

PENSION NEWS

Retiree Newsletter

KCPSRS Services Continue During COVID-19

We recognize the coronavirus (COVID-19) and the resulting state of emergency and economy have disrupted work and family life. Please be assured KCPSRS continues to process new retirements, pay benefits, issue refunds to inactive members and respond to all member requests as quickly as possible.

With the safety and well-being of the community we serve and our staff being a top priority, KCPSRS staff are largely working remotely to assist members and retirees by phone and email and, when needed, via Zoom. We will continue to update the Coronavirus and KCPSRS Business Continuity Plan on our [website](#) and [Blogs](#).

Important Reminders:

- No in-person services are available at KCPSRS office at this time.
- Regular retiree benefit payments continue as usual without interruption.
- Members and retirees are encouraged to access their KCPSRS [My Account](#) or call 816-472-5800 with questions about their benefits.

KCPSRS Reference Materials Available

Are you looking for information about KCPSRS? You can find up-to-date information about the retirement system and specific topics in our [BLOG](#) on the Publications tab of KCPSRS' website (www.kcpsrs.org). The BLOG offers information about [Member Concerns about KCPSRS Investments During Pandemic](#), [Federal Stimulus and You](#), and [KCPSRS Business Continuity](#). There are some

Current Frequently Asked Questions:

Do market fluctuations affect my future KCPSRS benefits?

In times of stock market volatility, you may be concerned about the impact on your current or prospective KCPSRS benefits. Keep in mind, KCPSRS is a defined benefit plan and your benefit is based on a calculation set by Missouri law. Investment performance does not directly affect the benefit payment KCPSRS retirees receive.

Does the recent Coronavirus Aid, Relief and Economic Security Act, allow KCPSRS members to withdraw funds from their KCPSRS account?

The Federal Relief Bill does not apply to your KCPSRS account. Instead, the bill made it possible for people who experience coronavirus-emergencies to request withdrawals from certain defined contribution accounts. KCPSRS does not administer a defined contribution plan.

useful videos on the Publications page. Retirees will want to check out the [videos](#): "My Account" Our Member Portal and KCPSRS Friendly Reminder.

Retirees will also find valuable information under the Retiree tab in the website, including facts about [Working After Retirement](#), [Insurance Information](#), [Emergency Assistance Funds](#) and [Volunteer Opportunities](#).

AUGUST 2020

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You Can Nominate a Candidate for the KCPSRS Board

Two trustee positions will be open for nominations - one active member and one retired member. Both positions will be elected this fall and begin serving a four-year term effective January 1, 2021 to December 31, 2024.

Active Member Position - Any active member (full-time employee of one of the participating employers, the KC School District, any KC charter school, and KC Public Library) may nominate a candidate for the active member trustee position. The active member nominee must be employed in a KCPSRS-covered position at the time of the election and must reside in the boundaries of the Kansas City, Missouri school district.

Retiree Position - Any KCPSRS retiree may nominate a candidate for the retired trustee position. The retiree nominee must be retired before or on January 1, 2021 and must reside in the boundaries of the Kansas City, Missouri school district.

Self-nominations are acceptable.

Additional information on the role and responsibility of board members can be found on the KCPSRS website in the *About* tab under *Board and Staff* (www.kcpsrs.org).

The Board of Trustees ONLY accepts nominations during their meeting commencing at 4:00 p.m. on October 5, 2020.

Options for attending Board meeting to make a nomination:

1. Come to KCPSRS office at 3100 Broadway, Suite 1211. Arrive by 3:55 p.m. Social distancing practices will be in place. A mask is required while in the office building.
2. Attend virtually via conference call or Zoom. For detail instructions to attend meeting virtually, call (816-472-5800 ext. 0) or email (kcpsrs@kcpsrs.org) between September 28 and noon October 5, 2020.

All eligible nominees will be on the KCPSRS election ballot. Ballots will be sent to all members via email (for whom KCPSRS has an email address) or via U.S. post to your home address. Only one vote per member will be counted.

It is important that you take an active role in the nomination and voting process. These candidates will represent you for the next four years!

Important Election Dates:

October 5, 2020 4 p.m.
Nominations Accepted

November 2, 2020
Ballots are sent via email or U.S. mail

November 23, 2020
Ballots must be received by the election service by 5 p.m.

December 7, 2020
Election results are reported to the Board of Trustees

CURRENT KCPSRS BOARD OF TRUSTEES

ELECTED MEMBERS

Active Members	Term Expires
Javier Alfonso	December 2023
Anthony Madry	December 2022
Roger Offield	December 2020
Von Smalley	December 2021

Retired Members	Term Expires
Beverly Pratt	December 2020
Curtis L. Rogers	December 2022

APPOINTED MEMBERS

School District	Term Expires
Horace Coleman, Jr.	December 2022
Joanne Collins	December 2021
Carl Evans	December 2023
Brian Welch	December 2020

Library	Term Expires
Debbie Siragusa	December 2022

District Superintendent
Dr. Mark Bedell

Summary of Board of Trustees Responsibilities

The Board is responsible for:

- Ensuring the Retirement System is appropriately governed and managed with the overriding goal of protecting Fund assets.
- Creating and maintaining an atmosphere that encourages frank and collegial discussions both at the Board and Committee level and between the Board and management.
- Establishing and communicating Board policies and priorities and monitoring performance considering its established policies and priorities.

Each Board Member must:

- Act as a fiduciary of the Retirement System. *A fiduciary is a person who holds the trust and confidence of another and is charged with acting in the best*

interest of this individual or group.

- Attend regular meetings of the Board of Trustees normally held at 4:00 – 6:00 p.m. the first Monday of each month, except no regular Board meetings in July or August.
- Attend special meetings of the Board, which may be held occasionally as needed.
- Complete at least six hours of Board education each year. A new Board member must complete six hours of Board orientation education within ninety days of becoming a Board member. Educational opportunities are available on-line and in person.

According to Missouri law, all Board members must be resident taxpayers within the boundaries of the Kansas City school district.

KCPSRS SUMMARY ANNUAL FINANCIAL REPORT

Fiscal Year 2019

About this report

The Kansas City Public School Retirement System (KCPSRS) is pleased to present the Summary Annual Financial Report for the fiscal year ended December 31, 2019. This report provides a brief overview of the System's financial condition at fiscal year-end and provides a ten-year historical data of membership changes, investment returns, and the actuarial funded ratio.

This report features the colors of the Kansas City Chiefs football team in recognition of the Chief's victory of the 2020 Super Bowl. The Chiefs had an exciting season, frequently coming from behind well after their opponents had a strong lead and eventually scoring the winning points in the last minutes of the game. Along with our community and state, KCPSRS Board and staff gives tribute to the

Chiefs for their achievement. In this report we acknowledge some of the retirement systems own achievements – a strong investment return, an award of excellence in financial reporting, and the growth in the number of active members thereby increasing the amount of contributions.

About KCPSRS

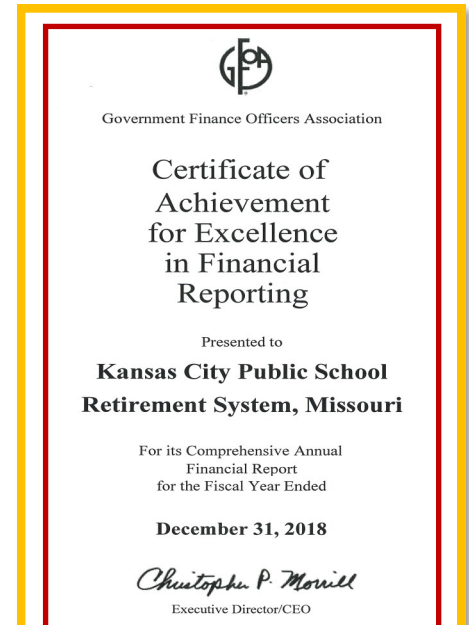
KCPSRS was established in 1944 as a defined benefit plan. The plan provides lifetime pension benefits determined at retirement under formulas prescribed by Missouri law, the pension benefit is not calculated based on investment returns or contributions. KCPSRS is also governed by policies adopted by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

During the year ended December 31, 2019, there were 24 participating employers including the School District of Kansas City, Missouri; the Kansas City Public Library; the Retirement System; and the following charter schools: Académie Lafayette, Academy for Integrated Arts, Allen Village Charter School, Brookside Charter School, Citizens of the World Kansas City,

Crossroads Charter Schools, DeLaSalle Charter School, Ewing Marion Kauffman School, Frontier Schools, Genesis School, Inc., Gordon Parks Elementary, Guadalupe Center Schools, Hogan Preparatory Academy, Hope Leadership Academy, Kansas City Girl's Preparatory Academy (opened August 1, 2019), Kansas City International Academy, Kansas City Neighborhood Academy (closed June 30, 2019), KIPP Endeavor Academy, Lee A. Tolbert Community Academy, Pathway Academy (closed June 30, 2019), Scuola Vita Nuova, and University Academy.

All regular, full-time employees of the participating employers become members of KCPSRS as a condition of employment. KCPSRS has 4,074 active, contributing members; 4,145 retirees or benefit recipients; and 529 inactive vested members.

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



Outstanding Achievement

The Government Finance Officers Association of the United States and Canada (GFOA) presented an Award for Excellence in Financial Reporting to the Kansas City Public School Retirement System for its Comprehensive Annual Financial Report for the fiscal year ended December 31, 2018.

Learn More

The information in this summary report is taken from KCPSRS' more detailed Comprehensive Annual Financial Report (CAFR), which is prepared in accordance with Generally Accepted Accounting Principles. Our 2018 CAFR was awarded a Certificate of Excellence in Financial Reporting from the

Government Finance Officers Association (GFOA) as shown in the sidebar on this page. KCPSRS submitted the 2019 CAFR to GFOA for review and we expect to win the excellence award again for 2019. Copies of the 2019 CAFR may be viewed or downloaded on our website, www.kcpsrs.org

FINANCIAL HIGHLIGHTS

Fiscal Year 2019

\$106 Million
Investment Income

\$40 Million
Employer Contributions

\$80 Million
Benefit Payments

18.2 %
Net Investment Return

4,145
Benefit Recipients

\$662 Million
Net Trust Fund Assets

Economic Impact

- KCPSRS benefit is the major source of income to many retirees.
- Our neighbors, friends, and family spend their KCPSRS benefits in our communities. Nearly 82% of retirees remain in the Greater KC area, spending retirement dollars on housing, goods, and services. Each \$1 paid in benefits has \$1.43 in economic impact.
- The average annual benefit for retirees was nearly \$20,000.



Net Position

The *Summary Statement of Fiduciary Net Position* reports the pension plan's financial position as of the end of the fiscal year. As of December 31, 2019, KCPSRS has \$662 million in net assets for the payment of retirement benefits.

Summary Statement of Fiduciary Net Position

(Fiscal Year Ended December 31, 2019)

	December 31, 2019	December 31, 2018
Assets		
Cash	\$ 1,324,695	\$ 1,877,215
Receivables	\$ 3,268,216	\$ 1,101,115
Investments at fair value	\$ 658,275,646	\$ 600,954,128
Other assets	\$ 82,393	\$ 72,338
Total assets	\$ 662,950,950	\$ 604,004,796
Liabilities		
Accounts payable	\$ 546,467	\$ 533,053
Investment payables	\$ 208,162	\$ 610,736
Accrued expenses	\$ 110,481	\$ 98,528
Total liabilities	\$ 865,110	\$ 1,242,317
Net positions restricted for pensions	\$ 662,085,840	\$ 602,762,479

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

Summary Statement of Changes in Fiduciary Net Position

(Fiscal Year Ended December 31, 2019)

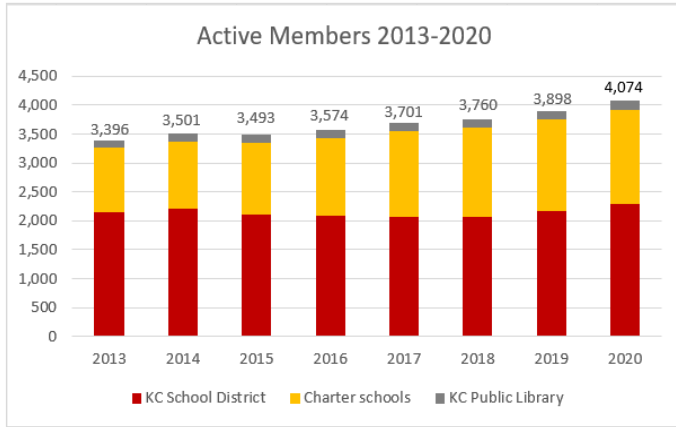
	Year Ended December 31, 2019	Year Ended December 31, 2018
Additions		
Contributions*	\$ 40,013,495	\$ 35,146,999
Net investment income	\$ 106,033,717	\$ (33,250,915)
Total additions	\$ 146,047,212	\$ 1,896,084
Deductions		
Benefits payments	\$ 80,228,574	\$ 79,333,689
Member refunds	\$ 4,937,877	\$ 4,084,837
Administrative expenses	\$ 1,546,380	\$ 1,499,928
Other expenses	\$ 11,020	\$ 17,150
Total deductions	\$ 86,723,851	\$ 84,935,604
Net increase (decrease)	\$ 59,323,361	\$ (83,039,520)
Beginning of year	\$ 602,762,479	\$ 685,801,999
Net positions restricted for pensions-end of year	\$ 662,085,840	\$ 602,762,479

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

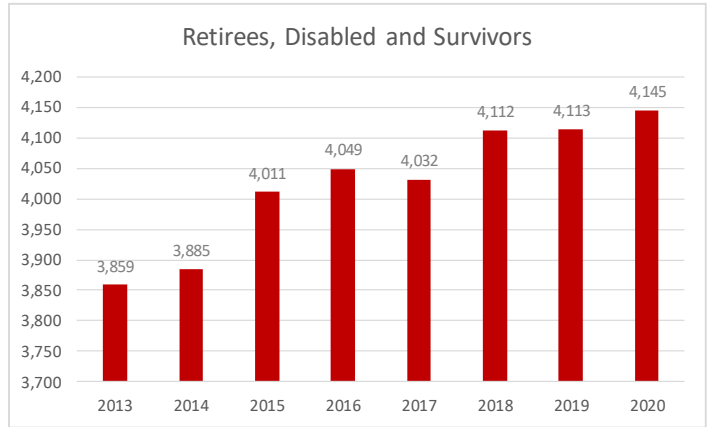
HISTORICAL MEMBER AND RETIREE DATA

As of January 1, 2020

Change in Active Members

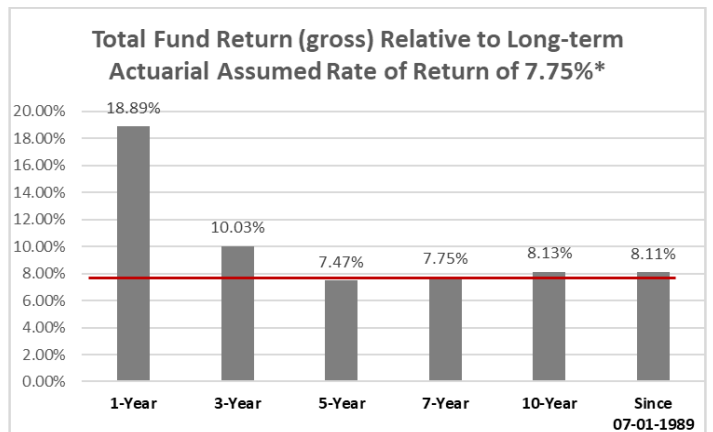
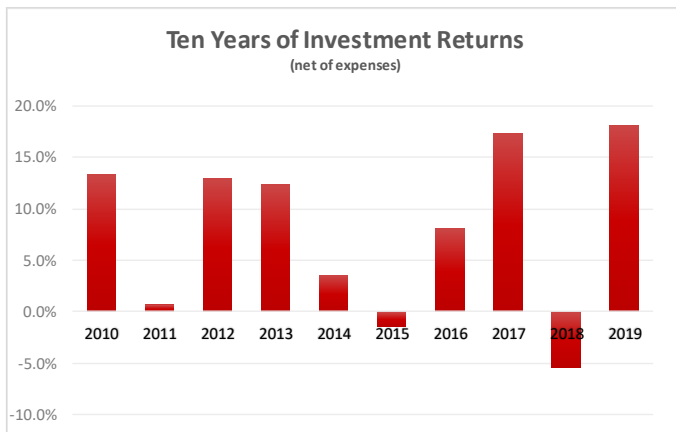


Change in Retired Members



INVESTMENT RETURN DATA

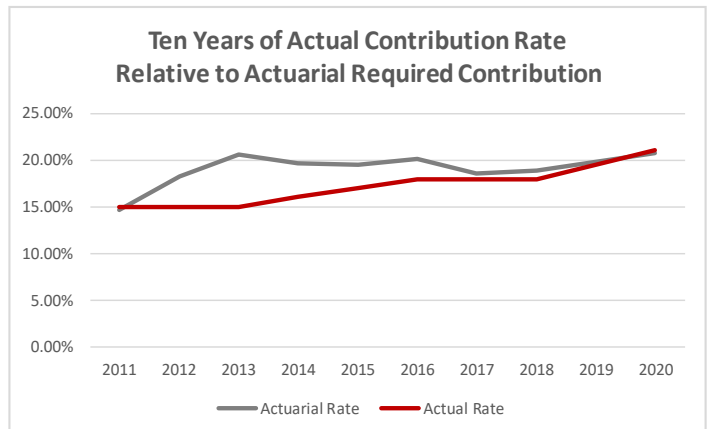
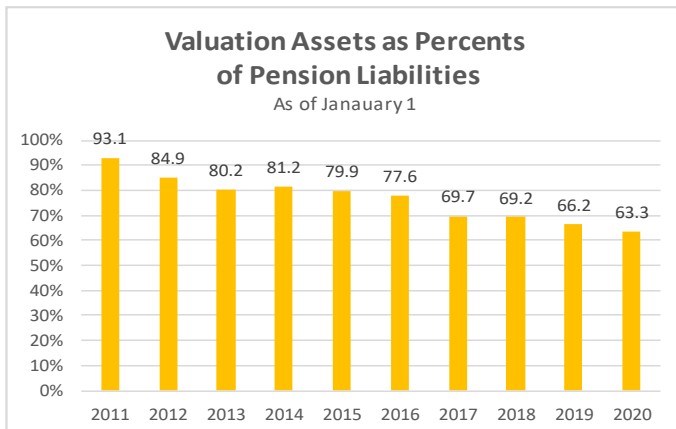
As of December 31, 2019



*In May 2020, the Board changed the actuarial assumed investment return rate to 7.5%.

ACTUARIAL FUNDED RATIO AND CONTRIBUTION RATE

As of January 1, 2020



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

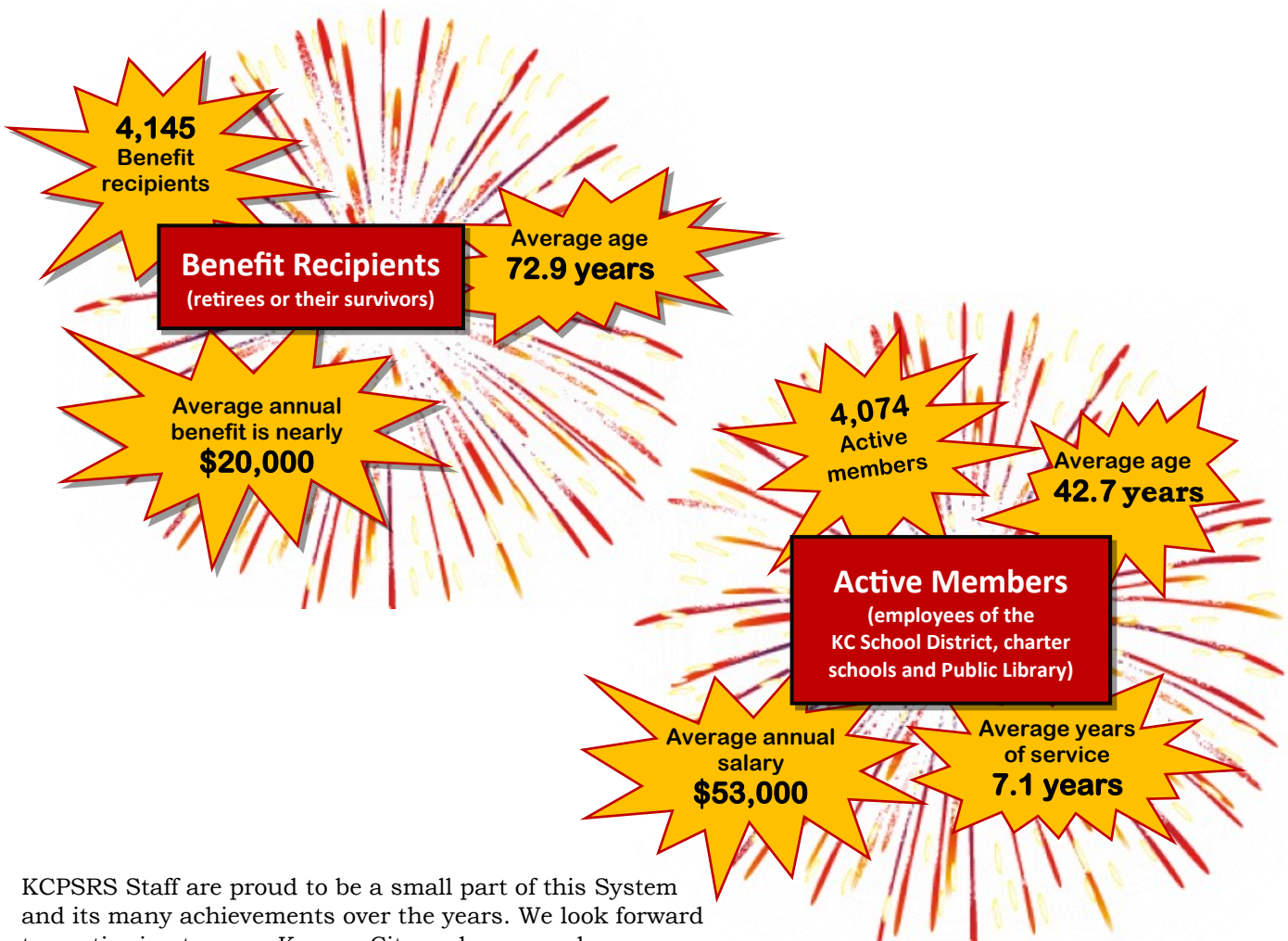
2019 SUCCESSES

KCPSRS takes this opportunity to congratulate the Kansas City Chiefs on their recent Super Bowl win. We are proud of the Chiefs for their hard work, dedication, and their victory for the team, the city, and the state of Missouri!

In a similar vein, KCPSRS was successful this year:

- Adding \$59.3 million to our total fund, which in turn provides a secure future for all our members
- Strong investment return of 18.22% for net investment income of \$106 million
- Paying \$80.2 million in retirement benefits to our retirees
- Contributions received from employers and employees totaling \$40 million

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



KCPSRS Staff are proud to be a small part of this System and its many achievements over the years. We look forward to continuing to serve Kansas City and our members.

RETIREES STAYING CONNECTED

Three Kansas City based groups offer opportunities for KCPSRS retirees to:

- connect with other retirees via social gatherings or virtually
- stay informed about benefits and privileges extended to retirees by the school district and the retirement system
- learn of pertinent educational, recreational, social and volunteer activities

The **Kansas City Public Schools Retired Administrators' Association (KCPSRAA)**

seeks to promote the welfare of retired school administrators and membership is open to retired personnel who functioned as administrators of the KC school district and associate membership

open to retired administrators from other school districts. For more information email kcpsraa@gmail.com or mail your request to KCPSRAA, P.O. Box 18267, Raytown, MO 64133.

Retirement is not the end of the road. It is the beginning of the open highway.

The **Kansas City Association of School Retirees (KCASR)**

is open to all retired employees of any school system. KCASR holds four luncheon meetings per year featuring a program of

entertainment or topic of interest to retirees and distributes four newsletters to its members each year. For more information call Loxie Stock at 816-483-3125 or Jim Strong at 816-673-1077 or email loxiek@yahoo.com.

The local **Union** offers all retirees (teachers and other school related personnel) of the Kansas City, Missouri School District the opportunity to join other retirees normally four times each year at informal luncheon meetings, which include topical seminars. The meetings offer information on how to protect your pension and other benefits, and information about the "political roller coaster" at local, state, and national levels. For information contact Patricia Jones-Macklin at dstjones@aol.com.

SPOTLIGHT ON RETIREE

Judith McLaren retired from Hartman Elementary in 2009. KCPSRS recently caught up with her and learned she's really enjoying her retirement. Judith has taken culinary and ceramics classes, and won multiple prizes including Grand Champion for her ceramics at the Johnson County Art Fair! She's delighted that she gave these new experiences a shot. While she misses her students, she

shared that since she's retired, she feels stronger as a person. She is less stressed and happy to pursue things she enjoys. When asked what has surprised her the most about her retirement, she said it's how busy she is! "Some people think retirement is the end, but it really a new beginning. When you put your best foot forward and try new things, you can really surprise yourself." She finds inspiration in

the memory of her mother who was also very gifted in art. Her favorite hidden gem in KC is the Brookside Dime Store. She says, "It's a great place to get supplies for students." Her advice for new retirees: "Get out there with a positive attitude and try new things because you'll surprise yourself and succeed! Don't let other people discourage you. Have fun! Don't take yourself so seriously."

EMERGENCY ASSISTANCE FOR RETIRED TEACHERS

The Kansas City Association of School Retirees (KCASR) accepts applications for retired teachers in need of emergency financial assistance - maximum request is \$500. Funds may be used to assist with specific needs including, but not limited to, family funeral expenses, utilities, housing, clothing, and prescriptions. You are required to be a certified elementary

or secondary teacher but do not have to be a member of KCASR.



Applications are available to download from www.kcpsrs.org on the *Retirees* menu. Or, you may contact Loxie Stock at 1640 Cypress, Kansas City, MO 64127 or loxiek@yahoo.com for the application form and more information. **Completed applications must be submitted to KCASR by September 30, 2020 via mail or email to Loxie Stock.**



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Stay connected on social media



[Facebook.com/KCPSRS](https://www.facebook.com/KCPSRS)



[youtube.com/channel/UCiqODsv_8w0HalpY_cAsVuA](https://www.youtube.com/channel/UCiqODsv_8w0HalpY_cAsVuA)

2020-2021 KCPSRS Calendar

SEPTEMBER

- 7 KCPSRS Office closed—Labor Day
- 14 Board of Trustees meeting
- 15 Deadline to submit direct deposit & tax changes for September retirement benefits
- 29 Retirement benefit checks mailed
- 30 Retirement benefit direct deposits deposited

OCTOBER

- 5 Board of Trustees meeting
- 5 Board member nominations received at Board of Trustees meeting
- 15 Deadline to submit direct deposit & tax changes for October retirement benefits
- 29 Retirement benefit checks mailed
- 30 Retirement benefit direct deposits deposited

NOVEMBER

- 2 Board of Trustees meeting
- 2 Ballots mailed
- 16 Deadline to submit direct deposit & tax changes for November retirement benefits
- 23 Ballots must be received by election service
- 27 Retirement benefit checks mailed
- 26-27 KCPSRS Office closed—Thanksgiving
- 30 Retirement benefit direct deposits deposited

DECEMBER

- 7 Board of Trustees meeting
- 15 Deadline to submit direct deposit & tax changes for December retirement benefits
- 25-31 KCPSRS Office closed—Christmas
- 30 Retirement benefit checks mailed
- 31 Retirement benefit direct deposits deposited

JANUARY

- 1 KCPSRS Office closed—New Year's Day
- 4 Board of Trustees meeting
- 15 Deadline to submit direct deposit & tax changes for January retirement benefits
- 18 KCPSRS Office closed—Martin Luther King, Jr. Day
- 28 Retirement benefit checks mailed
- 29 Retirement benefit direct deposits deposited

FEBRUARY

- 1 Board of Trustees meeting
- 15 KCPSRS Office closed—President's Day
- 16 Deadline to submit direct deposit & tax changes for February retirement benefits
- 25 Retirement benefit checks mailed
- 26 Retirement benefit direct deposits deposited