MINUTES
KANSAS PUBLIC EMPLOYEES' RETIREMENT SYSTEM
BOARD OF TRUSTEES

May 22, 2026

The meeting of the Board of Trustees was called to order by Chairperson Brad Stratton, at 9:30 a.m., on May 22, 2026, in the Retirement System Board Room, Topeka, Kansas.

Board members present:	Brad Stratton, Chairperson Chris Huntsman Steven Johnson Rich Proehl Ryan Trader Sam Williams Jo Yun James Zakoura (Via Zoom)
Board members absent:	Emily Hill, Vice-Chairperson

Chairperson Stratton welcomed KPERS Retiree Ruth Goff. Chairperson Stratton also welcomed guests via Zoom: Steven Wu, Legislative Research Department, Eileen Ma, Revisor of Statutes Office, David Wiese, Revisor of Statutes Office, and all other participants.

Public Comments

Chairperson Stratton recognized KPERS retiree Clarence "Sonny" Scroggins. Mr. Scroggins handed out a flyer and encouraged Board members not to include KPERS investments in organizations that invest in pharmaceutical companies that sell opioids.

Chairperson Stratton recognized Trustee Chris Huntsman. Trustee Huntsman distributed the *Kansas National Education Association (KNEA) Legislative Priorities 2026* booklet to the Trustees. Trustee Huntsman reviewed section #5. Strengthen KPERS. The priorities KNEA supports includes elimination of the KPERS Tier 3 component; lifting the cap on earnings for retired educators who return to the profession; adhering to the statutory funding levels of the KPERS Trust Fund; fair and reasonable cost-of-living adjustments for retirees; and ensuring a stable defined benefit for all KPERS earners.

Consent Agenda

The consent agenda included the approval of March 27, 2026, meeting minutes.

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

Reflections on the National Conference on Public Employees Retirement Systems (NCPERS) Trustee Essentials Training – May 2026

Chairperson Stratton recognized Trustee Huntsman. Trustee Huntsman attended the National Conference on Public Employees Retirement Systems (NCPERS) - Trustee Essentials Conference in Las Vegas, Nevada on May 15-17, 2026. Trustee Huntsman expressed appreciation to the agency for allowing her to attend the Trustee Essentials Conference. She stated that it was an excellent experience, and she gained a lot of knowledge from the classes. Trustee Huntsman responded to questions.

Executive Director's Report

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

Benefits and Member Services enrolled 2,494 members in KPERS, KP&F or Judges plans during the months of March and April. Staff also returned 807 inactive members to active employment and transferred 682 members from one participating employer to another. The InfoLine staff answered 92% of 19,754 incoming calls from members, employers and other interested parties. Staff also responded to 2,417 member emails and 367 employer emails.

The team successfully processed retirement applications for 572 new retirees, which brings the total to 119,801 retirees and survivors. Monthly benefits total $182.3 million as of April 30, 2026. All retirement applications were processed within 30 days of receiving the application and supporting documents.

The Employer Auditing Unit completed 25 employer audits since the March Board meeting, bringing the FY 2026 total to 102.

The Employer Reporting Unit handled over 4,200 calls and emails from employers since March 1 and distributed over 4,400 letters to agencies on various topics.

Fiscal Services staff are preparing for fiscal year-end activities and while continuing to participate in the KAPS project.

The Information Technology staff has been focused on migrating our virtual servers from VMware to Nutanix. IT continues to assist with the KAPS Project, including working with Tungsten on configuration of the new Beneficiary form in the Total Agility environment. Business staff are testing this now. Infrastructure staff assisted Catch Intelligence with upgrading the data environment used for data migration and reporting.

Investment staff completed the First Quarter 2026 due diligence meetings with each of the System's public market investment managers. Staff also conducted due diligence meetings and worked with The Townsend Group to prepare three investment recommendations for the May Investment Committee meeting.

Planning and Research staff finalized our legislative documentation and updated the kspers.gov Legislation Tracker for the end of session. Staff completed testing and transmission of the annual census data files to the actuary and responded to follow-up questions from the actuary. The Planning and Research Officer have also been serving on the procurement negotiating committees for disability appeals disability administrator and general investment consultant.

The KAPS Team continues collaborating with Tegrit and Segal on Employer Reporting, Refunds and Optional Life Insurance. Preliminary work on design for Service Purchases and Benefit Calculations is underway. Staff modified our standard approach to design preparation to improve efficiency and focus on critical path items and existing pain points.

As the project transitions to more member-focused functionality, they have added two subject matter experts from Benefits and Member Services to the project team. Finally, staff have met several times with State of Kansas staff to analyze the State's contribution reporting and life insurance requirements and constraints.

The KPERS 457 team added two local government plans since March – Sumner County Conservation District and USD 329 Wabaunsee School District. This brings the total number of joinders added to seven for 2026. Empower will work with new plan members to facilitate enrollment and post deferrals.

Communication staff efforts have primarily focused on web accessibility, as well as member annual statements and regular operations. Staff have been reviewing the kspers.gov website and portals to ensure compliance with changes to Title II of the Americans with Disabilities Act, requiring state and local government websites to comply with federal accessibility standards. KPERS was able to go live as planned with changes to the website and portals on May 3, 2026.

KPERS published all member statements by April 18, 2026, which is the earliest distribution in recent years. All printed statements were mailed out by May 8, 2026. In total, KPERS produced 159,404 active member statements (including 2.8%, or 4,430 printed active member statements), as well as printed statements for 55,259 inactive members and 1,303 disability members.

Communication staff filmed the third installment of our "Good to be Young" video series for KPERS 457. This video stars Rylan Gilliland, son of KPERS Communications Specialist Mike Gilliland, "making the leap" into retirement and considering all his options.

The KPERS Executive Team recognized the entire staff with an Employee Appreciation Week in early May to show their collective appreciation for the dedicated efforts of the staff serving our members and employers. Activities included brown bag bingo with treats; a luncheon served by members of the Executive Committee; ice cream treats and Minute to Win-It games and puzzles. The Employee Appreciation Week coincided with Governor Kelly's proclamation of Public Service Recognition Week which was May 4-8, 2026.

Investment Operations Report

Chairperson Stratton recognized Michael Cumming, Deputy Chief Investment Officer for Public Markets. Mr. Cumming reviewed the March 31, 2026, Investment Performance Report. He reported that the Retirement System's investment portfolio experienced a total return of -1.4% for the quarter, 5.0% for the fiscal year to date (not annualized), 11.6% for the trailing one year, 9.3% for the trailing three years, 6.6% for the trailing five years, 8.4% for the trailing ten years, and 7.4% for the trailing twenty-five years ending March 31, 2026.

Mr. Cumming reported that the System's average annualized total return exceeded that of the Policy Index benchmark for time periods ten years and longer. Mr. Cumming also reported on the performance of the System's International Equity investment managers. Mr. Cumming responded to questions from the Board.

Daniel Wadsworth, Investment Officer for Public Markets, reported on the performance of the System's core and non-core fixed income investment managers along with the public real assets REIT manager, and passive Domestic Equity investment managers and responded to questions from the Board.

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

Investment Committee Report

Chairperson Stratton recognized Steven Johnson, State Treasurer and Chairperson of the Investment Committee. The Investment Committee met on Thursday, May 21, 2026. Trustee Johnson provided a report and responded to questions.

Trustee Johnson moved that the Board of Trustees change the System's Policy Benchmark to U.S. Equity 25.0%, International Equity 20.0%, Core Fixed Income 13.0%, Non-Core Fixed Income 8.0%, Real Assets 8.0%, Real Estate 12.0%, Private Equity 11.0% and Cash Equivalents 3.0%, effective July 1, 2026. Trustee Huntsman seconded the motion. The motion carried.

Trustee Johnson moved that the Board of Trustees approve an additional commitment of up to $150 million to Brookfield Super-Core Infrastructure Partners L.P. 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.

Trustee Johnson moved that the Board of Trustees approve a commitment of up to $100 million to Realterm Logistics Fund V, L.P. 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 an additional commitment of up to $75 million to Heitman America Real Estate Trust, 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 and transaction documents. Trustee Trader seconded the motion. The motion carried.

Deferred Compensation Committee Report

Chairperson Stratton recognized Jo Yun, Vice-Chairperson of the Deferred Compensation Committee. The Deferred Compensation Committee met on Thursday, May 21, 2026. Vice-Chairperson Yun provided a report. The Vice-Chairperson's report covered items in the meeting including the Quarterly Investment Performance Report and the Quarterly Plan report, as well as a presentation on the Empower Personal Dashboard and a participants satisfaction survey results. Vice-Chairperson Yun responded to questions.

Personnel Committee

Chairperson Stratton recognized Sam Williams, Chairperson of the Personnel Committee. The Personnel Committee met on Friday, May 22, 2026. Chairperson Williams provided a report and responded to questions.

Trustee Williams moved that the Board of Trustees adopt the Executive Director Incentive Compensation Program Plan as presented by Joe Rice, Managing Director of CBIZ Compensation Consulting, and Human Resources staff to be effective January 1, 2026. Trustee Proehl seconded the motion. The motion carried.

Trustee Williams moved that the Board of Trustees authorize the Executive Director to implement Fiscal Year 2027 pay plan legislation, and to provide performance-based merit adjustments for high performing employees within the minimum and maximum of the assigned pay grade. Trustee Trader seconded the motion. The motion carried.

Selection of Third-Party Administrator for KPERS Disability Programs

Chairperson Stratton recognized Mary Beth Green, Deputy Executive Director for Modernization, and Dan Skwire, FSA, MAAA, Principal and Consulting Actuary, Milliman, Inc. Ms. Green reviewed the background information of the third-party administrator for KPERS Disability Programs and Mr. Skwire reviewed the information regarding proposals received and the procedures for the selection of a third-party administrator for KPERS disability programs. Ms. Green introduced Jennifer LeBlanc, Vice-President of Claims Operations, Davies Life & Health, Inc. Ms. LeBlanc gave an overview of Davies Life & Health Inc. Ms. Green responded to questions.

Trustee Johnson moved the Board of Trustees authorize the Executive Director to negotiate a contract with Davies Life & Health, Inc. for third-party administration of the KPERS disability program and medical consulting for the KP&F program. Trustee Trader seconded the motion. The motion carried.

Final Report on the 2026 Legislative Session, Including the KPERS Operating Budget

Chairperson Stratton recognized Jarod Waltner, Planning and Research Officer. Mr. Waltner provided an overview of KPERS-related bills presented in the 2026 Legislative Session. The Legislative Session adjourned on April 11, 2026. KPERS-related bills included one technical bill enacted, an expansion of investment options affecting the State Treasurer's Unclaimed Property Fund, and the inclusion of KPERS in a broader statewide cybersecurity framework. Additionally, the Legislature approved the KPERS budget as recommended by the Board, with no modifications. Mr. Waltner responded to questions.

Retirement System Operations

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

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

Meeting The Needs of All Members: Web Accessibility Updates

Chairperson Stratton recognized Emily Wilson, Communications Officer, and Connor Henrichs, Communications Specialist. Ms. Wilson reviewed the general issues and changes to meet the needs of all members to access the kspers.gov website and Mr. Henrichs provided an overview of the detail changes implemented to improve Web Accessibility for all members. Ms. Wilson and Mr. Henrichs responded to questions.

National Survey on Actuarial Assumed Rate of Return

Chairperson Stratton recognized Jarod Waltner, Planning and Research Officer. Mr. Waltner presented the Investment Return Assumptions report from the National Association of State Retirement Administrators (NASRA). Mr. Waltner reviewed why the Investment return assumption matters, the sensitivity to changing the investment return assumption; how investment assumptions are set; the components of the investment return assumption; historical national trends; KPERS investment return assumption; recent stabilization; assumption changes over time; and investment performance context. He stated that investment return assumption is the most impactful actuarial assumption. Decade-long decline across public pension plans has stabilized around 7.0%. Out of 132 public pension plans that responded to the survey, the largest group (47 plans including KPERS) are currently utilizing the 7.0% assumed rate of return. Current assumptions reflect long-term expectations for future investment performance despite short-term market volatility. The current investment return assumption reflects a balance between risks and costs. Mr. Waltner responded to questions.

Selection of Outside Legal Counsel for Disability Appeals

Chairperson Stratton recognized Kathleen Billings, Staff Attorney. Ms. Billings presented an overview on the selection of an outside legal counsel for disability appeals. Ms. Billings introduced Vincent Cox, Attorney, Cavanaugh, Biggs, & Lemon, P.A. Mr. Cox gave an overview of the specifics of representing KPERS for disability appeals. Ms. Billings responded to questions.

Trustee Huntsman moved the Board of Trustees direct staff to negotiate a contract with Vincent Cox of Cavanaugh, Biggs, & Lemon to represent KPERS in long-term disability appeals. Trustee Johnson seconded the motion. The motion carried.

Fiscal Year 2027 Board of Trustees Tentative Meeting Dates

Chairperson Stratton recognized Alan Conroy, Executive Director. Mr. Conroy stated the Fiscal Year 2027 Board of Trustee tentative meeting dates are available on the desks of the Board members to review. Mr. Conroy stated the official action to set the meeting dates is required by statute to take place at the next Board meeting, which will be held on July 24, 2026.

Informational Items

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

Board Self Evaluation

There was no further discussion.

Meeting Adjourned

Chairperson Stratton adjourned the meeting at 1:12 p.m.