

MINUTES
KANSAS PUBLIC EMPLOYEES RETIREMENT SYSTEM
BOARD OF TRUSTEES

July 25, 2025

The meeting of the Board of Trustees was called to order by Chairperson James Zakoura, at 9:46 a.m. on July 25, 2025, in the Retirement System Board Room, Topeka, Kansas.

Board members present:	James Zakoura, Chairperson Emily Hill (via Zoom) Chris Huntsman Steven Johnson Rich Proehl Brad Stratton (Chairperson Elect) Ryan Trader Sam Williams Jo Yun (via Zoom)
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Board member absent:	None
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Oath of Office

Chairperson Zakoura recognized Laurie McKinnon, General Counsel. Ms. McKinnon administered the Oath of Office to the new Board members, including Trustee Chris Huntsman, elected KPERS School member; Trustee Ryan Trader, re-elected KPERS Non-school member; and Trustee Sam Williams, reappointed by Senate President Ty Masterson.

Chairperson Zakoura recognized Trustee Chris Huntsman. Trustee Huntsman welcomed her guests, Ruth Goff, KPERS retiree, Lily Kober, Shelley Dunham, Robin Bonsall, and Robin's son Caius.

Organization of the Board

Chairperson Zakoura asked for nominations for the Chairperson of the Board of Trustees.

Trustee Sam Williams nominated Trustee Brad Stratton as Chairperson of the Board. There were no other nominations.

Chairperson Zakoura recognized Trustee Huntsman. Trustee Huntsman thanked Chairperson Zakoura for being so welcoming to her, as she was in the audience observing the last several Board meetings.

Trustee Steven Johnson moved that nominations cease, and the Board cast a unanimous ballot for Trustee Brad Stratton as Chairperson of the KPERS Board of Trustees for FY 2026. Trustee Chris Huntsman seconded the motion. The motion carried.

Trustee Brad Stratton was elected as Chairperson and proceeded as Chairperson for the remainder of the Board Meeting.

Chairperson Stratton welcomed Representative Nick Hoheisel, Steven Wu and Mike Ditch, Kansas Legislative Research Department, David Wiese and Eileen Ma, Revisor of Statutes Office, Jeff Arpin, Budget Division (via Zoom). Chairperson Stratton also welcomed Jason Alatidd, *Topeka-Capital Journal* Statehouse Reporter, and all other participants.

Chairperson Stratton recognized Trustee Zakoura. Trustee Zakoura thanked the Trustees for their friendship and their hard work, consciences and various viewpoints. Trustee Zakoura also noted the KPERS Board is a great group of people that have one focus, and that is to do their very best for the KPERS members.

Trustee Zakoura expressed his gratitude to the Kansas Legislature for their support to KPERS during his tenure as Chairperson of the KPERS Board of Trustees.

Trustee Zakoura also wanted to express his heartfelt thanks and admiration to the KPERS staff, stating that the KPERS staff is professional in every way. From their relationships with the public, to how they complete their everyday jobs. It's an example of the excellence of what can be accomplished in state government.

Trustee Zakoura stated the dedication of the Board and staff is admirable, as they have worked through black outs, COVID, winter storm Jerry, through a car crash in the front of the building followed by a gunfight--staff is always on the job. KPERS is a shining star throughout the state and nation, and it's all due to those that do their jobs every day in such a wonderful way.

Chairperson Stratton thanked Trustee Zakoura for his leadership over the past several years and thanked him for his dedicated service.

Chairperson Stratton announced his appointment of Trustee Emily Hill as Vice-Chairperson.

Chairperson Stratton stated the FY 2026 Committee Assignments, including Committee Chairpersons and Vice-Chairpersons would be decided after the July Board meeting.

Chairperson Stratton discussed the approval of the meeting schedule for Fiscal Year 2026.

Trustee Johnson moved that the Board of Trustees approve the Fiscal Year 2026 Board and Committee meeting schedule as presented by staff. Trustee Trader seconded the motion. The motion carried.

Chairperson Stratton recognized Alan Conroy, Executive Director. Mr. Conroy stated the Board members were given a copy of the Certification of Investment Holdings at their desk to review. The signing of the Certification of Investment Holding is a statutory requirement for the organization of the Board, and asked that Trustees sign, date, and return to Mr. Conroy before the end of the Board Meeting.

Public Comments

There were no public comments.

Outstanding Service Award

Chairperson Stratton recognized Alan Conroy, Executive Director. Mr. Conroy stated the Outstanding Service Award will celebrate two recipients during the period of August 2025 through November 2025.

Mr. Conroy first congratulated Melissa Findlay, Senior Employer Reporting Analyst, because she consistently demonstrates KPERS' Core Values of service, her dedication, knowledge, and people-first mindset makes her an asset to KPERS. Melissa's work directly enhances the experience of those we serve.

Mr. Conroy then congratulated Amy Fishback Administrative Specialist, because she consistently demonstrates KPERS' Core Values of service, respect and teamwork. Her positive demeanor and willingness to help to create a supportive environment for both members and co-workers.

Alan Conroy, Executive Director, and Chairperson Brad Stratton awarded Melissa Findlay and Amy Fishback with Appreciation Certificates, congratulating them on their accomplishments and great service to KPERS.

Consent Agenda

The consent agenda included approval of the Board meeting minutes for May 16, 2025.

Trustee Williams moved that the Board of Trustees adopt the consent agenda. Trustee Proehl seconded the motion. The motion carried.

Reflections on the National Council on Teachers Retirement 25th Annual Trustee Workshop – July 2025

Chairperson Stratton recognized Trustee Williams. Trustee Williams expressed appreciation to the organization for allowing the Trustees to attend the National Council on Teacher Retirement (NCTR) Trustee Workshop. He stated it was an excellent experience as he networked with other trustees from across the country. He stated that he learned that many are facing the same types of issues of uncertainty, but there was a great positivity and optimism from those in attendance, many of those from the teaching profession. The experience gave him an appreciation for his position as a KPERS Board trustee.

Chairperson Stratton recognized Trustee Proehl. Trustee Proehl also expressed his appreciation to the organization for allowing him to attend the NCTR Trustee Workshop. Trustee Proehl stated the classes he attended, offered very interesting and often complex subjects to consider and study. It was a great experience to network with so many people from different backgrounds. Trustee Proehl strongly recommended Trustees to attend the NCTR Trustee Workshop next year, as it was a great experience.

Chairperson Stratton also gave an overview of the NCTR Trustee Workshop. Trustee Stratton stated that he has attended several times and continues to be impressed with the first-class presentations for the NCTR Trustee Workshop. As an investment professional, Chairperson Stratton stated the presentations from the Portfolio Manager from T. Rowe Price and the CEO managers from Ariel Investments, were exceptional and very impressive presentations. The experience of networking with many other trustees from across the

country is invaluable. Chairperson Stratton stated he enjoyed communicating with those from other states and learning about how their Boards operate and how they navigate the Board roles and challenges.

Chairperson Stratton, Trustee Williams and Trustee Proehl responded to questions.

Executive Director's Report

Chairperson Stratton recognized Alan Conroy, Executive Director. Mr. Conroy reported on some of the recent key activities at KPERS and responded to questions. Highlights of some of the activities included:

Benefits and Member Services' staff successfully processed 1,457 retirement applications bringing the total number of retirees to 118,773. Staff enrolled 2,263 members in either KPERS, KP&F or the Judges plan. The team also processed 673 inactive members who returned work, and 733 transfers from one participating employer to another. The InfoLine staff responded to 18,668 incoming calls from members, employers and other interested parties.

The Education and Training team participated in the Judicial Branch's regional workshops in Hays, Iola, Manhattan and Dodge City. Staff presented information tailored to both mid-career and new hire employees. In addition, staff met individually with members to address their questions and provide guidance as needed.

The Fiscal Services Employer Auditing Unit completed 13 employer audits since the May Board meeting. This brings the total to 90 for the 2025 Fiscal Year.

The Fiscal Services Employer Reporting Unit handled over 4,800 calls and emails from employers. In addition, staff distributed over 3,000 letters to employers on various topics.

Investment staff conducted private equity due diligence meetings and have been working with Mercer to prepare a recommendation for the July Investment Committee meeting.

Staff members also conducted real estate and real assets due diligence meetings. The team has been working with The Townsend Group to prepare two recommendations for the July Investment Committee meeting.

The Information Technology Division focused on regular, day-to-day issues while preparing for and executing the KITS platform framework upgrade. In June, the team completed the final steps of the .ORG to .GOV conversion, with no significant issues.

As part of the KAPS Project, the IT staff is working with vendors to support data cleansing and image migration efforts. The team provided cleansed data for testing and other efforts. Staff is also working with Genus Technology to configure the Total Agility environment, which will replace KOFAX in KAPS.

KPERS' subject matter experts worked with Tegrity to begin designing the Member Enrollment and Employments sections, as well as setting up new employers, and maintaining contacts and records for all participating employers.

Planning and Research staff have been working on the actuarial valuation report (as of December 31, 2024), responding to follow-up questions about the 2024 data file and reviewing the valuation results.

The KPERS 457 team added four local government plans, which included the Kansas Guardianship Program, the Flint Hills Extension District, and the Saline County/City Building Authority. The KPERS 401(a) plan also added one new employer – the Flint Hills Extension District 401(a). This brings the total number of joinders added to 18 for CY 2025. Empower will work with new plan employers to enroll participants and post their deferrals.

In June, staff received the trademark certificate for KPERS 457 from the United States Patent and Trademark Office. Staff anticipates receiving a trademark certificate for the KPERS 401(a) Plan later this year.

The Communications team is supporting the Knowledge Management Group with content edits, templates and modifications to a new SharePoint site for KAPS training. Finally, staff continues efforts to revise all forms and letters for upcoming KAPS-related iterations.

The reconstruction work continues the various improvements to the KPERS Building, now that Kansas Housing Resources Corporation has vacated the third-floor suite.

The Investment Division and the Fiscal Services Division have both relocated to the third floor. Next will be improvements to the second floor, followed by work on the first floor.

Investment Operations Report

Chairperson Stratton recognized Bruce Fink, Chief Investment Officer. Mr. Fink reviewed the May 31, 2025, investment performance report. Mr. Fink reported that the Retirement System's investment portfolio produced a total return of 7.8% for the fiscal year to date time period (not annualized). He reported that for the one year ending May 31, 2025, the System's investment portfolio achieved a 9.1% total return, trailing the Policy Index by 0.9%. Mr. Fink also reported on longer term investment performance results, reporting that the Retirement System's investment portfolio produced an average annualized total return of 6.8% for the trailing three-year time period, 7.3% for the trailing ten-year time period, and 6.8% for the trailing 25-year time period ending May 31, 2025. The System's investment portfolio outperformed the Policy Index benchmark for all time periods five years and longer. Mr. Fink responded to questions.

The Chairperson recognized Aysun Kilic, Meketa Investment Group. Ms. Kilic reviewed the organization's Investment Market Risk Metrics Report and responded to questions.

Investment Committee Report

The Investment Committee met on July 24, 2025. Brad Stratton, Vice-Chairperson of the Investment Committee, reported on the Investment Committee's meeting, and responded to questions.

Chairperson Stratton moved that the Board of Trustees approve a commitment of up to \$110 million to Great Hill Equity Partners IX, L.P. and authorize staff to proceed with the investment pending a satisfactory and final legal review of corresponding partnership documents. Trustee Trader seconded the motion. The motion carried.

Chairperson Stratton moved that the Board of Trustees approve an additional commitment of up to \$95 million to IFM Global Infrastructure (US), L.P. and to authorize staff to proceed with the investment pending a satisfactory and final legal review of corresponding partnership documents. Trustee Williams seconded the motion. The motion carried.

Chairperson Stratton moved that the Board of Trustees approve a commitment of up to \$210 million to BTG Pactual Open Ended Core US Timberland Fund L.P. subject to funding terms acceptable to the System, and to authorize staff to proceed with the investment pending a satisfactory and final legal review of corresponding partnership documents. Trustee Proehl seconded the motion. The motion carried.

Personnel Committee Report

Chairperson Stratton recognized Trustee Ryan Trader, Vice-Chairperson of the Personnel Committee. The Personnel Committee met on July 25, 2025. Trustee Trader provided a report and responded to questions.

Trustee Trader moved that the Board of Trustees approve an adjustment in the salary of the Executive Director as recommended by the Personnel Committee. The motion included that the adjustment should be made effective as soon as possible. Trustee Huntsman seconded the motion. The motion carried.

Audit Committee Report

Chairperson Stratton recognized Trustee Williams, Vice-Chairperson of the Audit Committee. Trustee Williams provided a report on the Audit Committee held on July 24, 2025, and responded to questions.

Trustee Williams moved that the Board of Trustees accept the Calendar Year 2024 KPERS Deferred Compensation Plan Audit Report by Virchow Krause & Company, LLP as recommended by the Audit Committee. Trustee Trader seconded the motion. The motion carried.

Recommendation for Death and Disability Actuarial Services

Chairperson Stratton recognized Mary Beth Green, Deputy Executive Director for Modernization. Ms. Green stated on March 28, the Board of Trustees authorized the Executive Director to convene a Procurement Negotiating Committee (PNC) to prepare and issue a Request for Proposals (RFP) for actuarial services for the Death and Disability Plan. The purpose was to solicit proposals from qualified firms to provide actuarial consulting services for the Death and Disability Plan administered by KPERS.

Staff has completed the RFP process, and the PNC now brings this recommendation to the Board that it authorize KPERS to prepare a new contract with Milliman for future actuarial consulting services for the Death and Disability Plan.

Chairperson Stratton recognized Mr. Dan Skwire, Actuary, Milliman, Inc. Mr. Skwire stated KPERS' Death and Disability Plan was the first organization for which Milliman, Inc. provided actuarial consulting services. Mr. Skwire thanked the Board and expressed gratitude to the

staff and the PNC for their recommendation to continue to actuarial consulting services for the Death and Disability Plan.

Trustee Trader moved the Board of Trustees authorize the Executive Director to negotiate a contract with Milliman, Inc. for actuarial services on behalf of the KPERS' Death and Disability Plan. Trustee Huntsman seconded the motion. The motion carried.

Retirement System Operations

Chairperson Stratton recognized Dirk Camilletti, Chief Benefits Officer. Mr. Camilletti reviewed the monthly operations report of the Benefits and Member Services Division's performance and responded to questions.

The Chairperson recognized Kris Holm, Chief Fiscal Officer. Mr. Holm reviewed the monthly financial report and responded to questions.

Review of Initial Order

Chairperson Stratton recognized Kathleen Billings, Staff Attorney. Ms. Billings reviewed the Initial Order regarding the appeal of Sheldon Haynes and responded to questions.

Trustee Trader moved the Board inform the Executive Director of its decision to accept the Presiding Officer's Initial Order of the Sheldon Haynes appeal and delegate to the Executive Director the authority to draft a Final Order containing the Board's decision, thereafter, to be approved and signed by the Chairperson and to be served on the parties by the Executive Director in accordance with the provisions of the Kansas Administrative Procedure Act. Trustee Huntsman seconded the motion. The motion carried.

Actuarial Valuation Report

Chairperson Stratton recognized Jarod Waltner, Planning and Research Officer. Mr. Waltner provided a high-level summary of the December 31, 2024, Actuarial Valuation.

Chairperson Stratton recognized KPERS' actuary Bryan K. Hoge, FSA, EA, FCA, MAAA, Principal and Consulting Actuary with CavMac. Mr. Hoge presented the December 31, 2024, Actuarial Valuation and responded to questions.

Trustee Huntsman moved that the Board adopt the results of the December 31, 2024, Actuarial Valuation. Trustee Proehl seconded the motion. The motion carried.

Board Self Evaluation

Chairperson Stratton recognized Alan Conroy, Executive Director. Mr. Conroy stated he would send an electronic copy of the approved FY 2026 Board and Committee Schedule to all the Board members.

This was no further discussion.

Other Business Informational Items

Chairperson Stratton called the Board's attention to the informational items behind Tab M in the Board book.

Meeting Adjourned

Trustee Williams moved to adjourn the meeting at 1:25 p.m. Trustee Johnson seconded the motion. The motion carried.