

**MINUTES  
KANSAS PUBLIC EMPLOYEES RETIREMENT SYSTEM  
BOARD OF TRUSTEES**

September 19, 2025

The meeting of the Board of Trustees was called to order by Chairperson Stratton at 9:50 a.m. on September 19, 2025, in the Retirement System Board Room, Topeka, Kansas.

Board members present:           Brad Stratton, Chairperson  
  Chris Huntsman  
  Steven Johnson  
  Rich Proehl  
  Ryan Trader  
  Sam Williams (via Zoom)  
  Jo Yun  
  James Zakoura (via Zoom)

Board members absent:           Emily Hill, Vice-Chairperson

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

**Public Comments**

There were no public comments.

**Consent Agenda**

The consent agenda included approval of the July 25, 2025, meeting minutes and the FY 2025 Annual Proxy Review and Disclosure Report.

*Trustee Yun moved the Board of Trustees adopt the consent agenda. Trustee Trader seconded the motion. The motion carried.*

**Recognition of Sue Gamblian, Senior Corporate Accountant for 40 years of State Service**

Chairperson Stratton recognized Alan Conroy, Executive Director. Mr. Conroy honored Sue Gamblian, Senior Corporate Accountant, for her 40 years of State of Kansas public service. Sue began her career in 1985 as an Auditor I in the Fiscal Audit section of the Kansas Department of Education. Later, she joined the Department of Administration, Division of Accounts and Reports as a central accountant I. In 1998, Sue joined Kansas Public Employees Retirement Systems (KPERS) and over the last 27 years, she has held positions of Accountant II, Accountant III, Corporate Accountant, and Senior Corporate Accountant.

Chairperson Stratton congratulated Sue for her 40 years of State service and presented her with a Crystal Paperweight, Certificate, and 40 years of State service pin in appreciation for her dedicated public service.

## **Certificate of Achievement for Excellence in Financial Reporting**

Chairperson Stratton recognized Alan Conroy, Executive Director. Mr. Conroy informed the Board that KPERS received the Certificate of Achievement for Excellence in Financial Reporting for its FY 2024 Annual Comprehensive Financial Report (ACFR). The Certificate of Achievement is the highest form of recognition in governmental accounting and financial reporting. It represents a significant accomplishment by KPERS, and specifically the Fiscal Services division under the leadership of Chief Fiscal Officer Kris Holm. The following staff received recognition for their contribution: Kris Holm, Chief Fiscal Officer; Jason Van Fleet, Deputy Chief Fiscal Officer; Jessica Tufts, Investment Controller; Candace Blythe, Senior Investment Accountant; Krystal Yegon, Senior Investment Accountant; John Hooker, Senior Fiscal Analyst; Teresa Jurgens, Senior Corporate Accountant; Jessica Gatzemeyer, Investment Accountant; and Emily Wilson, Communications Officer.

## **Executive Director's Report**

Chairperson Stratton recognized Alan Conroy, Executive Director. Mr. Conroy reported on recent agency activities including:

The Benefits and Members Fraud Team helped implement and will maintain a new Phone Finder tool from LexisNexis to better protect member information and benefits.

The InfoLine Management Team is working with NiCE CXone to implement workforce management scheduling. This includes building and maintaining daily, weekly and rotation rules used for InfoLine shifts, adjusting rules as phone coverage changes, assigning staff to appropriate rules, generating and publishing schedules, and editing schedules for time-off requests. The goal is to build a more reliable way to measure InfoLine adherence to set schedules.

The Training and Education Team hosted booths at five regional benefits fairs in August. Next, they will host pre-retirement seminars at 13 locations statewide, September 18-October 27, 2025.

The Employer Auditing Unit has completed nine employer audits since the July Board meeting. The Employer Auditing Unit is working with Internal Audit to gather information from the agencies chosen by Baker Tilly (external financial auditing firm) for the Fiscal Year 2025 GASB 68 audit and report. Staff have completed 56 of 69 audits from the sampled agencies to date.

The Employer Reporting Unit handled over 5,300 calls and emails from employers on multiple issues. In addition, the Unit distributed more than 3,200 letters to agencies on various topics.

The Investment Team held second quarter 2025 meetings with each public markets manager. Meketa provided its quarterly compliance report on the public market's portfolio. Staff also completed the annual disclosure reporting process for both public and private market managers and related consultants.

Investments staff conducted private equity due diligence meetings and have been working with Mercer to prepare two recommendations for the September 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 three recommendations for the September Investment Committee meeting.

The Information Technology developers continue to maintain and improve KITS, including emergency deployments, operational maintenance and permanent fixes.

Staff officially launched the LexisNexis Phone Finder tool for the member web portal to provide added security and fraud prevention.

The team continues to work with vendors on data cleansing, image migration and faxing initiatives for KAPS. Staff continues to work with Catch Intelligence on our data cleansing project while coordinating with Tegrity. We are providing regular data transfers to Tegrity and have set up an environment for KAPS User Acceptance Testing and validation.

The Information Security and KPERS' cybersecurity protocols continue to prove successful. No viruses were detected on KPERS' devices in in July or August. Staff patched 4,833 software vulnerabilities. KPERS' systems blocked 25,659 suspicious emails and prevented access to 1,723,293 dangerous websites. In addition, security measures prevented 20,680 attacks on the member web portal.

The KAPS Design Team is working with Tegrity and Segal on requirements for setting up employers, enrolling members and reporting wage and contribution data to the Retirement System each pay period. The Configuration and Correspondence Teams have designed a new workflow for employer affiliations and are building the letters and forms associated with those iterations. The User Acceptance Team helped resolve blocking and critical defects from the Member Information and Beneficiaries iteration, while drafting the test strategy and test cases for employer setup, member enrollment and pay reporting. The Knowledge Management Team is assisting with training materials for the second round of user acceptance testing, evaluating training software and drafting job aids.

Communication efforts have focused on the KAPS Project, the corporate identity refresh and the Fall Employer Conference. Staff is revising forms and letters for the KAPS Optional Life Insurance and beneficiary-related iterations. Most recently, staff shared details about the project with all employers. Staff also began a new video series to recap what the KAPS Team has been working on, share what's coming up and demo a KAPS feature. The series launched on September 11, 2025.

On the member and employer communications front, staff will be distributing both the September active member email, and the retiree print newsletter, *Vested Interest*, later this month. The print publication refresh continues, and staff is currently finalizing the Membership Guides and Pre-Retirement webinar slides. Staff also distributed employer emails about online beneficiary changes, fall pre-retirement webinars and the KP&F New Designated Agent webinars.

Staff have been reviewing our web accessibility metrics to ensure compliance by April 2026 with the 2024 Department of Justice final rule, which updated regulations for Title II of the

Americans with Disabilities Act (ADA). The regulations have more specific requirements for making web content and mobile apps accessible. As part of the agency's web work, staff has also been researching content management systems that might offer more accessibility tools and a better user interface for web updates.

Planning is under way for the November 7, 2025, Employer Conference in Topeka at the Maner Conference Center. There will be keynote speaker, a KPERS general update, professional development topics and multiple breakout sessions geared toward the key topics employers need to know about KPERS. The Washburn Rural High School Jazz Band will provide lunch entertainment. There will also be plenty of opportunities for networking and individual Q&A with KPERS staff, the Standard and KPERS 457/Empower.

Planning and Research has been assembling the FY 2027 budget narrative, including an update on the pension administration system modernization project plan.

In August, the Planning and Research Officer attended the National Association of State Retirement Administrators (NASRA) annual conference, which included sessions on pension administration modernizations, public pension funding, artificial intelligence, actuarial methods and the current investment climate.

The KPERS 457 Team added one local government plan, USD 288 Central Heights in Ellis. This brings the total number of joinders added to 19 for CY 2025. Empower will work with new plan employers to enroll participants and post their deferrals.

KPERS 457 hosted its annual strategic planning session on August 27, 2025, at KPERS to discuss goals and initiatives for 2026. KPERS staff and Empower associates attended the full-day session.

KPERS hosted a staff appreciation event on August 6, 2025. Top City Kolaches catered and offered a variety of breakfast and fruit kolaches. It was an opportunity to show the agency's appreciation to staff, especially the Benefits and Member Services Division staff who had recently completed the high retirement volume months of June and July.

Topeka United Way Day of Caring was held Friday, September 19, 2025. Twenty KPERS staff has been assigned to clean the downtown area.

The October Educational Planning Session will be held on October 16-17, 2025, at the Johnson County Community College.

### **Investment Operations Report**

Chairperson Stratton recognized Bruce Fink, Chief Investment Officer, who reviewed the System's Investment Performance Report for time periods ending July 31, 2025. Mr. Fink reported that the Retirement System experienced a total return of 7.9% annualized over the past three years, while the Policy Index benchmark was 8.9%. The System's investment portfolio has outperformed the Policy Index for time periods reported of five years and longer. The investment portfolio has produced a 7.7% average annualized total return over the past ten years, outperforming the Policy Index by 0.2%. Over the trailing 25-year period, the System's investment portfolio has produced a 6.8% average annualized total return, exceeding the Policy Index by 0.1%. Mr. Fink responded to questions from Board members.

Chairperson Stratton introduced Aysun Kilic, Meketa Investment Group. Ms. Kilic reviewed Meketa's Semi-Annual Investment Performance Report for June 30, 2025, and responded to questions. She reported that the Retirement System experienced a total return of 10.3% for Fiscal Year 2025, while the Policy Index benchmark was 12.0%. Ms. Kilic noted that the Retirement System's investment portfolio outperformed the Policy Index for all time periods of five years and longer. Ms. Kilic responded to questions from Board members.

Chairperson Stratton recognized Aysun Kilic, Meketa Investment Group. Ms. Kilic reviewed Meketa's Investment Market Risk Metrics Report.

### **Investment Committee Report**

Chairperson Stratton recognized Steven Johnson, Chairperson of the Investment Committee. The Investment Committee met on September 18, 2025. Trustee Johnson provided a report and responded to questions.

*Trustee Johnson moved that the Board of Trustees approve a commitment of up to \$110 million to Warburg Pincus Global Growth 15, 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.*

*Trustee Johnson moved that the Board of Trustees approve a commitment of up to \$110 million to Lead Edge Capital VII, LP and authorize staff to proceed with the investment pending a satisfactory and final legal review of corresponding partnership documents. Trustee Yun seconded the motion. The motion carried.*

*Trustee Johnson moved that the Board of Trustees approve a commitment of up to \$85 million to Ares US Real Estate Fund XI, L.P. and authorize staff to proceed with the investment pending a satisfactory and final legal review of corresponding partnership documents. Trustee Huntsman seconded the motion. The motion carried.*

*Trustee Johnson moved that the Board of Trustees approve a commitment of up to \$85 million to Marcus Capital Partners Fund V, L.P. and 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.*

*Trustee Johnson moved that the Board of Trustees approve an additional commitment of up to \$115 million to RMS Evergreen US Forestland Fund LP and to authorize staff to proceed with the investment pending a satisfactory and final legal review of corresponding partnership documents. Trustee Huntsman seconded the motion. The motion carried.*

*Trustee Johnson moved that the Board of Trustees approve the adoption of the amended Statements of Investment Policy, Objectives and Guidelines for the Retirement System, the Treasurer's Unclaimed Property Fund and the Death and Disability Fund. Trustee Yun seconded the motion. The motion carried.*

*Trustee Trader moved that the Board of Trustees approve the adoption of Egan-Jones Proxy Voting Services' 2025 Wealth Focused Policy as the Proxy Voting Policy for the Retirement System and for the Treasurer's Unclaimed Property Fund. Trustee Huntsman seconded the motion. The motion carried.*

## **Personnel Committee Report**

Chairperson Stratton recognized Rich Proehl, Vice-Chairperson of the Personnel Committee. The Personnel Committee met on Friday, September 19, 2025. Trustee Proehl provided a report and responded to questions.

## **Deferred Compensation Plan Committee Report**

Chairperson Stratton recognized Ryan Trader, Chairperson of the Deferred Compensation Committee. The Deferred Compensation Committee met on Thursday, September 18, 2025. Trustee Trader provided a report and responded to questions.

*Trustee Trader moved that the Board of Trustees direct SageView Advisory Group, LLC and KPERS 457 staff to terminate the Dimensional Fund Advisors US Large-Cap Value I (DFLVX) as well as terminate the Macquarie Mid-Cap Growth R6 fund (IGRFX) and replace them with the Putnam Large-Cap Value R6 fund (PEQSX) and the Neuberger Berman Mid-Cap Growth R6 fund (NRMGX) respectively and map the existing assets in each fund to its replacement fund as soon as practical. Trustee Yun seconded the motion. The motion carried.*

*Trustee Trader moved that the Board of Trustees authorize staff to design and implement a pilot project for auto-enrollment and auto-escalation for select local KPERS 457 governmental employers. Trustee Johnson seconded the motion. The motion carried.*

*Trustee Trader moved that the Board of Trustees hereby acknowledges and affirms that it has completed its annual review of the Investment Policy Statement as required, and that the Investment Policy Statement, as presented, is hereby reaffirmed. Trustee Proehl seconded the motion. The motion carried.*

## **Annual Review of Possible Revisions to the Board Policy Manual**

Chairperson Stratton recognized Laurie McKinnon, General Counsel. Ms. McKinnon reviewed the Board Policy Manual and the current updates to the Board Policy Manual and responded to questions.

*Trustee Yun moved that the Board approve the recommended amendments to the Board Policy Manual. Trustee Johnson seconded the motion. The motion carried.*

## **Status Report on Pension Administration System Modernization**

Chairperson Stratton recognized Mary Beth Green, Deputy Executive Director for Modernization. Ms. Green presented an overview of the KPERS Pension Administration System Modernization project, and the continuing high-quality progress of improvements. Ms. Green responded to questions.

## **KPERS Strategic Plan Review**

Chairperson Stratton recognized Jarod Waltner, Planning and Research Officer. Mr. Waltner presented an overview of the KPERS Strategic Plan and responded to questions.

## **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.

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

## **Fiscal Year 2027 Budget Request**

Chairperson Stratton recognized Kris Holm, Chief Fiscal Officer. Mr. Holm gave an overview of the FY 2027 budget requests, including the enhancement of the pension administration system, and responded to questions.

*Trustee Yun moved that the Board approve the Fiscal Years 2026 and 2027 budget request for submission to the Governor's Division of Budget and the Legislature. Trustee Proehl seconded the motion. The motion carried.*

## **Review of Current Professional Contracts for Services**

Chairperson Stratton recognized Laurie McKinnon, General Counsel. Ms. McKinnon gave an overview of the current professional contracts for services. Ms. McKinnon responded to questions.

## **Other Business**

No other business was discussed.

## **Informational Items**

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

## **Board Self Evaluation**

Chairperson Stratton recognized Alan Conroy, Executive Director. Mr. Conroy provided more information on the Educational and Planning Session that will be held at the Johnson County Community College in Overland Park, Kansas on October 16-17, 2025.

Trustee Johnson gave a brief overview of the State Treasurer's Unclaimed Property.

Trustee Yun shared she has visited with the external financial auditors – Baker Tilly and wanted to let the Board know if they have any questions or would like to share any concerns or comments, she will communicate those questions or comments to the Auditors.

## **Meeting Adjourned**

*Trustee Trader moved to adjourn the meeting at 12:49 p.m. Trustee Johnson seconded the motion. The motion carried.*