investment guidelines and objectives. This undertaking shall be conducted in conjunction with the Board, internal staff, and other professional advisors as appropriate.
- Review and identification of qualified investment manager candidates based on the consultant's asset allocation studies and professional judgment.
- Investment performance monitoring.
- Efficiency reviews, including, but not limited to, assessment of the System's custodian relationship(s) and related functions, such as securities lending, commission recapture programs and other related matters.
- Special studies and projects as may periodically be determined by the Board to be appropriate for the governance of the investment activities of the System.
- Education of Board members and staff in areas of investment strategy as needed to assist them in governance of the System's portfolio.

Executive Director

The executive director is appointed by and serves at the pleasure of the Board. Under the authority delegated by the Board, the executive director is responsible for the administration and management of the System consistent with policies set by the Board. Specific to the investment program, the executive director is responsible for implementing the Board's investment policies and management of the relationship with outside advisors and investment managers.

Investment Managers

In the implementation of the investment program, the Board hires and utilizes investment managers who have demonstrated expertise with specific asset classes and investment styles. Each manager shall operate under a set of guidelines specific to the strategic role its portfolio is to fulfill in the overall investment structure. The investment managers are monitored and judged per benchmarks which reflect the objectives and characteristics of the strategic role their portfolio is to fulfill.

Asset Allocation

The primary means by which capital preservation is to be achieved is through diversification of the Fund's investments across various asset classes. Determining the System's asset allocation is regarded as one of the most important decisions of the investment program. The Board with advice from the external investment consultant, develops an asset allocation with appropriate benchmarks that is designed to achieve the long-term required return objectives of the System, given risk constraints and liquidity needs. The Board has adopted the following strategic asset allocation policy and permissible ranges for each asset class, including an annual target for each category as provided by the investment consultant.

During 2024, the asset allocation policy and permissible ranges for each asset class were as follows:

Asset Class	Policy Benchmark	Target Allocation %	Allocation Range %
Domestic:		21.0	
Large Cap Core	*S&P 500*	*9.0*	*6.5-11.5*
Mid Cap Core	*S&P 400*	*6.0*	*4.0 – 8.0*
Small Cap Growth & Value	*Russell 2000*	*6.0*	*4.0 – 8.0*
International Developed	MSCI (EAFE)	12.0	7.0 – 17.0
Emerging Mkts	MSCI EM	10.0	5.0 – 15.0
Public Equity Total	**Blended Equity Policy**	**43.0 %**	
Core Fixed Income	Barclays Cap Agg	17.0	12.0 – 22.0
High Yield	Barclays Cap HY	2.0	1.0 – 3.0
International/ EMD	FTSE World Govt	2.0	1.0 – 3.0
Fixed Income Total	**Blended Fixed Income Policy**	**21.0 %**	
Private Credit	Morningstar LSTA	5.0	4.0 – 10.0
Private Credit Total	**Private Credit Policy**	**5.0 %**	
Alternatives (Low Volatility):		11.0	
Multi-Asset Class Strategies	*60% MSCI World* *40% WGBI Index*	*9.0*	*8.5 – 18.5*
Hedge Fund of Funds	*91 Day T-Bill + 5%*	*2.0*	*2.0 – 8.0*
Private Equity (Alpha)	S&P 500	8.0	6.0 – 10.0
Real Estate:		12.0	7.0 – 17.0
Core Real Estate	*NCREIF ODCE Equal weighted*	*4.0*	*2.0 – 6.0*
Value Add	*NCREIF NPI*	*4.0*	*2.0 – 6.0*
Opportunistic	*NCREIF NPI*	*4.0*	*2.0 – 6.0*
Alternatives Total	**Blended Alternatives Policy**	**31.0 %**	

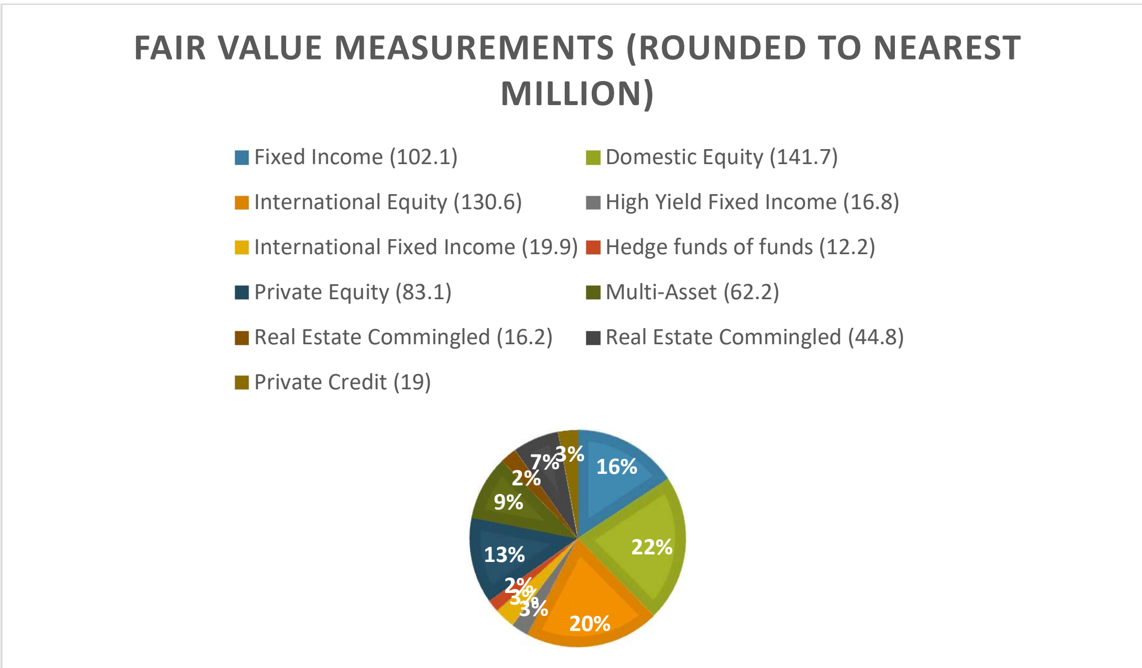
Total Fund Review

As of December 31, 2024, the KCPSRS investment portfolio had a fair value of $652.3 million. KCPSRS' investments generated a return of 5.50%, net of all fees, for the fiscal year ended December 31, 2024.

Diversification

Asset allocation is a process designed to construct an optimal long-term asset mix that achieves specific investment objectives. The Investment Policy reflects the System's asset allocation policy as designed to meet the investment objectives. The chart below illustrates the actual allocation to each asset class, as of December 31, 2024.

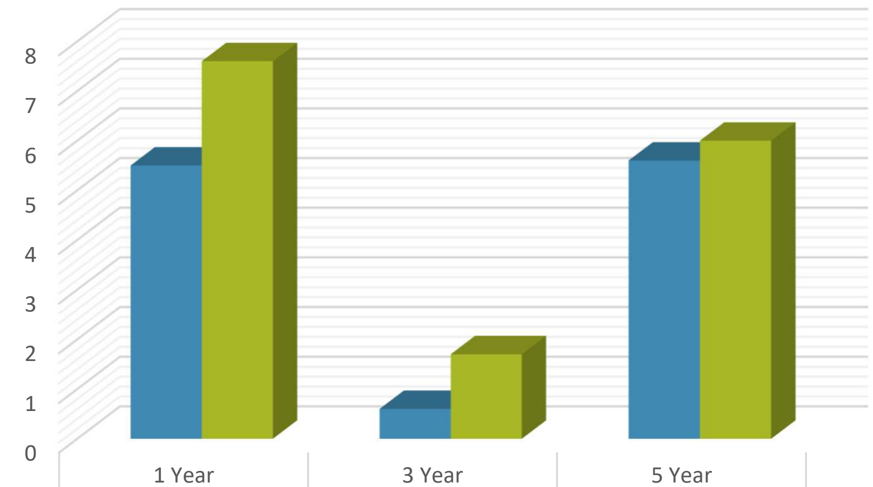
SUMMARY OF INVESTMENTS BY MAJOR ASSET CLASS



Investment Performance vs. Benchmarks

Another board investment objective is to generate a net rate of investment return equaling or exceeding a policy benchmark that measures the value added through active management. The total fund return, net of investment fees, underperformed the 1-year policy benchmark by 1.9%. Returns for the total fund versus the policy benchmark, composed of market indexes with weightings reflective of KCPSRS' asset allocation targets are displayed on the bar chart.

TOTAL FUND RETURN (NET) VS. BENCHMARK RETURN



	1 Year	3 Year	5 Year
Actual Return (net)	5.5	0.6	5.6
Policy Benchmark	7.6	1.7	6.0

Investment Performance by Asset Class vs. Policy Benchmarks

Investment returns (net of investment fees) for each major asset class in the KCPSRS total fund portfolio are compared to the asset class policy benchmark returns for the 1-, 3-, and 5-year periods ended December 31, 2024. Returns for the major asset classes and the respective benchmark can be found in the table to the right/below/to the left.

ASSET CLASS INVESTMENT PERFORMANCE (NET) vs. POLICY BENCHMARKS
2024

Asset Class	Annualized Returns* (%)		
	1-Year	3-Year	5-Year
Total Fund	**5.5**	**0.6**	**5.6**
Policy Benchmark**	**7.6**	**1.7**	**6.0**
Domestic Equity	17.4	5.7	11.7
Blended Domestic Equity policy***	18.6	5.9	11.7
Intl Developed Equity	1.6	-0.5	5.0
MSCI EAFE (net)	3.8	1.6	4.7
Emerging Market Equity	2.7	-1.0	1.6
MSCI EM (net)	7.5	-1.9	1.7
Fixed Income	0.3	-2.7	-0.3
Blended Fixed Income Policy****	1.0	-2.6	-0.4
Real Estate Composite	-8.9	-9.6	-1.9
NCREIF ODCE Equal Weighted	-1.4	-2.3	3.0
Hedge Fund of Funds	10.7	4.1	6.8
90 Day T-Bill + 5 %	10.5	9.1	7.6
Multi-Asset Class Strategies	8.0	2.6	4.9
60% MSCI World & 40% WGBI	9.9	1.7	5.8
Private Equity	2.2	0.9	15.6
S&P 500	25.0	8.9	14.5
Private Real Estate	-3.5	-4.6	2.4
Blended Real Estate policy*****	-0.3	-1.3	3.1
Private Credit	N/A	N/A	N/A
Morningstar LSTA US Leveraged Loan			

*The total portfolio and asset class returns are time-weighted returns, net of fees.

** The total fund policy benchmark as of December 31, 2024 consisted of 10.5% S&P 500, 6% S&P MidCap 400, 6% Russell 2000, 8.1% MSCI World (net), 12% MSCI EAFE (net), 10% MSCI EM (net), 10% Bloomberg U.S. Aggregate, 10.4% FTSE World Government Bond Index, 2.5% Bloomberg U.S. High Yield-2% Issuer Cap, 5% 90 Day T-Bill + 5%, 7.5% CA US Private Equity Index, 4% NCREIF ODCE Equal Weighted, 8% NCREIF Property Index.

*** As of December 31, 2024, the blended domestic equity policy consisted of 46.66% S&P 500, 26.67% S&P MidCap 400, and 26.67% Russell 2000.

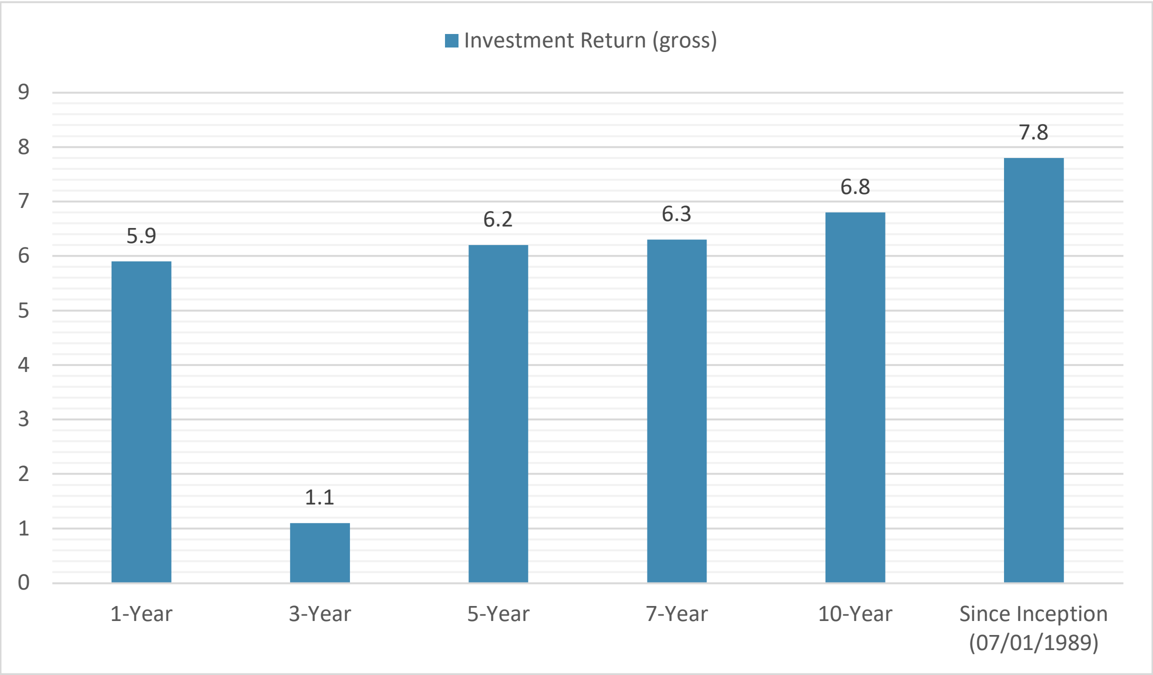
**** As of December 31, 2024, the blended fixed income policy consisted of 57.1% Bloomberg U.S. Aggregate, 28.6% FTSE World Govt. Bond Index, and 14.3% Bloomberg U.S. High Yield-2% Issuer Cap.

***** As of December 31, 2024, the blended private real estate policy consisted of 33% NCREIF ODCE Equal Weighted and 67% NCREIF NPI.

Investment Performance vs. Actuarial Assumed Rate of Return

The long-term objective of the KCPSRS investment program is to exceed the actuarial assumed investment rate of return. Given the randomness of the investment markets, the total portfolio should not be expected to meet the actuarial assumed rate of return every year. A review of the 1-, 3-, 5-, 7-, 10-year and since July 1, 1989 periods is shown below.

TOTAL FUND RETURN (GROSS) RELATIVE TO LONG-TERM ACTUARIAL ASSUMBED RATE OF RETURN OF 7.25%



Largest Assets Held

As of December 31, 2024

Public Equity Portfolio:
Top Ten Holdings

The top ten holdings within the public equity portfolio (domestic and international combined) listed below does not include the fair value of units held in commingled fund investments. A complete listing of the holdings, including commingled fund holdings, is available upon request.

Ten Largest Public Equity Holdings	Fair Value
Taiwan Semiconductor	$11,066,061
Apple Inc	4,815,048
NVIDIA Corporation	4,237,243
Microsoft Corp	3,980,440
Tencent Holdings LTD	3,490,692
Shopify Inc.	2,927,810
Mitsubishi UFJ Financial Corp	2,854,615
Sumitomo Mitsui	2,708,225
Heidelberg Materials AG	2,635,029
Amazon.com Inc	2,632,226

Fixed-Income Portfolio:
Top Ten Holdings

The top ten holdings within the consolidated fixed-income portfolio (core-plus and credit opportunities combined) listed below does not include the fair value of units held in commingled fund investments. A complete listing of the holdings, including commingled fund holdings, is available upon request.

Ten Largest Fixed Income Holdings	Fair Value
U S TREASURY NOTE DUE 08/15/2027	1,233,987.50
U S TREASURY NOTE DUE 10/15/2026	995,999.40
U S TREASURY NOTE DUE 05/15/2027	981,519.50
U S TREASURY BOND DUE 08/15/2043	970,167.30
U S TREASURY BOND DUE 08/15/2053	887,689.25
U S TREASURY BOND DUE 11/15/2053	876,981.90
U S TREASURY NOTE DUE 08/15/2034	855,930.90
U S TREASURY NOTE DUE 05/15/2026	828,086.20
U S TREASURY NOTE DUE 03/15/2027	809,716.50
U S TREASURY NOTE DUE 06/30/2031	804,682.10

Investment Summary

For the year ending December 31, 2024

Investment Manager	Inception Date	Investment Class	Portfolio Fair Value as of 12/31/2024	% of Total
Rhumbline Advisors	March 2008	Large Cap Core Equities	$63,289,266	9.7%
Rhumbline Advisors	July 2003	Mid Cap Core Equities	38,015,648	5.83%
Rhumbline Advisors	August 2029	Small Cap Value Equities	21,183,690	3.25%
Westfield Capital Management	July 2016	Small Cap Growth Equities	19,215,105	2.95%
Fisher Investments	August 2002	International Developed Equites	68,431,852	10.49%
Earnest Partners, LLC	June 2012	International Emerging Market Equities	33,265,096	5.10%
Wells Capital	August 2012	International Emerging Market Equities	28,921,583	4.43%
Pugh Capital Management	February 2014	Core Fixed Income	65,685,503	10.07%
Loomis Sayles	October 2011	High Yield Bonds	16,786,264	2.57%
Brandywine Global	June 2015	International Fixed Income	19,879,859	3.05%
Merganser Capital Management	June 2024	Core Bond Fixed Income	20,789,818	3.19%
Rameriz Asset Management	June 2024	Core Fixed Income	15,651,132	2.40%
BlackRock	January 1994	Core Real Estate	8,102,078	1.24%
JP Morgan Asset Management	February 2007	Real Estate	8,122,242	1.25%
Brookfield Strategic Real Estate Partners	February 2013	Real Estate	2,326,000	0.36%
Brookfield Strategic Real Estate Partners IV	August 2022	Real Estate	3,565,844	0.55%
Mesirow Financial Value Fund II	February 2015	Real Estate	113,912	0.02%
Mesirow Financial Value Fund III	February 2018	Real Estate	9,258,873	1.42%
Westport Capital Partners, LLC	June 2015	Real Estate	550,852	0.08%
Westport Capital Partners, LLC Fund II	May 2018	Real Estate	6,425,154	0.98%
Ares US Real Estate Fund IX	June 2018	Real Estate	2,259,581	0.35%
The Green Cities Companies Fund IV	July 2020	Real Estate	5,989,581	0.92%
Kayne Anderson Fund VI	June 2021	Real Estate	9,876,506	1.51%
PGIM Real Estate U.S. Impact Value Partners, LP	March 2022	Real Estate	4,342,044	0.67%
Corbin Investor Services	December 2011	Hedge Fund of Funds	12,147,407	1.86%
Wellington Management	April 2018	Multi Asset Class Strategy	32,018,121	4.91%
Schroder Investment Management	April 2019	Multi Asset Class Strategy	30,164,093	4.62%
Pantheon Fund VI	July 2004	Private Equity	151,493	0.02%

Pantheon Fund IX	December 2012	Private Equity	5,058,897	0.78%
NB Crossroads Fund XXII	April 2018	Private Equity	32,476,503	4.98%
Landmark Equity Partners Fund XVI	December 2018	Private Equity	17,835,647	2.73%
HarbourVest Partners Fund IX	October 2019	Private Equity	27,553,266	4.22%
Lafayette Square BDC	April 2024	Private Credit	4,040,400	0.62%
Churchill Middle Market Senior Loan Fund V	November 2024	Private Credit	15,000,000	2.30%
Cash			3,827,358	0.59%
		Total	$ 652,320,668	100%

Investment Fees

For the year ending December 31, 2024

Investment Managers	Investment Fee	Performance Fee	Administrative Fee	Total
Rhumbline Advisors	$64,492	$ -	$ -	$64,492
Westfield Capital Management	196,075	-	-	196,075
Fisher Investments	489,230	-	-	489,230
Earnest Partners, LLC	344,005	-	-	344,005
Wells Capital Management	273,930	-	-	273,930
Pugh Capital Management	163,472	-	-	163,472
Merganser Capital	27,010	-	-	27,010
Ramirez Asset Management	23,119	-	-	23,119
Loomis Sayles	74,584	-	-	74,584
Brandywine Global	101,861	-	-	101,861
BlackRock	82,678	-	-	82,678
JP Morgan Asset Management	130,593	-	-	130,593
Brookfield Property Group	138,978	-	-	138,978
Mesirow Financial	107,280	162,716	-	269,996
Westport Capital Partners, LLC	70,580	-	-	70,580
Ares Management, LLC	37,488	-	-	37,488
Green Cities	140,213	-	-	140,213
Kayne Anderson	150,000	-	-	-
PGIM Real Estate	54,692	-	-	54,692
Churchill	50,803	-	-	50,803
Lafayette Square	76	-	-	76
RockCreek	36,049	12,293	-	48,342
Corbin Investor Services	93,733	55,238	-	148,971
Wellington Management	234,384	-	-	234,384
Schroder Investment Management	197,905	-	-	197,905
Pantheon	35,429	-	-	35,429
NB Alternatives Advisors	140,250	-	93,500	233,750
Landmark Partners	275,000	-	-	275,000
HarbourVest Partners, LLC	291,603	-	-	291,603
Total	**$ 4,337,790**	**$ 230,247**	**$ 93,500**	**$ 4,661,537**

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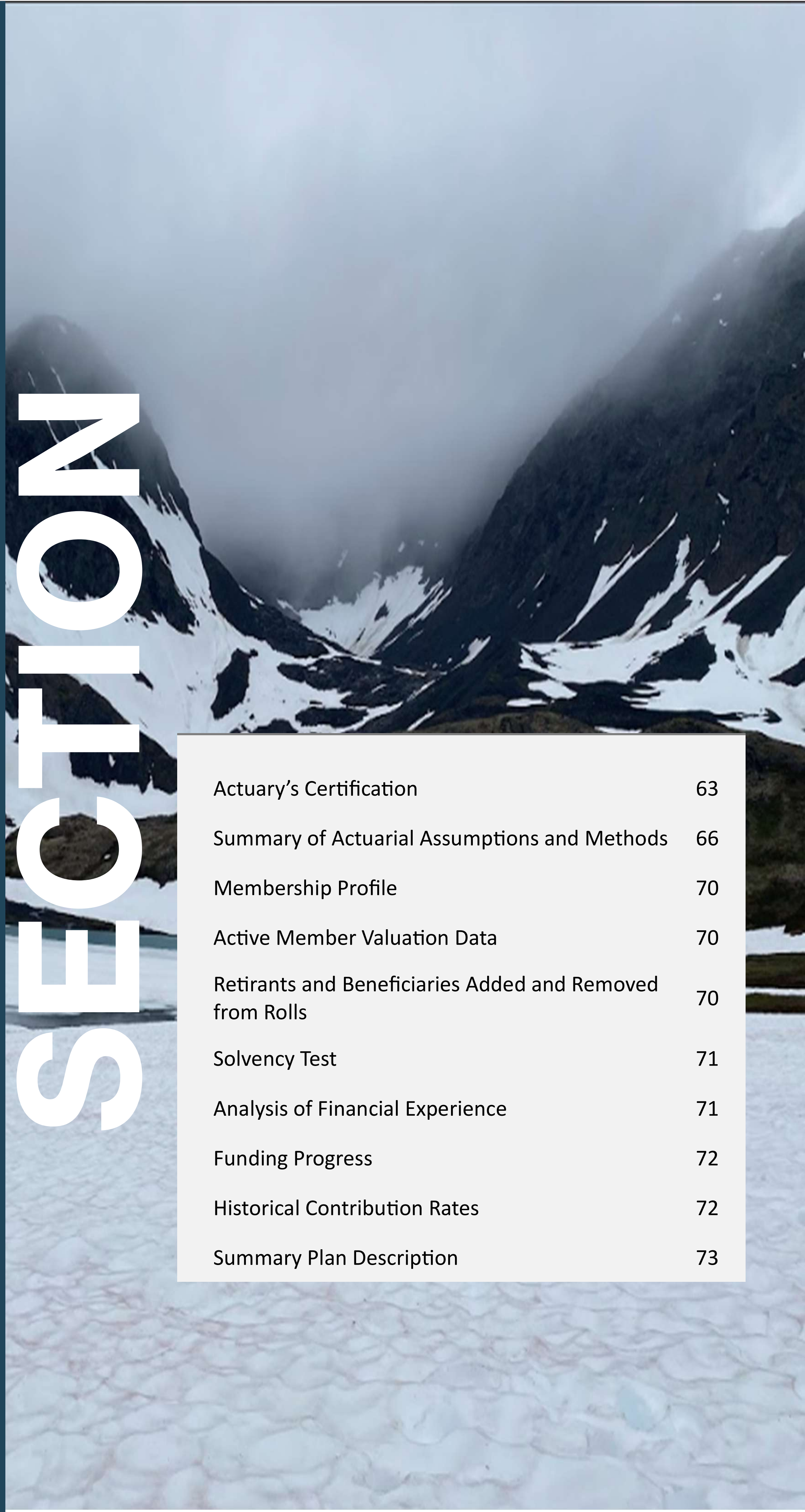
ACTUARIAL SECTION



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CavMac
Actuarial Consulting Services

June 5, 2025

Board of Trustees
Public School Retirement System of the
School District of Kansas City, Missouri
3100 Broadway, Suite 1211
Kansas City, MO 64111

Dear Members of the Board:

The basic financial objective of the Public School Retirement System of the School District of Kansas City, Missouri is to establish and receive contributions which:

- when expressed in terms of percentages of active member payroll will remain approximately level from generation to generation, and

- when combined with present assets and future investment return will be sufficient to meet the financial obligations of the Public School Retirement System of the School District of Kansas City, Missouri to present and future retirees and beneficiaries.

The financial objective is addressed by actuarial funding valuations that are prepared annually as of January 1. The valuation process develops contribution rates that are sufficient to fund the plan's current cost (i.e. the costs assigned by the valuation methodology to the year of service about to be rendered), as well as to fund the unfunded actuarial accrued liability, as a level percent of active member payroll. The unfunded actuarial accrued liability as of January 1, 2017 is amortized over a closed 30-year period and subsequent changes to the UAAL are amortized over closed 20-year periods. The most recent valuation was completed based upon member data, asset data, and plan provisions as of January 1, 2025.

The plan administrative staff provides the actuary with data for the annual actuarial valuation. The actuary relies on the data after reviewing it for reasonableness and year to year consistency. The actuary summarizes and tabulates the member data in order to analyze longer term trends. The plan's external auditor also audits the actuarial membership data annually.

For funding valuation purposes, an asset smoothing method is used to develop the actuarial value of assets. Under the smoothing method, the difference between the actual return on the fair (market) value of assets and the expected return, based on the investment return assumption, is recognized equally over five years.

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Phone: 402-905-4464 | CavMacConsulting.com

Board of Trustees
June 5, 2025
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Actuarial valuations for funding the System are based upon assumptions regarding future activity in specific risk areas including the rates of investment return, individual salary increases and payroll growth, eligibility for the various classes of benefits, and longevity among retired lives. These assumptions are adopted by the Board, after considering the advice of the actuary and other professionals. In our opinion, the assumptions and the methods comply with the requirements of applicable Actuarial Standards of Practice. Each actuarial valuation reflects all prior differences between actual and assumed experience in each risk area and adjusts the actuarial contribution rates as needed. The January 1, 2025 actuarial valuation reflects a set of actuarial assumptions and methods which were based on the findings in the experience study covering the four-year period from January 1, 2016 to December 31, 2019, as adopted by the Board at their February 1, 2021 meeting.

The unfunded actuarial accrued liability (UAAL) increased from the last valuation by $11.0 million. There was an actuarial loss of $14.4 million on assets and an actuarial loss of $0.3 million on liability experience. The largest source of loss on the liability experience was from salary increases that were larger than expected based on the actuarial assumptions.

Legislation passed in 2013 modified the set of plan provisions applicable for members hired after December 31, 2013, referred to as Plan C. The key differences between Plan B and Plan C are a lower benefit multiplier (1.75% instead of 2.00%) and more stringent requirements for unreduced benefits (age 62 or Rule of 80 rather than age 60 or Rule of 75). As of January 1, 2025, there are 3,635 active Plan C members in the System out of a total of 4,512, about 81%.

The System is 69% funded as of January 1, 2025, based on the actuarial value of assets. This held steady from last year's funded ratio of 69%. The new benefit structure's impact on the System's funding will evolve gradually over time as current active members (covered by Plan B) leave covered employment and are replaced with new members who are covered by Plan C.

CavMac also prepared actuarial computations as of December 31, 2024 for purposes of fulfilling financial accounting requirements for the System under Governmental Accounting Standards Board (GASB) Statement No. 67. The results are presented in a separate report dated March 31, 2025. The entry age normal actuarial cost method, which is required to be used under GASB 67, is also used in the funding valuation report. The actuarial assumptions and methods used in both the funding and the GASB 67 valuation meet the parameters set by the applicable Actuarial Standards of Practice (ASOPs), as issued by the Actuarial Standards Board, and generally accepted accounting principles (GAAP) applicable in the United States of America as promulgated by the Governmental Accounting Standards Board.

Board of Trustees
June 5, 2025
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The actuary prepared, or assisted in preparing, the following supporting information for the Comprehensive Annual Financial Report:

Financial Section

- Total Pension Liability
- Net Pension Liability
- Sensitivity Analysis
- Schedule of Changes in the Net Pension Liability
- Schedule of Employer Contributions

Actuarial Section

- Summary of Assumptions and Methods
  - Actuarial Cost Method and Asset Valuation Method
  - Investment Return, Salary Increase, and Payroll Growth
  - Probabilities of Age & Service Retirement
  - Probabilities of Separation from Active Employment Before Age & Service Retirement
  - Probabilities of Death, Before and After Retirement
- Short-Term Solvency Test
- Membership Data
- Analysis of Financial Experience
- Schedule of Funding Progress
- Computed and Actual Employer Contributions

Respectfully submitted,

CAVANAUGH MACDONALD CONSULTING, LLC

Patrice Beckham

Patrice A. Beckham, FSA, FCA, EA, MAAA
Consulting Actuary

Bryan K. Hoge, FSA, FCA, EA, MAAA
Principal and Consulting Actuary

SUMMARY OF ACTUARIAL ASSUMPTIONS AND METHODS

ACTUARIAL COST METHOD

The actuarial cost method is a procedure for allocating the actuarial present value of pension benefits and expenses to time periods. The method used for the valuation is known as the Entry Age Normal actuarial cost method, and have the following characteristics:

(i) The annual normal costs for each individual active member are sufficient to accumulate the value of the member's pension at time of retirement.
(ii) Each annual normal cost is a constant percentage of the member's year-by-year projected covered compensation.

The Entry Age Normal actuarial cost method allocates the actuarial present value of each member's projected benefits on a level basis over the member's assumed pensionable compensation rates between the entry age of the member and the assumed exit ages.

The portion of the actuarial present value allocated to the valuation year is called the normal cost. The portion of the actuarial present value not provided for by the actuarial present value of future normal costs is called actuarial accrued liability. Deducting actuarial assets from the actuarial accrued liability determines the unfunded actuarial accrued liability or (surplus). Effective with the January 1, 2017 valuation, the existing UAAL on that date is amortized over a closed 30-year period and subsequent pieces of UAAL, arising from actuarial gains and losses each year, will be amortized over a closed 20-year period. The amortization payments on each of the UAAL bases will be determined on a level percentage of payroll basis.

For contributions rates beginning July 1, 2021 and later, there is a 18-month lag between the valuation date in which the employer contribution rates are determined and the effective date of those contributions rates. Therefore, the unfunded actuarial accrued liability is projected from the valuation date of July 1 of the year in which the contribution rate will apply based on the scheduled statutory contribution rates and expected payroll in the intervening years to better approximate the UAAL at that point in time.

CALCULATION OF THE ACTUARIAL VALUE OF ASSETS

The actuarial value of assets is based on a five-year smoothing method and is determined by spreading the effect of each year's investment return in excess of or below the expected return. The Market Value of assets on the valuation date is reduced by the sum of the following:

I. 80% of the return to be spread during the first year preceding the valuation date,
II. 60% of the return to be spread during the second year preceding the valuation date,
III. 40% of the return to be spread during the third year preceding the valuation date,
IV. 20% of the return to be spread during the fourth year preceding the valuation date.

ACTUARIAL ASSUMPTIONS

System contribution requirements and actuarial present values are calculated by applying assumptions to the benefit provisions and membership information of the System, using the actuarial cost method.

The principal areas of risk which require assumptions about future activities of the System are:

(i) Long-term rates of investment return to be generated by the assets of the System

(ii) Patterns of salary increases to members

(iii) Rates of mortality among members, retirees and beneficiaries

(iv) Rates of termination of active members

(v) The age patterns of actual retirements

Investment Return Assumption: (net of administrative expenses): 7.25% per year, compounded annually (2.25% long-term price inflation and a 5.00% real rate of return).

Price Inflation: 2.25%

General Wage Growth (Wage Inflation): 2.85%

Payroll Growth Assumption: 2.85% per year

Interest Crediting Rate on Member Accounts: 2.50% per year.

Salary Increase Rates: Rates vary by years of service.

		Rates by Service		
Years	Inflation	Productivity	Merit	Total
<1	2.25%	.60%	6.65%	9.50%
1	2.25	.60	4.65	7.50
2	2.25	.60	3.65	6.50
3	2.25	.60	2.65	5.50
4	2.25	.60	2.40	5.25
5	2.25	.60	2.15	5.00
6	2.25	.60	1.90	4.75
7	2.25	.60	1.80	4.65
8 – 19	2.25	.60	1.65	4.50
20 – 25	2.25	.60	1.15	4.00
26+	2.25	.60	1.00	3.85

Mortality Table: This assumption is used to measure the probabilities of members dying and the probabilities of each pension payment being made after retirement.

Healthy Retirees: Pub-2010 General Members (Below Median) Retiree Mortality Table with a one-year age setback for males and a one-year age set-forward for females, projected 7 years from valuation date using most recent MP-Scale.

Beneficiaries: Pub-2010 General Members (Below Median) Contingent Survivor Mortality Table with a one-year age setback for males and a one-year age set-forward for females, projected 7 years from valuation date using most recent MP-Scale.

Disabled Retirees: Pub-2010 General Members (Below Median) Disabled Retiree Mortality Table with a one-year age setback for males and a one-year age set-forward for females.

Active Members: Pub-2010 General Members (Below Median) Employee Mortality Table with a one-year age setback for males and a one-year age set-forward for females, projected 15 years from valuation date using most recent MP-Scale.

Rates of Retirement: These rates are used to measure the probability of eligible members retiring under the regular retirement provisions. The age-related rates used are shown in the tables below.

The first year of normal retirement eligibility is the earlier of age 60 and 5 years of creditable service or 75 credits for Plan B members, and the earlier of age 62 and 5 years of creditable service or 80 credits for Plan C members.

Retirement Rates When Eligible for Unreduced Benefits		
Age	First Eligible Rate	Ultimate Rate
45 – 52	12%	12%
53 – 54	15	12
55	20	12
56 - 61	15	12
62	15	20
63	30	20
64	20	20
65	20	28
66 - 74	30	28
75	100	100

Retirement Rates When Eligible for Reduced Benefits	
Age	Rate
55 – 59	5%

Terminated vested members are assumed to begin receiving their benefits upon reaching age 60 if they participated in Plan B, and age 62 if they participated in Plan C.

Rates of Separation from Active Membership: This assumption measures the probability of a member terminating employment. The rates do not apply to members who are eligible to retire. Rates vary by service. Sample rates are as follows:

Years	Rate
<1	26.0%
1	25.0
5	14.0
10	8.5
15	4.5
20	2.5
25+	1.0

Forfeiture of Vested Benefits: Members terminating in vested status are given the option of taking a refund of their accumulated member contributions (and thereby forfeiting the employer-provided benefit) or deferring their vested benefit. Active members who terminate in the future with a vested benefit are assumed to take a deferred vested annuity, unless a refund of contributions and interest is greater than the actuarial present value of their vested deferred benefit.

Rates of Disability: None.

Active Member Group Size: Assumed to remain constant.

Future Benefit Increases or Additional Benefits: When funding is adequate, the Board may authorize cost of living adjustments (COLAs), as noted in the summary of plan provisions. In the past, the Board has also sometimes granted an additional monthly payment to retirees (13th check.) This valuation assumes that no future COLAs and no future 13th checks will be awarded.

MISCELLANEOUS AND TECHNICAL ASSUMPTIONS

Marriage Assumption: All members are assumed to be married for purposes of death benefits. In each case, the male was assumed to be 4 years older than the female.

Decrement Timing: Decrements of all types are assumed to occur mid-year.

Administrative Expense: The actuarial contribution rate includes an explicit component for administrative expenses, based on the actual administrative expenses for the prior year.

Missing Gender: Records that are missing a gender are assumed to be female if the record belongs to a member, and male if the record belongs to a beneficiary.

CHANGES FROM THE PRIOR VALUATION

There have been no changes to the System's actuarial methods or assumptions since the prior valuation.

Membership Profile as of January 1	2025	2024	2023	2022	2021	2020	2019	2018	2017
Active Members	4,512	4,407	4,341	4,178	4,108	4,074	3,898	3,760	3,701
Average Age	43.9	43.5	43.1	43.0	42.8	42.7	42.7	42.8	43.5
Average Years of Service	6.9	6.8	6.9	7.2	7.4	7.1	7.2	7.5	8.1
Inactive Vested	827	788	673	568	521	529	531	522	490
Average Age	44.6	44.5	45.1	45.9	47.3	47.8	48.6	49.8	50.5
Average Estimated Monthly Benefit	$699	$684	$680	$651	$640	$650	$647	$678	$689
Retirees, Disabled and Survivors	4,047	4,073	4,086	4,094	4,099	4,145	4,113	4,112	4,032
Average Age	74.6	74.2	73.9	73.5	73.2	72.9	72.5	72.3	72.0
Average Monthly Benefit	$1,664	$1,654	$1,649	$1,641	$1,632	$1,631	$1,625	$1,607	$1,589

Active Member Valuation Data

Valuation January 1	Active Members				Annual Payroll	Annual Average Pay	% Increase in Average Pay
	Charter Schools	School District	Library	Total			
2016	1,336	2,095	143	3,574	179,013,516	50,088	2.41%
2017	1,481	2,076	144	3,701	194,132,739	52,454	4.72%
2018	1,555	2,065	140	3,760	196,277,971	52,202	-0.48%
2019	1,586	2,172	140	3,898	203,310,599	52,158	-0.08%
2020	1,640	2,285	149	4,074	217,255,306	53,327	2.24%
2021	1,650	2,306	152	4,108	228,084,635	55,522	4.12%
2022	1,738	2,281	159	4,178	234,450,261	56,137	1.11%
2023	1,797	2,378	166	4,341	252,084,684	58,071	3.45%
2024	1,967	2,365	179	4,407	265,017,203	60,136	3.56%
2025	1,967	2,361	184	4,512	282,715,300	62,659	4.20%

Retirants and Beneficiaries Added to and Removed from Rolls

	Added to Rolls		Removed from Rolls		Rolls End of Year			
Year Ended December 31	Number	Annual Benefits	Number	Annual Benefits	Number	Annual Benefits	% Increase in Annual Benefits	Average Annual Benefits
2015	159	2,949,800	122	1,900,088	4,049	76,786,235	1.39%	18,964
2016	151	2,791,834	167	2,697,334	4,032	76,880,736	0.12%	19,068
2017	215	4,456,931	135	2,040,515	4,112	79,297,152	3.14%	19,284
2018	153	2,992,593	152	2,161,017	4,113	80,128,728	1.05%	19,482
2019	155	2,832,629	123	1,866,173	4,145	81,095,184	1.21%	19,565
2020	120	2,115,087	166	2,971,863	4,099	80,238,408	-1.06%	19,575
2021	153	2,936,961	158	2,615,829	4,094	80,559,540	0.40%	19,677
2022	131	2,730,477	139	2,490,945	4,086	80,799,072	0.30%	19,775
2023	131	2,663,346	144	2,659,518	4,073	80,802,900	0.00%	19,839
2024	108	2,231,824	134	2,405,488	4,047	80,629,236	-0.21%	19,923

Solvency Test

In a system that has been following the discipline of level percent of payroll financing, the liabilities for active participant accumulated contributions (liability 1) and the liabilities for future benefits to retirees, beneficiaries, and inactive participants (liability 2) will be fully covered by assets if all assumptions are met. In addition, the liabilities for service already rendered by active participants (liability 3) are normally partially covered by the remainder of the present assets. Generally, if the system has been using level percent of payroll financing, the funded portion of liability 3 will increase over time. The schedule below illustrates the history of the liabilities of the system and their funded status.

Valuation January 1	Active Participants' Accumulated Contribution (1)	Retirees, Beneficiaries and Inactive Participants (2)	Active Participants (Employer Financed) (3)	Valuation Assets	Percent Covered By Valuation Assets		
					(1)	(2)	(3)
2016	101,173,695	677,295,366	116,761,234	694,641,248	100%	88%	0%
2017	105,887,868	717,052,296	158,574,663	684,412,437	100%	81%	0%
2018	103,069,314	739,004,732	138,362,580	678,288,805	100%	78%	0%
2019	106,618,062	744,459,772	137,156,929	654,259,324	100%	74%	0%
2020	112,913,289	759,819,775	147,388,749	645,373,172	100%	70%	0%
2021	121,889,145	730,344,984	145,353,276	663,210,594	100%	74%	0%
2022	123,670,335	729,504,462	144,884,158	692,264,054	100%	78%	0%
2023	125,148,669	732,293,898	149,322,045	689,114,479	100%	77%	0%
2024	130,564,354	732,968,099	152,495,502	702,224,863	100%	78%	0%
2025	141,216,332	726,991,474	163,049,579	706,408,237	100%	78%	0%

Analysis of Financial Experience

		(Millions)
Unfunded Actuarial Accrued Liability, January 1, 2024	$	313.8
- Expected increase from amortization method		0.5
- Actual versus actuarial contributions		(7.3)
- Investment experience		14.4
- Liability experience		4.4
- Updated mortality assumption		1.8
- Other experience		(2.8)
Unfunded Actuarial Accrued Liability, January 1, 2025	$	324.8

Funding Progress

Analysis of the dollar amounts of actuarial value of assets, actuarial accrued liability, or unfunded actuarial accrued liability in isolation can be misleading. Expressing the actuarial value of assets as a percentage of the actuarial accrued liability provides one indication of the System's funded status on an on-going concern basis. Analysis of this percentage over time indicates whether the System is becoming financially stronger or weaker. Generally, the greater this percentage, the stronger the System's funding. The unfunded actuarial accrued liability and annual covered payroll are both affected by inflation. Expressing the unfunded actuarial accrued liability as a percentage of covered payroll approximately adjusts for the effects of inflation and aids analysis of the progress being made in accumulating sufficient assets to pay benefits when due. Generally, the smaller this percentage, the stronger the System's funding.

Actuarial Valuation Date	Actuarial Value of Assets (AVA) (a)	Actuarial Accrued Liabilities (AAL) (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as Percent of Covered Payroll [(b-a)/c]
1/1/2016	694,641,248	895,230,295	200,589,047	77.6%	179,013,516	112.1%
1/1/2017	684,412,437	981,514,827	297,102,390	69.7%	194,132,739	153.0%
1/1/2018	678,288,805	980,436,626	302,147,821	69.2%	196,277,971	153.9%
1/1/2019	654,259,324	988,234,763	333,975,439	66.2%	203,310,599	164.3%
1/1/2020	645,373,172	1,020,121,813	374,748,641	63.3%	217,255,306	172.5%
1/1/2021	663,210,594	997,587,405	334,376,811	66.5%	228,084,635	146.6%
1/1/2022	692,264,054	998,058,955	305,794,901	69.4%	234,540,261	130.4%
1/1/2023	689,114,479	1,006,764,612	317,650,133	68.4%	252,084,684	126.0%
1/1/2024	702,224,863	1,016,027,955	313,803,092	69.1%	265,017,203	118.4%
1/1/2025	706,408,237	1,031,257,385	324,849,148	68.5%	282,715,300	114.9%

Historical Contribution Rates

Actuarial Valuation Date	Actuarial Contribution Rate	Actual Contribution Rate	Contribution Shortfall/(Margin)
1/1/2016	20.18%	18.00%	2.18%
1/1/2017	18.61%	18.00%	0.61%
1/1/2018	18.82%	18.00%	0.82%
1/1/2019	19.82%	19.50%	0.32%
1/1/2020	20.80%	21.00%	(0.20%)
1/1/2021	19.49%	21.00%	(1.51%)
1/1/2022	18.40%	21.00%	(2.60%)
1/1/2023	18.25%	21.00%	(2.75%)
1/1/2024	17.85%	21.00%	(3.15%)
1/1/2025	17.74%	21.00%	(3.26%)

Summary Plan Description

Effective Date
January 1, 1944, most recently amended in 2018.

Plan Type
Plan B applies to anyone who retires on or after June 30, 1999 and was hired prior to January 1, 2014. Plan C applies to members hired on or after January 1, 2014. All members with Plan A benefits have terminated or retired.

Eligibility for coverage
All regular, full-time employees of the School District of Kansas City, Missouri, the Kansas City Public Library District, the Retirement System and the Charter Schools located within the boundaries of the Kansas City District become members as a condition of employment. Regular employment means working at least five hours per day, five days per week, nine months per year. Temporary and part-time employees are excluded.

Service
Creditable service is member service, which is service for which required contributions have been made. There is no cap on creditable service. Prior to 1990, creditable service could not exceed 35 years. The Plan B maximum retirement benefit is 60% of Average final compensation, which will be reached upon attainment of 30 years of service. The Plan C maximum retirement benefit is 60% of Average final compensation, which will be reached upon attainment of 34.25 years of service.

Annual compensation
A member's annual compensation level will be the regular compensation shown on the employer's salary and wage schedules, excluding extra pay, overtime pay, or any pay not on the schedule.

Average final compensation
The average final compensation is the highest average annual compensation paid during any four consecutive years of service.

Normal retirement

Eligibility

Plan B: Members may retire after (a) the completion of five years of creditable service and the attainment of age 60, or (b) having a total of at least 75 credits, with each year of creditable service and year of age, both prorated for fractional years, equal to one credit.

Plan C: Members may retire after (a) the completion of five years of creditable service and the attainment of age 62, or (b) having a total of at least 80 credits, with each year of creditable service and year of age, both prorated for fractional years, equal to one credit.

Benefit

Plan B: The normal retirement benefit payable monthly equals one twelfth of 2.00% (1.75% for members who retired prior to June 30, 1999) of the member's average final compensation multiplied by years of creditable service, subject to a maximum of 60% of average final compensation. Any member whose years of creditable service exceed 34.25 years on August 28, 1993 shall have a maximum greater than 60%, which shall be equal to 1.75% times the member's years of creditable service on August 28, 1993.

Plan C: The normal retirement benefit payable monthly equals one twelfth of 1.75% of the member's average final compensation multiplied by years of creditable service, subject to a maximum of 60% of average final compensation.

Minimum benefit

Effective January 1, 1996, any member with at least 10 years of creditable service, but less than 20 years is entitled to a minimum benefit of $150 per month, plus 15 for each year of creditable service in excess of 10 years, or the actuarial equivalent if an option was elected. Any member with at least 20 years of creditable service at retirement is entitled to a minimum benefit of $300 per month, or the actuarial equivalent of $300 if an option was elected. Beneficiaries of deceased members who retired with at least 10 years of creditable service and elected one of the optional plans for payment of benefits may receive the actuarial equivalent of the minimum benefit available for the option chosen.

Early retirement

Eligibility

Members may retire at any time after the completion of five years of creditable service and the attainment of age 55.

Benefit

Plan B: A member eligible for early retirement will receive a reduced benefit, with the reduction based on the number of months preceding eligibility for a normal retirement benefit. The reduction factors are as follows:

Age	Reduction Factor
59	0.91653
58	0.84084
57	0.77211
56	0.70959
55	0.65264

Plan C: A member eligible for early retirement will receive a reduced benefit, with the reduction based on the number of months preceding eligibility for a normal retirement benefit. The reduction factors are as follows:

Age	Reduction Factor
61	0.91450
60	0.83727
59	0.76738
58	0.70402
57	0.64647
56	0.59412
55	0.54644

Disability retirement

Eligibility

A member with at least five years of creditable service who is certified to be totally incapacitated for performance of duty by the Medical Board is eligible for a disability retirement.

Benefit

A disabled vested member will receive a benefit, calculated as for normal retirement, based on creditable service and average final compensation at actual disability retirement date, or the minimum disability benefit whichever is greater. The minimum disability retirement benefit will be the lesser of (a) 25% of the member's average final compensation, or (b) the member's service retirement benefit calculated on the participant's average final compensation and the maximum number of years of creditable service the member would have earned had the member remained an employee until age 60. Disability benefits are payable immediately.

Vested termination benefits

Eligibility

A member who has at least five years of creditable service earns a vested interest in his or her accrued benefit, provided the member leaves his or her contributions in the System.

Benefit

The vested benefit is calculated as a normal retirement benefit based on service and average final compensation at date of termination and is payable at minimum normal retirement date.

Non-vested benefits

Benefit

If the member's termination is for reasons other than death or retirement and if the participant has not met the vesting or retirement requirements, the participant's contributions with interest will be refunded.

Death Benefit

Prior to retirement

For a member who dies before retirement and was either an active employer or any inactive vested member who met the other requirements (age or points) for either normal or early retirement, the member's designated beneficiary is entitled to receive either (a) the member's accumulated contributions and interest, or if the designated beneficiary is the member's spouse, dependent child or dependent parent, (b) a monthly retirement benefit calculated under Option 1 as if the deceased member had at least ten years of creditable service at time of death. If the beneficiary is a child, the optional monthly benefit is payable until the beneficiary reaches age nineteen.

For an inactive vested member who dies before retirement and has not met the other (age or points) requirements for retirement, the member's accumulated contributions and interest will be payable to the member's designated beneficiary.

All members are guaranteed to have their designated beneficiaries receive at least their accumulated contributions and interest, upon the member's death.

Postretirement

The benefit payment selected by the retiree will determine what, if any, benefits are payable upon death after retirement.

Normal form of benefit payments

The normal form of benefit payment is the normal retirement benefit amount paid monthly for the life of the member. If the member should die before receiving payments totaling the amount of their contributions to the plan, the designated beneficiary shall receive a lump sum payment of the remaining amount.

Optional forms of benefit payments

Members may elect from the following optional forms of benefit payment:

Option 1

Option 1 provides a reduced retirement benefit that will continue on to a designated survivor. Upon a retiree's death, the retiree's designated survivor will receive for life, the same level of monthly retirement benefit. In the event the retiree's designated survivor predeceases the retiree, the retiree's monthly retirement benefit will be adjusted to the amount that would have been paid in the normal form of payment.

Option 2

Option 2 provides a reduced retirement benefit that will continue on to a designated survivor. Upon a retiree's death, the retiree's designated survivor will receive for life, a monthly benefit equal to one-half of the retiree's monthly retirement benefit. In the event the retiree's designated survivor predeceases the retiree, the retiree's monthly retirement benefit will be adjusted to the amount that would have been paid in the normal form of payment.

Option 3

Option 3 provides that upon a retiree's death, no benefits are payable to the retiree's estate or any beneficiary. Retirement benefits payable under this option will be actuarially increased from the normal form.

Each of the above options produces benefits which are actuarially equivalent to the normal form of benefit which is a monthly annuity payable for the lifetime of the retiree.

Cost-of-living allowances

The Board of Trustees shall determine annually whether or not the system can provide an increase in benefits for those retirees who, as of the January 1 preceding the date of such increase, have been retired at least one year. Any such increase also applies to optional retirement allowances paid to a retiree's survivor. The Board makes its determination as follows:

1. The actuary recommends to the Board what portion of the investment return is available for increases and the amount available to be paid on the first day of the 14th month following the end of the valuation year. The actuary's recommendation is subject to the following safeguards:
    a. The System's funded ratio as of the January 1st of the preceding year of the proposed increase must be at least 100% after adjusting for the effect of proposed increase. The funded ratio is the ratio of assets to the pension benefit obligation.
    b. The actuarially required contribution rate, after adjusting for the effect of the proposed increase, may not exceed the statutory contribution rate.
    c. The actuary must certify that the proposed increase will not impair the actuarial soundness of the System.

2. The Board reviews the actuary's recommendation and shall, in their discretion, determine if an increase may be granted. In accordance with Board policy, if an increase is permissible, the amount of the increase will be equal to the lesser of 3% or the percentage increase in the CPI for the preceding year, subject to a cumulative increase of 100% subsequent to December 31, 2000.

3. This provision does not guarantee an annual increase to any retired member.

Administration of the retirement system

The Board of Trustees is responsible for the general administration and proper operation of the retirement system. The Board consists of 12 members – four members appointed by the Board of Education, one member appointed by the Board of Trustees of the library district, four members elected by and from the actives and terminated vested members of the retirement system, two members elected by and from the retirees of the retirement system, and the Superintendent of Schools of the School District of Kansas City, Missouri. Administrative expenses are paid out of the general reserve fund.

Employee contributions

Contributions for Employees are as follows:

- Effective July 1, 2021, if the System is at least 100% funded, the members contribute the lesser of (a) 9.00% or (b) one-half of the actuarial required contribution rate. If the System is less than 100% funded, the members contribute 9.00%
- Effective January 1, 2016, members contribute 9.00%
- Effective January 1, 2015, members contributed 8.50%
- Effective January 1, 2014, members contributed 8.00%
- Effective January 1, 1999, members contributed 7.50%
- Prior to January 1, 1999, members contributed 5.90%
- Prior to 1990, members contributed 5.00% of earnable annual compensation plus 2.00% of earnable compensation in excess of $6,500, the contribution earning base.

Employer contributions

Effective July 1, 2021, and for each subsequent twelve-month period beginning July 1 of each year, the employer contribution rate shall be the greater of (1) the actuarial required contribution rate, as determined in the valuation prepared for the prior calendar year, less the member contribution rate, or (2) 12.00 % of pay, until the system is fully funded. Once the System Is fully funded, the employer contribution rate may increase or decrease in subsequent years, depending on the actuarial contribution rate developed in the annual actuarial valuation and the applicable employee contribution rate. Effective July 1, 2021, the employer contribution rate shall not increase by more than 1.00% or decrease by more than 0.50% from the corresponding rate in effect immediately before such increase or decrease. An exception to the limitation on the magnitude of employer rate increases and decreases exists only when the system is fully funded and the total actuarial required contribution rate for employer and employee rate falls below 18%.

Prior to July 1, 2021, the employers of members contribute at the fixed rate of covered compensation as follows;

- Effective January 1, 2020, 12.00%
- Effective January 1, 2019, 10.50%
- Effective January 1, 2016, 9.00%
- Effective January 1, 2015, 8.50%
- Effective January 1, 2014, 8.00%
- Effective January 1, 1999, 7.50%

- Effective July 1, 1996, 5.99%
- Effective July 1, 1995, 3.99%
- Effective July 1, 1993, 1.99%
- Prior to July 1, 1993, employer contributions were actuarially determined.

Changes from the Prior Valuation

None.

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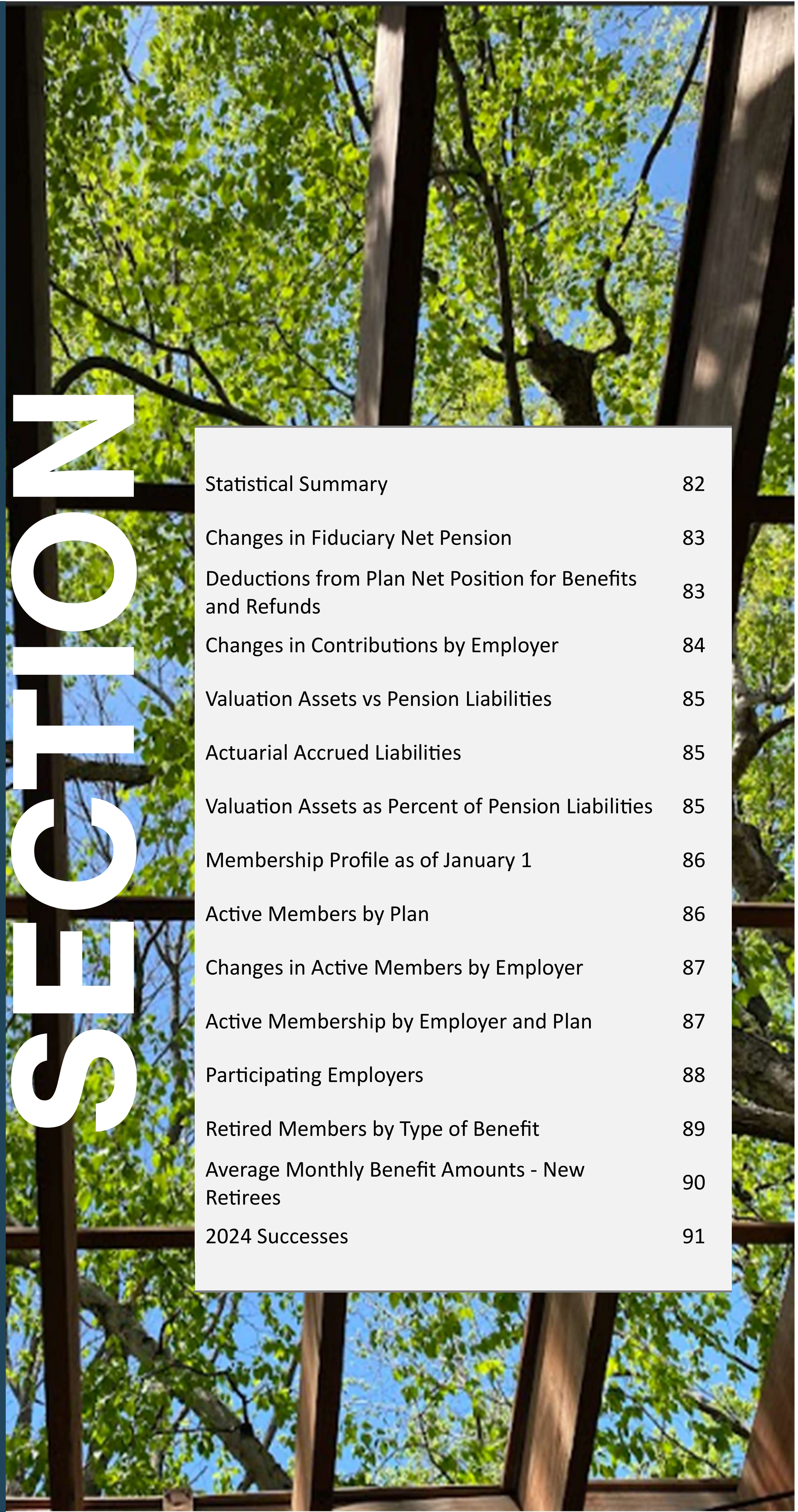
STATISTICAL SECTION



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Statistical Summary

Objectives

The objective of the Statistical section is to provide the detail and historical context needed for a thorough assessment and understanding of KCPSRS' financial condition. Data in this section are presented in multiple-year format to show previous and emerging trends.

Contents

The schedules on pages 81-82 show financial trend information that assists users in understanding and assessing how KCPSRS financial position has changed over time. The financial trend schedules presented are:

- Changes in Fiduciary Net Position
- Deductions from Fiduciary Net Position for Benefits and Refunds
- Changes in Contributions by Employers

Demographic and operating information begins on pages 83-89. This information is intended to assist users in understanding the environment in which KCPSRS operates and to provide information that facilitates comparisons of financial statement information over time. The demographic and operating information presented are:

- Valuation Assets vs Pension Liabilities
- Actuarial Accrued Liabilities
- Valuation Assets as percent of Pension Liabilities
- Membership Profile in the Retirement Plan
- Active Members by and Plan
- Changes in Active Members by Employer
- Active Membership by Employer and Plan
- Participating Employers
- Retired Members by Type of Benefit
- Average Monthly Benefits Amounts by Service Years (New Retirees)
- 2024 Successes

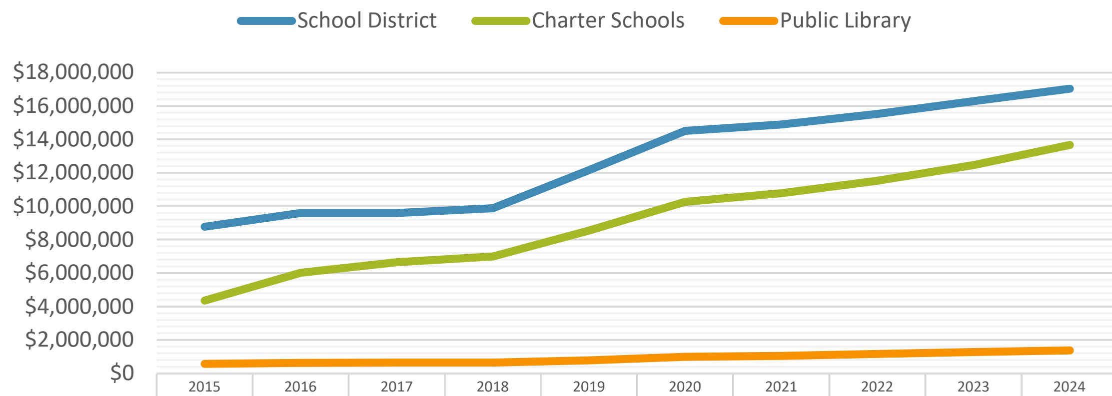
Changes in Fiduciary Net Position – Last 10 Years

Fiscal Year	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Additions										
Member Contributions	$ 14,645,901	$ 16,280,327	$ 16,964,351	$ 17,619,145	18,524,657	19,531,341	20,141,089	21,204,065	22,636,197	24,165,781
Employer Contributions	14,499,260	16,528,188	16,926,562	17,527,854	21,488,838	25,771,854	26,717,48	28,210,227	30,018,726	32,100,787
Net Investment Income	(10,025,518)	44,331,774	103,767,714	(33,250,914)	106,033,718	73,263,968	99,639,237	(82,676,608)	62,395,550	33,815,986
Total Additions to Plan Net Positions	19,119,643	77,146,289	137,658,627	1,896,085	146,047,213	118,567,163	146,497,815	(33,262,316)	115,050,473	90,082,554
Deductions										
Benefits	76,235,124	76,898,255	78,181,575	79,333,689	80,228,574	80,473,732	80,337,163	80,409,066	80,411,325	80,044,931
Refunds	3,399,065	3,270,723	3,581,147	4,084,837	4,937,877	4,316,797	5,250,026	6,008,392	5,143,598	5,676,826
Depreciation Expense	250,979	92,179	15,855	17,150	11,020	9,830	5,562	9,097	0	0
Administrative	1,648,449	1,552,025	1,520,665	1,499,928	1,546,381	1,614,905	1,645,412	1,717,384	1,691,393	1,721,572
Total Deductions from Plan Net Position	81,533,617	81,813,182	83,299,242	84,935,604	86,723,852	86,416,263	87,238,163	88,143,939	87,246,316	87,443,329
Change in Net Position	$ (62,413,974)	$ (4,666,893)	$ 54,359,385	$ (83,039,520)	$ 59,323,361	$ 32,151,9000	$ 59,259,652	$ (121,406,255)	$ 27,804,157	$ 2,639,225

Deductions from Plan Net Position for Benefits and Refunds

Fiscal Year	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Total Benefits	$ 76,235,124	$ 76,898,255	$ 78,181,575	$ 79,333,689	$ 80,228,574	80,473,732	80,337,163	$ 80,409,066	80,411,325	80,044,931
Total Refunds	$ 3,399,065	$ 3,270,723	$ 3,581,147	$4,084,837	$ 4,937,877	$ 4,316,797	$ 5,250,026	$ 6,008,392	$ 5,143,598	$ 5,676,826

Changes in Contributions by Employers for last 10 years

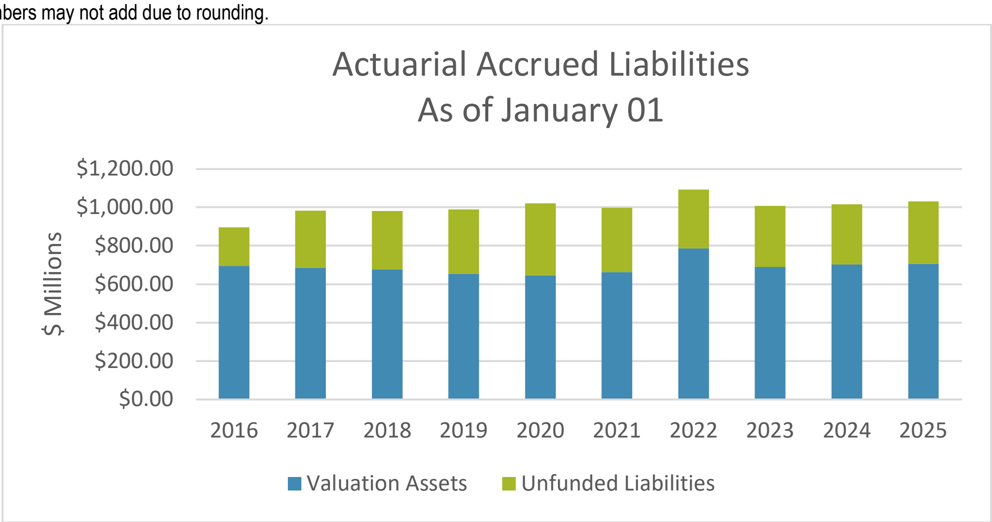


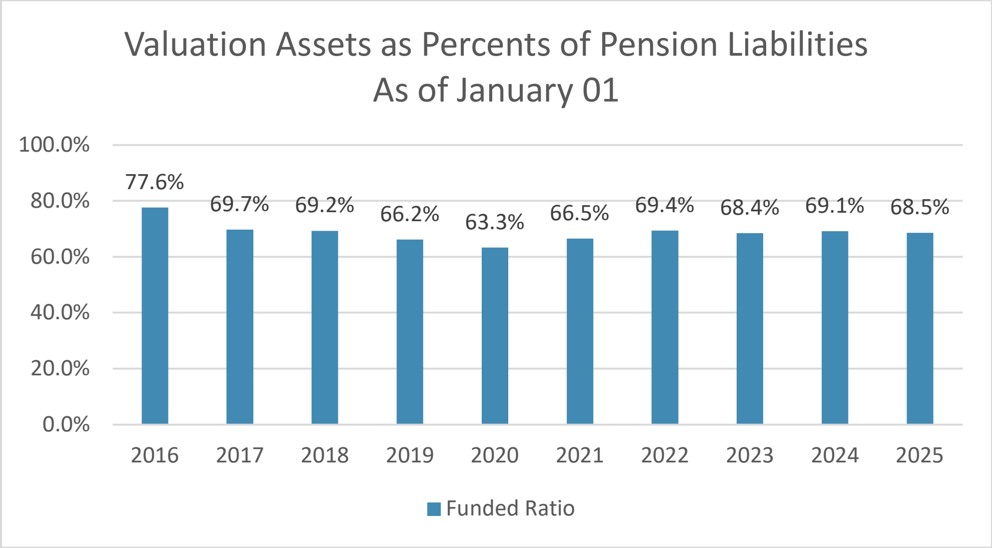
	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
School District	$8,786,297	$9,586,293	$9,587,553	$9,878,602	$12,161,075	$14,503,808	$14,882,151	$15,523,906	$16,285,612	$17,031,547
Charter Schools	$4,375,968	$6,012,583	$6,659,635	$6,995,232	$8,543,030	$10,268,702	$10,784,019	$11,525,665	$12,460,697	$13,674,876
Public Library	$587,212	$636,430	$641,867	$647,906	$784,734	$999,344	$1,051,319	$1,160,659	$1,272,417	$1,394,364

Valuation Assets vs. Pension Liabilities

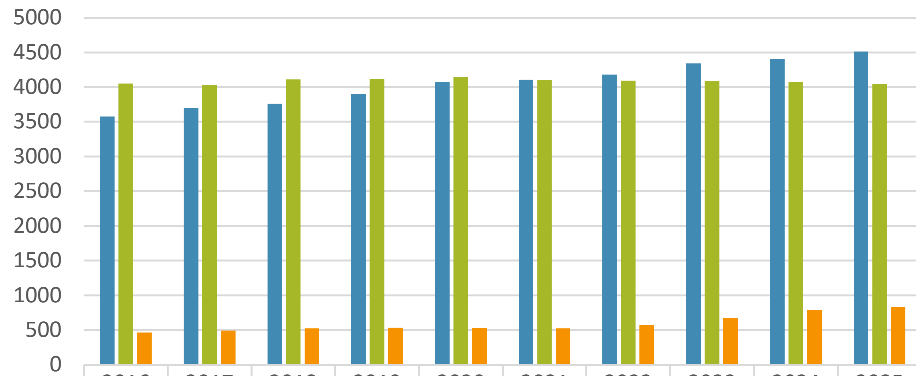
Valuation	Dollars in Millions			
January 1	Valuation Assets	Unfunded Liabilities	Accrued Liabilities	Funded Ratios
2016	694.64	200.59	895.23	77.6%
2017	684.41	297.10	981.51	69.7%
2018	678.29	302.15	980.44	69.2%
2019	654.26	333.98	988.23	66.2%
2020	645.37	374.75	1,020.12	63.3%
2021	663.21	334.38	997.59	66.5%
2022	786.30	305.79	998.06	69.4%
2023	689.11	317.65	1,006.8	68.4%
2024	702.22	313.80	1,016.0	69.1%
2025	706.41	324.85	1,031.0	68.5%

Note: Numbers may not add due to rounding.





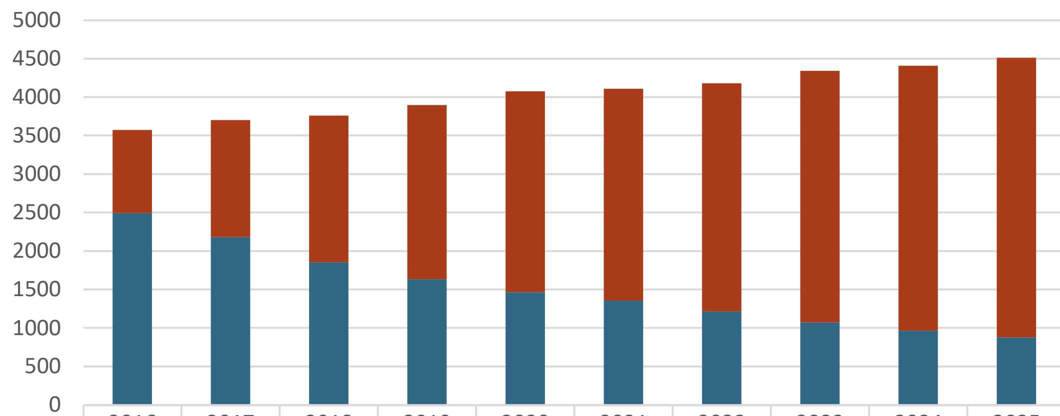
Membership Profile as of January 01



	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Active	3574	3701	3760	3898	4074	4108	4178	4341	4407	4512
Retired/Beneficiaries	4049	4032	4112	4113	4145	4099	4094	4086	4073	4047
Terminated Vested	461	490	522	531	529	521	568	673	788	827

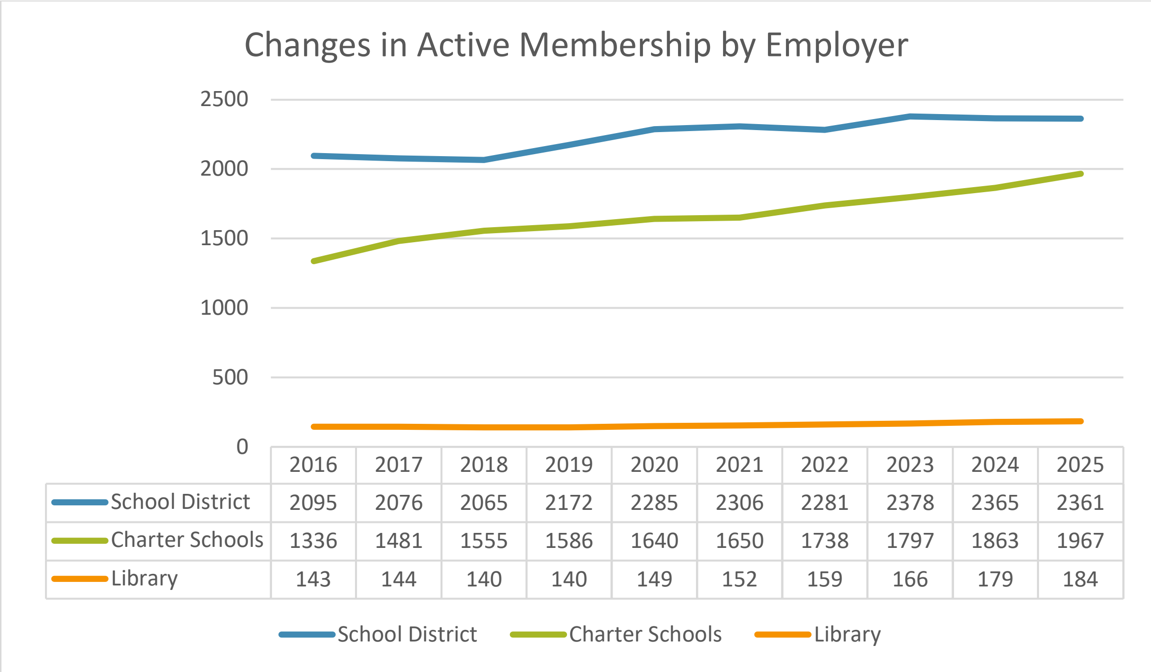
Active Retired/Beneficiaries Terminated Vested

Active Membership by Plan

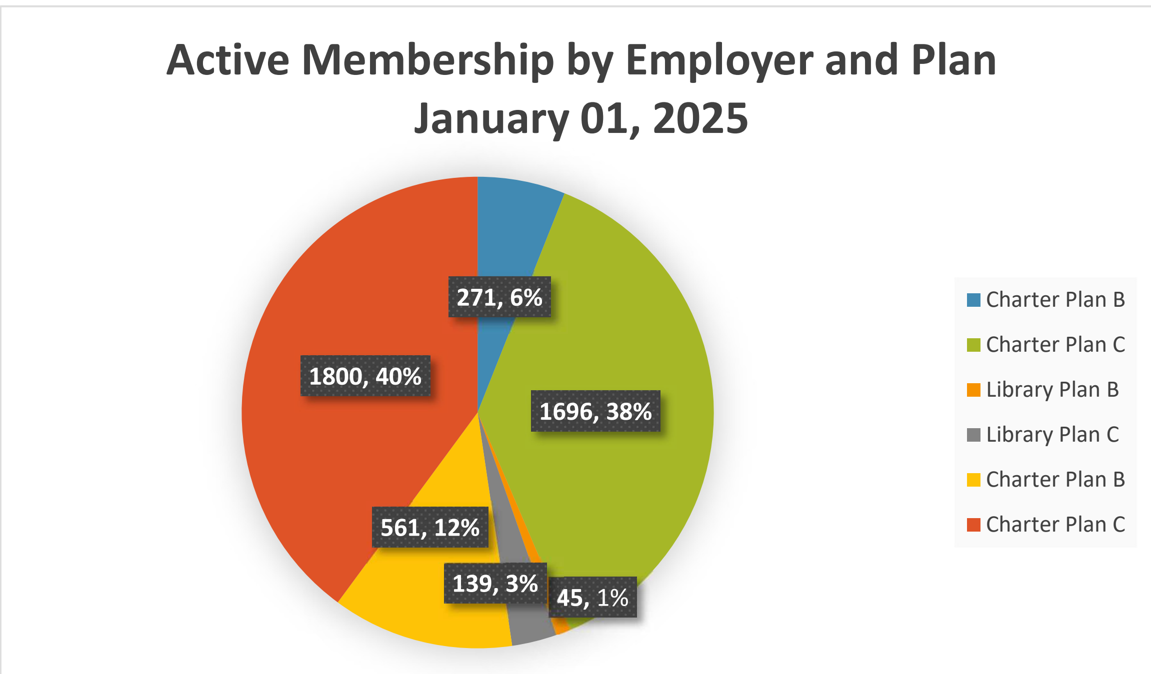


	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Plan C	1080	1518	1908	2264	2613	2752	2966	3269	3443	3635
Plan B	2494	2183	1852	1634	1461	1356	1212	1072	964	877

Plan B Plan C



	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
School District	2095	2076	2065	2172	2285	2306	2281	2378	2365	2361
Charter Schools	1336	1481	1555	1586	1640	1650	1738	1797	1863	1967
Library	143	144	140	140	149	152	159	166	179	184



Participating Employers

2024 Employer Contribution Total

		Total Contribution	% of Total
Kansas City Public Schools	$	17,031,547	53.1%
Kansas City Public Library		1,394,364	4.3%
Charter Schools			
Frontier Schools		1,878,397	5.9%
Guadalupe Centers Schools		1,616,983	5.0%
Ewing Marion Kauffman School		1,075,055	3.3%
Crossroads Charter Schools		1,021,274	3.2%
Academie Lafayette		1,011,303	3.2%
University Academy		968,044	3.0%
Brookside Charter School		941,481	2.9%
Kansas City International Academy		884,162	2.8%
KIPP Endeavor Academy		839,829	2.6%
Hogan Preparatory Academy		729,549	2.3%
Allen Village Charter		353,864	1.1%
Scuola Vita Nuova		342,602	1.1%
Lee A. Tolbert Community Academy		341,675	1.1%
Citizens of the World Kansas City		322,788	1.0%
Kansas City Girl's Preparatory Academy		307,192	1.0%
Academy for Integrated Arts		295,805	0.9%
DeLaSalle Charter School		232,095	0.7%
Genesis Schools, Inc.		213,581	0.7%
Gordon Parks Elementary		184,918	0.6%
Hope Leadership Academy		114,281	0.4%
Total Charter Schools	**$**	**13,674,878**	**41.6%**
Total Contributions	**$**	**32,100,789**	**100.0%**

Retired Members by Type of Benefit

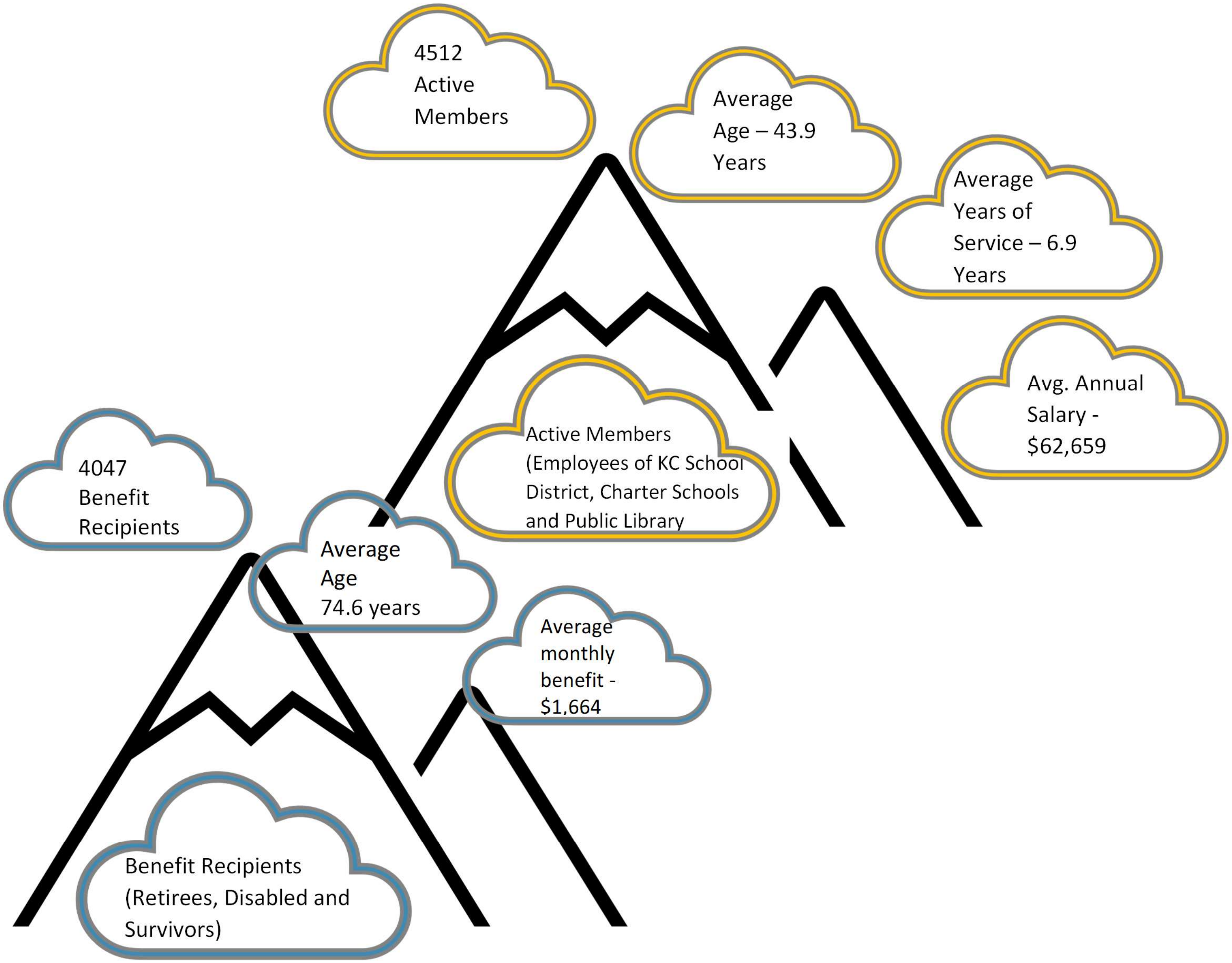
Amount of Monthly Benefits	Total Monthly Benefits	Total Number of Recipients	Type of Benefit: Retired	Surviving Spouses	Surviving Children	Disability
$1 to 500	$ 192,931	565	501	54	1	9
501 to 1,000	613,414	828	738	64	3	23
1,001 to 1,500	787,559	636	551	62	4	19
1,501 to 2,000	946,582	541	497	36	2	6
2,001 to 2,500	1,256,092	559	536	18	1	4
2,501 to 3,000	1,208,062	444	434	10	-	-
3,001 to 3,500	807,880	250	249	1	-	-
3,501 to 4,000	466,722	125	123	2	-	-
4,001 to 4,500	281,394	67	66	1	-	-
4,501 to 5,000	102,704	22	22	-	-	-
Over 5,000	55,763	10	10	-	-	-

Average Monthly Benefit Amounts (New Retirees)

	Years of Credited Service							All
Members Retiring During	**<5**	**5-10**	**10-15**	**15-20**	**20-25**	**25-30**	**30+**	**Members**
Fiscal Year Ending 01/01/2017								
Average monthly benefit	$478	$493	$1,019	$1,415	$2,036	$2,568	$2,740	$1,570
Number of retirees	4	26	24	17	22	24	12	129
Fiscal Year Ending 01/01/2018								
Average monthly benefit	$549	$611	$935	$1,490	$2,435	$2,786	$3,087	$1,792
Number of retirees	11	32	31	30	33	35	24	196
Fiscal Year Ending 01/01/2019								
Average monthly benefit	$730	$701	$961	$1,818	$2,245	$2,643	$2,928	$1,684
Number of retirees	2	35	22	27	16	18	18	138
Fiscal Year Ending 1/01/2020								
Average monthly benefit	$465	$680	$928	$1,640	$2,253	$3,469	$2,787	$1,569
Number of retirees	6	38	24	22	15	18	8	131
Fiscal Year Ending 1/01/2021								
Average monthly benefit	$396	$515	$1,082	$1,466	$1,742	$2,944	$2,939	$1,508
Number of retirees	1	19	20	30	17	8	10	105
Fiscal Year Ending 1/01/2022								
Average monthly benefit	$495	$676	$1,124	$1,628	$2,055	$2,794	$3,326	$1,649
Number of retirees	8	37	17	29	13	14	20	138
Fiscal Year Ending 1/01/2023								
Average monthly benefit	$394	$696	$1,130	$1,688	$2,548	$3,227	$3,525	$1,868
Number of retirees	4	26	21	18	14	14	16	113
Fiscal Year Ending 1/01/2024								
Average monthly benefit	$395	$705	$1,062	$1,955	$1,998	$2,730	$3,805	$1,739
Number of retirees	5	30	18	16	18	13	14	114
Fiscal Year Ending 1/01/2025								
Average monthly benefit	$495 $445	$705	$1,167	$2,171	$2,354	$2,844	$3,363	$1,772
Number of retirees	5	23	17	17	13	6	13	94

While 2024 was an eventful year worldwide, it was successful for KCPSRS in many ways:

- Active membership grew 2.4%, increasing membership by 105 members.
- Paying $80.0 million in retirement benefits to our retirees
- Contributions received from employers and employees totaling $56.3 million



The staff at KCPSRS understands the role it plays in your life and is grateful for the opportunity to serve you each day.