



Pension Board of Trustees Meeting Agenda

Thursday, October 14, 2021, 2:00pm

Via Zoom

1. UMB Investment Report – Brande Anderson and Derek Campbell
2. Board Action Items
 - Consider Approval of April 15, 2021 special meeting minutes
 - Consider Adoption of Investment Policy Statement for supplemental 401(a) and 457(b) employee retirement plans
 - Consider approval of one-time payment for Jessie Roane, Lacey Daly, and Tanner Tyson for separation of employment
3. Review 2022 meeting dates – 2nd Thursday during first month of each quarter
 - a. January 13 2:00pm
 - b. April 14 2:00pm
 - c. July 14 2:00pm
 - d. October 13 2:00pm

Meeting link information is below and will also be emailed out as an invite to the committee.

Please click the link below to join the webinar:

<https://us02web.zoom.us/j/84524069237>

Prairie Village Police Pension Board

Performance review through September 30, 2021

Derek Campbell, CFP®
Senior Vice President
Senior Portfolio Manager

Brand Anderson, CTFA
Senior Vice President
Senior Institutional Relationship Manager



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City Council Policy: CP055 - Investment Policy for City Retirement Funds

Effective Date: May 6, 2019

Amends: November 18, 2013

Approved By: Governing Body

I. PURPOSE

A. OVERSIGHT OF PLAN'S INVESTMENTS

The Board of Trustees (Board) have the responsibility, among others, to manage the investment of the Plan's assets. The purpose of this Policy is to formalize the Board's guidelines and objectives related to the investment of the Plan's assets, including the standards for selecting and monitoring the Plan's investments, and the persons or entities (if any) to whom the authority and responsibility for management of those investments is delegated by the Board. This Policy presents the Board's general investment philosophy and identifies specific guidelines and objectives related to investment return and risk with respect to management of the Plan's assets. The Board will use these guidelines and objectives to monitor, evaluate and make decisions about the suitability (and continued suitability) of the Plan's investments, and the management of those investments, in light of the Plan's contribution source, accrued benefit liabilities, benefit payment stream, and other relevant factors.

Annually the Board will review the City's supplemental pension plan to monitor and evaluate the plan's investments and management of those investments, as required by the Internal Revenue Code.

B. THE PLAN'S CONTRIBUTION SOURCE, BENEFIT LIABILITIES AND BENEFIT PAYMENTS

Contributions to the Plan are made by the employees as a condition of participation and by the City based on amount determined by the Plan's actuaries to adequately fund the Plan. Thus, the funding of the Plan depends on some of the following factors:

- a) the number of persons employed, during any period of time;
- b) the salary of the covered employees during such period of time;
- c) the amount of time the employees work for the City; and
- d) the performance of the investments of the Plan's assets.

The contribution rate is determined upon consideration of many factors, including but not necessarily limited to, the Plan's benefit accrual formula, the projected benefit accruals under the Plan, benefit payment obligations, and performance of the Plan's investments over extended time horizons.

Benefits are paid by the Plan upon a distributable event, such as death, disability or retirement of a covered employee. Benefits obligations may be paid monthly to eligible retirees and beneficiaries.

C. REVIEW AND MODIFICATION OF THIS INVESTMENT POLICY STATEMENT

The investment objectives and standards set forth in this Policy will be reviewed by the Board annually, or more frequently as needed to ensure it remains prudent and consistent with the best interests of the Plan's participants. This Policy may be amended or modified by the Board at any time.

II. POLICY

A. This document, as amended from time to time, will serve as the Investment Policy Statement (Policy) for the City of Prairie Village Police Pension Plan (Plan), a defined benefit pension plan qualified under Section 401(a) of the Internal Revenue Code. The City of Prairie Village (City) established the plan to provide retirement benefits to employees (and their beneficiaries) in accordance with the Plan document.

B. INVESTMENT GUIDELINES

1. GENERAL FIDUCIARY OBLIGATION

In establishing, monitoring and modifying this Policy, and in complying with the guidelines and standards established in this Statement, the Board will at all times act prudently, and exclusively in the best interests of the Plan's participants and beneficiaries. "Prudence" means the care, skill and diligence under the circumstances then prevailing that a prudent person acting in a similar capacity and familiar with such matters would use in the conduct of an enterprise of a like character and with like aims. The Board will diversify the investments of the Plan's assets so as to minimize the risk of large losses, unless under the circumstances then prevailing, it is clearly prudent not to do so.

2. LONG TERM RISK AND REWARD

This Policy reflects consideration of the long-term funding requirements of the Plan. The Board recognizes that expectations for the returns to be earned on the different classes of Plan assets in the future may not be realized. However, the expectations reflected in this Statement are considered by the Board to be reasonable, given the historical experience covering long-term periods and the belief that the capital markets will remain viable. Long-term is defined as over 10 years. If the assumptions are not realized, the Board recognizes that a substantial shortfall of actual investment returns from those expected could require increased contributions or a reduction in future benefit accruals, or other Plan modifications.

3. PRESERVATION OF ASSETS AND PURCHASING POWER

The fundamental objectives of the Plan's investments are to preserve capital, to avoid a diminution in the purchasing power of the Plan's assets (relative to inflation), and to assure satisfaction of the Plan's long-term liquidity needs. The Board believes it is appropriate for the Plan to assume a moderate degree of investment risk, with diversification of Plan assets among different classes of investments as a means of reducing risk. The Plan can and will tolerate some variability in market value and rates of return in order to achieve a greater long-term rate of return.

While neither the City nor the Board guarantee the continued viability of existence of the Plan, they hope and intend to continue the Plan indefinitely. Consequently, the Board endorses a long-term approach to managing the investment portfolio, but believe this should not be viewed as justification for exposing the portfolio to levels of volatility that might adversely affect the value of the Plan's assets.

The Board believes that the level of risk assumed in the fund is a function, in large part, of the fund's risk posture as stated above. The proportion of assets allocated to equity investments is the most important determinant of volatility of future returns. As indicated by long-term historical data, the risk of equity ownership has been rewarded with a higher rate of return.

4. SELECTION OF INVESTMENT MANAGERS

The Boards desire to retain an Investment Manager (Manager) to assist them in their responsibility to manage the Plan's assets. The Manager will construct and manage investment portfolios within the guidelines of this Policy. The manager will select specific securities, buy and sell such securities, and modify the asset allocation within the guidelines in this Policy. The Policy is intended to allow enough flexibility for the Manager to respond to changing economic conditions and securities markets.

In selecting a Manager the following criteria will be taken into account:

- Investment returns
- Risk assessments
- Background of people
- Philosophy of Manager
- Process of investment decisions
- Diversification of portfolio
- Management fees
- Use of cash
- Portfolio turnover
- Quality of manager reports and communications
- Comparison of Manager's return and risk to appropriate market indices and universes
- Compliance with regulatory agencies

Managers will be required to specifically assume fiduciary liability for investment results. Any manager may be replaced at any time by the Board. The Manager is required to acknowledge the guidelines and objectives stated in this Policy and agrees to manage Plan assets in accordance with this Policy.

5. PORTFOLIO RESTRICTIONS AND DIVERSIFICATION

Each asset class will be invested in a portfolio of marketable securities. Private placements, restricted or letter stock, and other non-marketable securities are not permissible. Investment in the following types of marketable securities is not permissible: financial futures, derivatives (except mortgaged backed securities used in a conservative manner), options, warrants, and commodities except for gold.

The Manager may choose to invest in publicly traded mutual funds and/or commingled trust funds. Mutual funds are expected to exhibit long-term performance that is competitive relative to the peer group and an appropriate market benchmark. Expense ratios within any mutual fund or commingled trust should be at or below the category average. Assets within the mutual fund or commingled trust should be at least \$50 million.

The Manager may not engage in the following types of transactions: short sales or any other marginable transactions, option writing, hedging strategies, or any other transaction that unduly increases risk in the portfolio.

The diversification of equity and fixed income securities held in each portfolio among sectors, industry groups and issuers is the responsibility of the Manager. The Manager is expected to diversify the portfolio sufficiently to minimize the risk of a large loss from a single security.

C. ASSET ALLOCATION

The Board will select the appropriate asset classes. In selecting the asset classes, the Board will choose asset classes reasonably designed to further the purposes of the Plan, taking into account:

1. The risk of loss and opportunity for gain associated with the asset classes, both objectively and in light of the acceptable risk permitted by this Policy, taking into account the correlation of the various asset classes and the time horizon over which the Plan is likely to have assets invested in the asset classes;
2. The composition of the available asset classes with regard to the Plan's opportunity to meet its objectives without exceeding the risk tolerance permitted by this Policy;
3. The composition of the available asset classes with regard to the Plan's opportunity to achieve diversification of its investment portfolio;
4. The liquidity and current return which with respect to the asset classes, relative to the specific cash flow requirements of the Plan; and
5. The projected return available with respect to the asset classes, relative to the funding objectives of the Plan.

The target asset allocation and asset classes to be used in the Plan are shown below. All percentages are based on market values of the entire portfolio.

Asset Class	Target Percentage of Total Portfolio	Minimum Percentage of Total Portfolio	Maximum Percentage of Total Portfolio
Large Cap Domestic Equity	25	20	40
Mid Cap Domestic Equity	10	0	15
Small Cap Domestic Equity	10	0	15
International Equity	15	0	20
Fixed Income	35	25	45
Other	5	0	10
Cash	0	0	10

Based on asset allocation studies using long-term historical returns from the various capital markets, the Board believes there is a reasonable likelihood the Plan will meet the overall investment objectives using the above asset allocation.

The Board may add, delete, or change asset classes (and may change the percentages assigned to each asset class) at any time, in their discretion. In some cases the Board may satisfy asset classes by using pooled funds. Where pooled funds are used, they should substantially comply with this policy.

D. STANDARDS OF INVESTMENT PERFORMANCE

1. ACTUARIAL OBJECTIVES

The Plan's investment objective is to realize an investment return that, at a minimum, equals the Plan's actuarial interest assumption on an ongoing basis.

2. INFLATION OBJECTIVES

As inflation is a serious deterrent to providing meaningful benefits to covered employees and their beneficiaries in the future, the Board maintains a relative objective to keep the investment performance of the Plan's assets in perspective. This relative objective is an annual rate of return, net of fees, equal to the annual rate of inflation plus five percent (5%). The Consumer Price Index (CPI) will be used as an index to measure inflation.

3. MARKET RELATED OBJECTIVES

The Plan's investment objectives should be pursued as long-term goals designed to maximize return while reducing exposure to undue risk as set out in this Policy. All returns will be measured in terms of total return based on market value. Total returns will be defined as all income paid or accrued plus realized and unrealized capital gains and losses. The Plan's custodian is responsible for preparing the statement used for performance monitoring.

4. OVERALL INVESTMENT PERFORMANCE STANDARD

The market objective for measurement of the Plan's overall investment performance is a weighted blended index based on target percentage return consisting of: The Standard and Poor's 500 Equity Index, the Russell Mid Cap, the Russell 2000, the MSCI EAFE International Equity Index, the Barclays Capital Intermediate Government/Corporate Fixed Income Index, and the 90 day Treasury Bill. Risk will be measured by variability of returns (standard deviation). Emphasis will be placed on measurement over a full market cycle, usually three to five years. Policy Benchmark consists of 25% S&P 500, 15% EAFE, 10% Russell Mid Cap, 10% Russell 2000, 35% Barclays US Govt/Cred Int., 5% 90-Day T-bills.

The total fund should exceed the returns of a comparable universe of balanced funds with similar objectives, net of investment management fees, with less risk.

5. DOMESTIC EQUITY PERFORMANCE STANDARDS

The purpose of Domestic Equity investments is to provide maximum total return while not exceeding the risk levels stated in this Policy.

The market objective for the Domestic Equity portion of the portfolio is to exceed the return of The Standard & Poor's 500 Equity Index (benchmark) while not exceeding the risk of the benchmark as measured by variability of returns (standard deviation), net of investment management fees. Emphasis will be placed on measurement over a full market cycle, usually three to five years.

The asset class should exceed the returns of a comparable universe of Domestic Equity funds with similar objectives, net of investment management fees, with less risk.

Guidelines

- a.) The Manager may select from marketable domestic equity securities traded on any of the major U.S. exchanges or through NASDAQ. Securities for this portfolio may include common stocks, preferred stocks, convertible securities and publicly traded mutual funds or commingled trust funds.
- b.) Securities with a market capitalization of less than \$500 million at the time of purchase will not be used. Preference should be given to high quality equity securities.

- c.) Diversification must be maintained at all times. No single equity position shall exceed 10% of the market value of the Domestic Equity portfolio. No single industry (as defined by Standard & Poor's industry groups) shall exceed 20% of the market value of the Domestic Equity portfolio.
- d.) The selection of individual securities will be at the discretion of the Manager, within the guidelines stated in this Policy.
- e.) The Manager should stay fully invested in Domestic Equity securities

6. INTERNATIONAL EQUITY PERFORMANCE STANDARDS RELATIVE TO MARKET

The purpose of international equity investments is to diversify the overall equity position in the portfolio to protect assets and reduce risk.

The market objective for the International Equity portion of the portfolio is to exceed the return of the EAFE International Equity Index (benchmark) while not exceeding the risk of the benchmark as measured by variability of returns (standard deviation), net of investment management fees.

Emphasis will be placed on measurement over a full market cycle, usually three to five years.

The asset class should exceed the returns of a comparable universe of international equity pooled funds with similar objectives, net of investment management fees, with less risk.

Guidelines

- a.) The Manager may select from marketable international securities traded on any of the major international exchanges. Securities for this portfolio may include common stocks, preferred stocks and convertible securities.
- b.) Securities with a market capitalization of less than \$500 million at the time of purchase will not be used. Preference should be given to high quality equity securities.
- c.) Diversification must be maintained at all times. No single equity position shall exceed 10% of the market value of the International Equity portfolio. No single industry shall exceed 20% of the market value of the International Equity portfolio. The Manager should also be diversified in at least three capital markets whose assets and currencies are not closely correlated to each other.
- d.) The selection of individual securities will be at the discretion of the Manager, within the guidelines stated in this Policy.
- e.) The Manager may use discretion regarding hedging currencies where they may be fluctuating adversely relative to the dollar.
- f.) The Manager should stay fully invested in International Equity securities.

7. DOMESTIC FIXED INCOME PERFORMANCE STANDARDS RELATIVE TO MARKET

The primary purpose of fixed income investments is to provide total return while not exceeding the risk levels stated in this policy. The secondary purpose is to generate income and reduce volatility in the entire portfolio.

The market objective for the fixed income portion of the Plan is to exceed the return of the Barclays Capital Intermediate Government/Corporate Fixed Income Index (benchmark) while not exceeding the risk of the benchmark as measured by variability of returns (standard deviation), net of investment management fees. Emphasis will be placed on measurement over a full market cycle, usually three to five years.

The asset class should exceed the returns of a comparable universe of domestic fixed income funds with similar objectives, net of investment management fees, with less risk.

Guidelines

- a.) The Manager may select from marketable Domestic Fixed Income securities. Securities for this portfolio may include corporate bonds, government & agency bonds, Treasury Inflation-Protected Securities (TIPS), mutual funds, or exchange traded funds (ETFs).
- b.) Fixed income investments should stress high quality with overall portfolio quality rated A or better. Corporate debt securities will be of investment grade or better. Any investments that do not maintain a minimum investment grade credit rating of BBB from Standard & Poor's or Baa from

Moody's Investment Services may be retained in the portfolio at the discretion of the Manager, but only after a serious review of the risks involved.

- c.) Diversification must be maintained at all times. The Manager may not invest more than 10% of the market value of fixed income portion in any obligation of a single issuer, with the exception of the U.S. Government and its agencies.
- d.) The portfolio duration will not vary from the duration of the benchmark by plus or minus 20%.
- e.) The selection of individual securities will be at the discretion of the Manager, within the guidelines stated in this Policy. The allocation between corporate and government bonds is in the discretion of the Manager.
- f.) The Manager should stay fully invested in Domestic Fixed Income securities. Cash positions in excess of 5% are not permitted.

E. RESPONSIBILITIES OF THE INVESTMENT MANAGER

1. FIDUCIARY LIABILITY

The Manager acknowledges that investment decisions will be made in the sole interest and for the exclusive purpose of providing benefits to participants. All assets must be invested with the care, skill and diligence that a prudent person familiar with such matters acting in a like capacity would use in a similar enterprise. The Manager will assume the responsibility for investment performance and comply with all fiduciary requirements required by law. All investments will be made within the guidelines of quality, marketability and diversification mandated by any controlling statutes. The Manager is granted full discretion to manage the investment portfolio within the constraints and guidelines of this Policy. The Manager will acknowledge and accept this fiduciary responsibility by executing this document. The Manager shall comply with the fiduciary responsibility standards and requirements of the Employee Retirement Income Security Act (ERISA) of 1974, as amended, and rules and regulations thereunto.

2. REPORTING

The Manager shall report investment results to the Board in writing on at least a semi-annual basis. The Board should also be informed of any significant changes in the ownership, affiliation, organizational structure, financial condition, or professional personnel staffing of the investment management organization. The Manager will inform the Board regarding all significant matters pertaining to the investment of the assets. The Board should be kept apprised of major changes in investment strategy, portfolio structure, market value of the assets, and other matters affecting the investment of the assets.

3. TRADING AND BROKERAGE

Trading activity is in the discretion of the Manager. The Manager is free to execute trades whenever it is in the best interest of the Fund. There are no specific restrictions on portfolio turnover. However, the Board anticipates that better long-term investment performance will result from investment strategies, not trading strategies. The Manager will have the discretion to execute transactions with brokerage firms of his or her choosing. This selection should be based on the quality of executions rendered, the financial health of the brokerage firm, the general business integrity of the firm, commission costs, and the firm's overall efficiency in transacting business. It is further acknowledged that commission dollars are a Fund asset and should not be used for purposes other than that which directly benefits plan participants. The Manager will report to the Board on the total commissions paid, commission rates charged, and the brokerage firms used by the Manager.

4. USE OF CASH

If cash is used by the Manager, it should be invested in instruments that will achieve the highest return which does not impair the principal of the Fund, while maintaining liquidity at all times. All such assets must represent maturities of one year or less at the time of purchase. Cash investments can be made in money market mutual funds, bank short-term U.S. Government and agency obligations, government insured deposits, time deposits, certificates of deposit, A1/P1 commercial paper, collateralized agreements, bankers acceptances, and the like.

5. PROXY VOTING

The Manager for equities is required to vote all proxies in the best interest of plan participants by maximizing the value of the securities in the portfolio. The Manager shall maintain proper files documenting the decisions made on each proxy. The Manager's proxy voting procedure and proxy voting record will be reviewed by the Board on a regular basis. The Manager will have complete discretion with respect to the voting of the proxies.

F. MONITORING OF INVESTMENT PERFORMANCE

1. SEMI-ANNUAL REPORT

No less frequently than semi-annually, the Board will review the continued suitability of the asset classes, and the overall performance of the investment funds. As part of this review process, the Board will prepare or cause to be prepared a Performance Monitoring Report, which shall review the performance of the investment vehicles in light of the criteria set out in this Policy. The purpose of this report is to satisfy Boards' obligation to continually perform due diligence on the Plan's investments. Cash equivalents used in reserve to pay benefits and expenses of the Plan will not be part of the performance monitoring process.

2. CHANGES IN INVESTMENT MANAGER

The Board will also review the suitability of an investment manager upon a change in the portfolio manager or a perceived or announced change in investment style or objectives, of which the Board are aware. The Board has the right to eliminate and, as appropriate, replace any manager that ceases to be suitable based upon the criteria set out in this Policy. The Board may add additional investment managers, as they deem appropriate in their discretion.

In the event the Board determines that an investment manager is no longer suitable, the Board shall select another manager within the same asset class, and direct that amounts then invested in the unsuitable manager be transferred to the new manager for management.

G. CUSTODIAN

All assets will be held at BMO Trust and Custody Services as the custodian in the name of the City of Prairie Village Police Pension. The Custodian will regularly summarize these holdings for the Boards' review. The Custodian will allocate funds to the Manager at the direction of the Board. All indicia of ownership of any assets of the Plan shall be maintained within the jurisdiction of the courts of the United States.

The Board hereby adopts this Investment Policy Statement for the City of Prairie Village Police Pension Plan this ____day of _____2019. This Policy supersedes any previous Investment Policy Statement.

H. DEFINITIONS

Board of Trustees - Responsible for establishing the Investment Policy Statements (ISP). Also known as the Police Pension Board.

Custodian - Maintains physical possession of the funds.

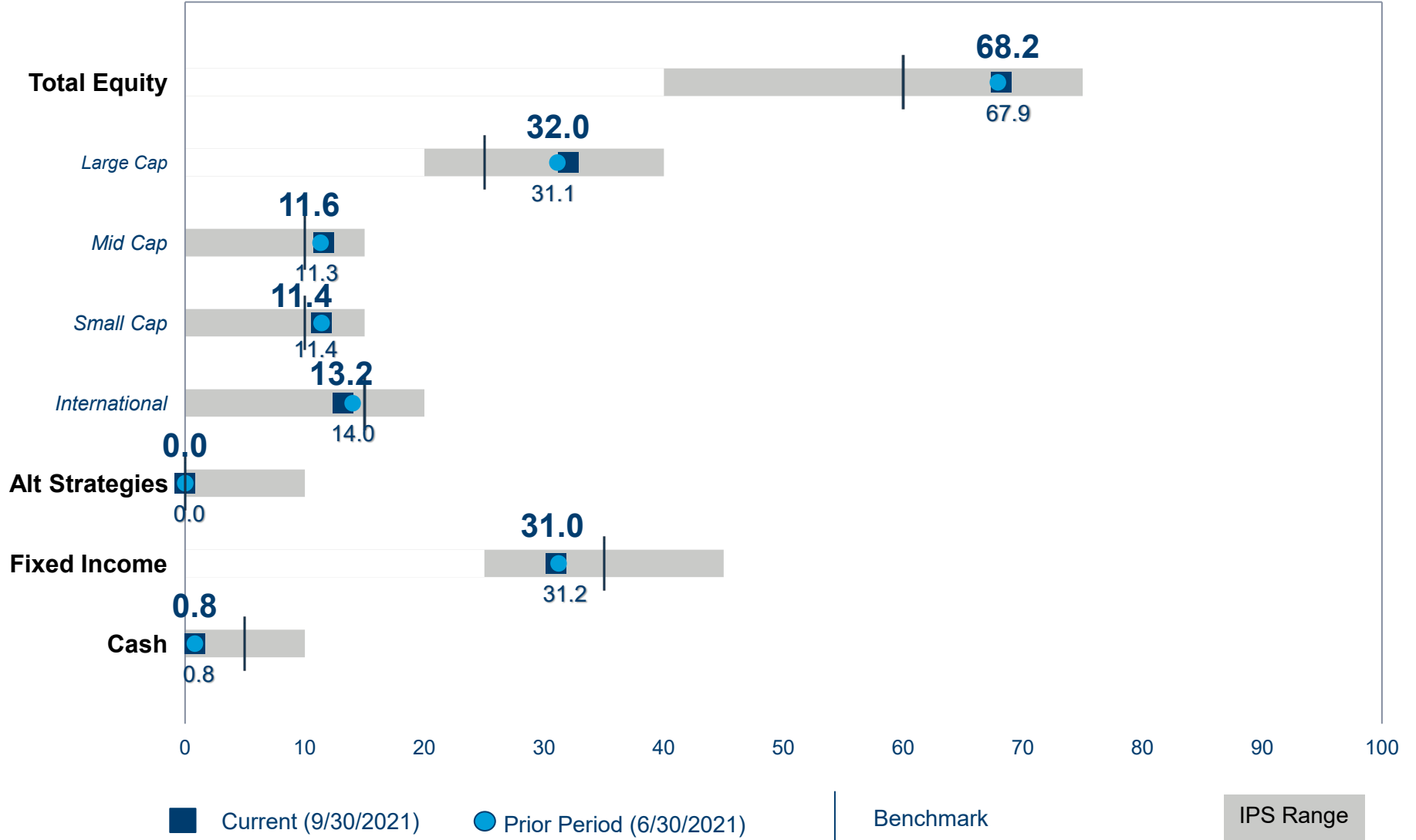
Investment Manager - Manages investment portfolios within the guidelines of this policy. The manager will select specific securities, buy and sell securities, and modify the asset allocation within the guidelines of this policy.

Authorized Signature

Date

Authorized Signature

Date





Asset Allocation				Performance					
Date: 9/30/2021	Market Value	% Assets	Policy Benchmark	Latest 3 Months	Year To Date	Latest 1 Year	Annualized Latest 3 Years	Annualized Latest 5 Years	Annualized Latest 10 Years
Total Fund - Gross of Fees	\$ 18,306,765	100.0%		-0.35%	7.60%	18.84%	9.93%	10.23%	9.49%
<i>CPI+5%</i>				1.59%	7.82%	9.81%	7.74%	7.52%	6.89%
<i>Policy Benchmark</i>				-0.41%	7.58%	18.98%	9.80%	9.56%	9.47%
Equities	\$ 12,488,358	68.2%	60.0%	-0.40%	12.11%	29.61%	13.03%	14.23%	13.69%
Common Stock	\$ 4,388,261	24.0%		1.21%	14.28%	26.00%	18.85%	19.16%	16.99%
Funds- Large Cap	\$ 1,472,679	8.0%	25.0%	0.02%	15.66%	31.77%	13.04%	14.65%	15.34%
<i>S&P 500</i>				0.58%	15.92%	30.00%	15.99%	16.90%	16.63%
Funds- Mid Cap	\$ 2,117,618	11.6%	10.0%	0.32%	11.47%	29.21%	13.68%	13.88%	14.86%
<i>Russell MidCap</i>				-0.93%	15.17%	38.11%	14.22%	14.39%	15.52%
Funds- Small Cap	\$ 2,087,368	11.4%	10.0%	-1.82%	14.87%	49.92%	12.37%	14.54%	14.21%
<i>Russell 2000</i>				-4.36%	12.41%	47.68%	10.54%	13.45%	14.63%
Funds- International	\$ 2,422,432	13.2%	15.0%	-2.69%	6.18%	23.98%	6.12%	7.96%	6.96%
<i>MSCI EAFE</i>				-0.45%	8.35%	25.73%	7.62%	8.81%	8.10%
Fixed Income	\$ 5,675,940	31.0%	35.0%	-0.15%	-0.80%	-0.12%	4.67%	2.72%	2.70%
<i>Bloomberg US Govt/Cred Interm</i>				0.02%	-0.87%	-0.40%	4.63%	2.60%	2.52%
US Gov & Agency Bonds	\$ 2,657,204	14.5%		-0.09%	-1.30%	-1.58%	5.02%	2.39%	2.13%
Corporate Bonds	\$ 2,349,283	12.8%		-0.15%	-0.40%	0.81%	4.32%	2.94%	3.31%
Funds- Fixed Income	\$ 669,452	3.7%		-0.57%	-0.98%	0.16%	4.73%	2.68%	-
Cash and Equiv.	\$ 142,468	0.8%	5.0%	0.02%	0.03%	0.03%	1.05%	0.98%	0.50%
<i>Bloomberg US Treasury Bill 1-3 Mon</i>				0.01%	0.03%	0.05%	1.11%	1.09%	0.58%

Policy Benchmark consists of 25% S&P 500, 15% EAFE, 10% Russell Mid Cap, 10% Russell 2000, 35% Barclays US Govt/Cred Int, 5% 90-Day T-Bills.



Portfolio Activity Summary

	2017	2018	2019	2020	YTD*	Totals
Beginning Market Value	12,298,238	13,800,811	12,719,504	15,163,009	17,003,837	12,298,238
Net Contributions/Distributions	(309,400)	(363,731)	(178,861)	(147,296)	(25,595)	(1,024,882)
Income Received	438,370	668,447	431,102	427,389	197,866	2,163,174
Gains/Losses	1,373,603	(1,386,023)	2,191,263	1,560,735	1,130,657	4,870,235
Ending Market Value	13,800,811	12,719,504	15,163,009	17,003,837	18,306,765	18,306,765

*YTD: 12/31/2020 - 9/30/2021

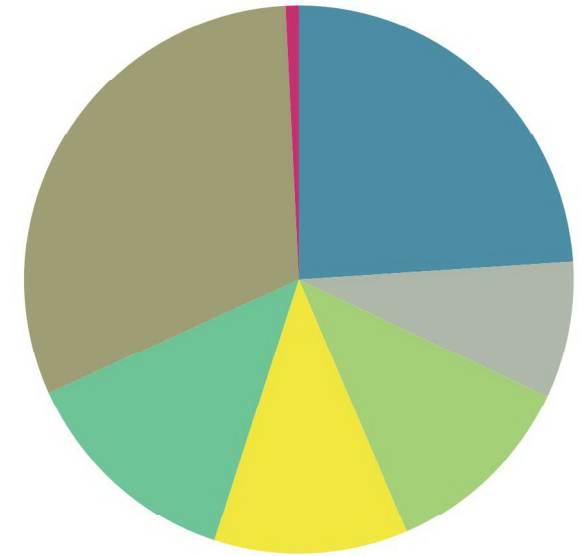
Portfolio Summary – Performance

	Market Value	3 Months	Year To Date	1 Year	Annualized 3 Years	Annualized 5 Years	Annualized 10 Years
Total Fund	18,306,765	(0.35)	7.60	18.84	9.93	10.23	9.49
<i>Policy Benchmark</i>		(0.41)	7.58	18.98	9.80	9.56	9.47
<i>CPI+5%</i>		1.59	7.82	9.81	7.74	7.52	6.89
Equities	12,488,358	(0.40)	12.11	29.61	13.03	14.23	13.69
Common Stock	4,388,261	1.21	14.28	26.00	18.85	19.16	16.99
<i>S&P 500</i>		0.58	15.92	30.00	15.99	16.90	16.63
<i>Russell MidCap</i>		(0.93)	15.17	38.11	14.22	14.39	15.52
<i>Russell 2000</i>		(4.36)	12.41	47.68	10.54	13.45	14.63
<i>MSCI EAFE</i>		(0.45)	8.35	25.73	7.62	8.81	8.10
Fixed Income	5,675,940	(0.15)	(0.80)	(0.12)	4.67	2.72	2.70
<i>Bloomberg US Govt/Cred Interm</i>		0.02	(0.87)	(0.40)	4.63	2.60	2.52
Specialty	-	-	-	-	-	-	-
Cash and Equiv.	142,468	0.02	0.03	0.03	1.05	0.98	0.50
<i>Bloomberg US Treasury Bill 1-3 Mon</i>		0.01	0.03	0.05	1.11	1.09	0.58

Account Inception: 12/31/1989

Policy Benchmark consists of 25% S&P 500, 15% EAFE, 10% Russell Mid Cap, 10% Russell 2000, 35% Barclays US Govt/Cred Int, 5% 90-Day T-Bills.

Allocation by Asset Class



INVESTMENT OBJECTIVE: GROWTH WITH INCOME

Asset Allocation Classification	Market Value	% Assets	Yield
Equities	12,488,358	68.2%	0.8%
Common Stock	4,388,261	24.0%	0.8%
Funds - Large Cap	1,472,679	8.0%	1.4%
Funds - Mid Cap	2,117,618	11.6%	0.4%
Funds - Small Cap	2,087,368	11.4%	0.4%
Funds - International	2,422,432	13.2%	1.1%
Fixed Income	5,675,940	31.0%	2.6%
Cash and Short Term	142,468	0.8%	0.0%
Total	18,306,765	100.0%	1.4%

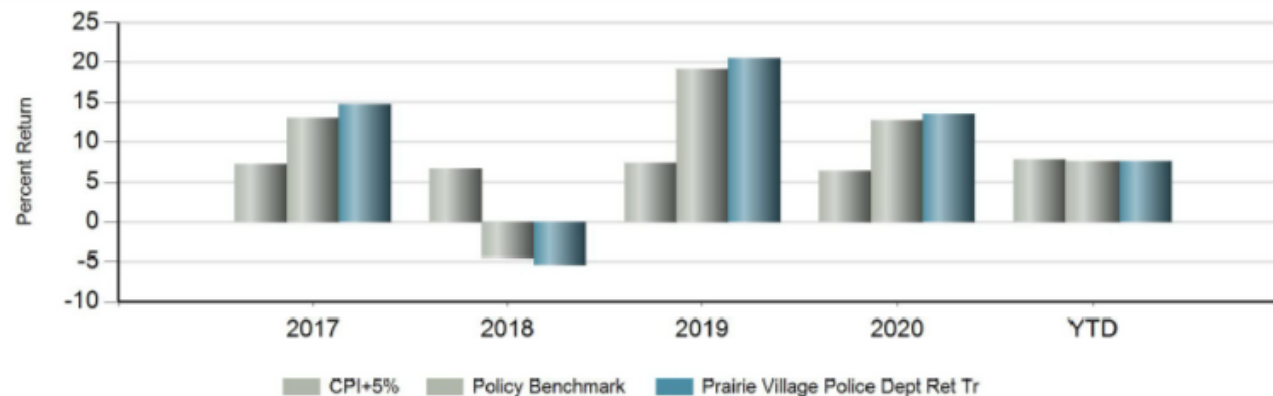


Calendar Performance Summary

	2017	2018	2019	2020	YTD	Annualized Since Inception
Total Fund	14.69	(5.41)	20.48	13.52	7.60	8.01
Policy Benchmark	12.99	(4.59)	19.09	12.74	7.58	-
CPI+5%	7.22	6.66	7.40	6.36	7.82	7.55
Equities	21.47	(9.06)	28.82	17.49	12.11	9.70
Common Stock	23.58	(2.94)	32.35	28.85	14.28	-
S&P 500	21.83	(4.38)	31.49	18.40	15.92	10.49
Russell MidCap	18.52	(9.06)	30.54	17.10	15.17	11.66
Russell 2000	14.65	(11.01)	25.52	19.96	12.41	9.98
MSCI EAFE	25.03	(13.79)	22.01	7.82	8.35	4.79
Fixed Income	2.14	1.19	7.04	6.30	(0.80)	-
Bloomberg US Govt/Cred Interm	2.14	0.88	6.80	6.43	(0.87)	-
Specialty	-	-	-	-	-	-
Cash and Equiv.	0.56	1.75	2.14	0.40	0.03	2.56
Bloomberg US Treasury Bill 1 -3 Mon	0.82	1.82	2.21	0.54	0.03	-

Account Inception: 12/31/1989

Calendar Performance Chart



Policy Benchmark consists of 25% S&P 500, 15% EAFE, 10% Russell Mid Cap, 10% Russell 2000, 35% Barclays US Govt/Cred Int, 5% 90-Day T-Bills.

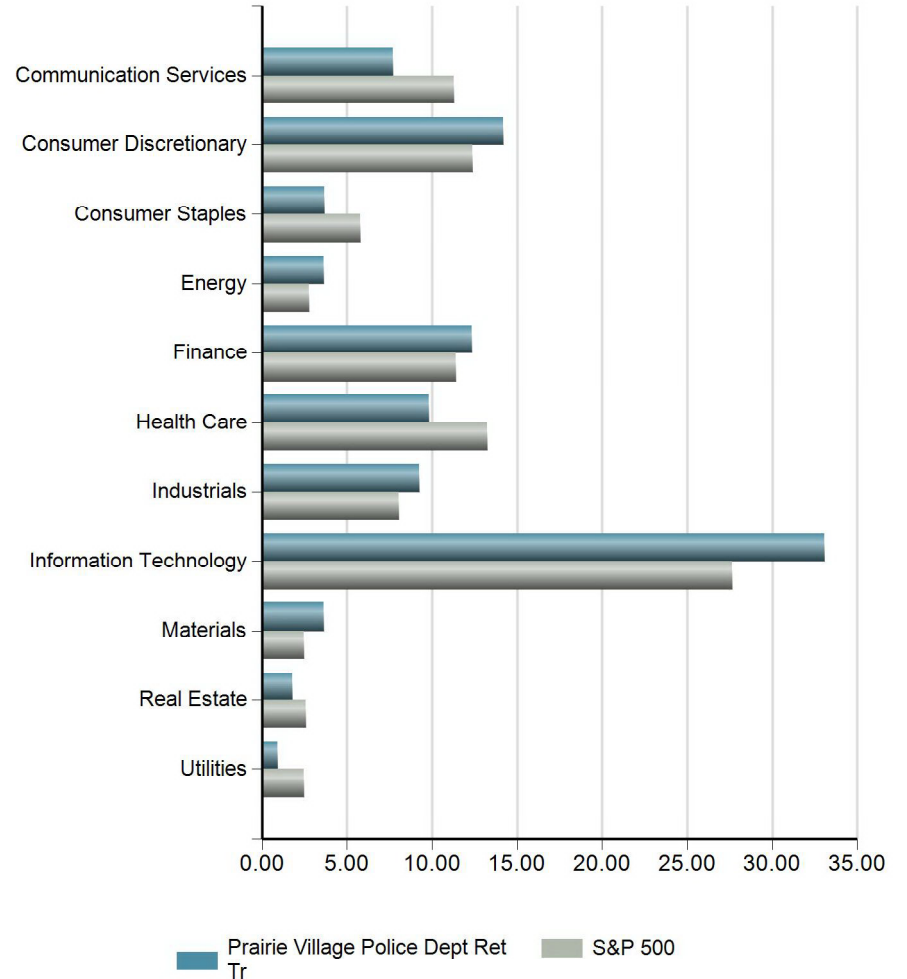
Equity Sector Allocation (Individual Equities Only)

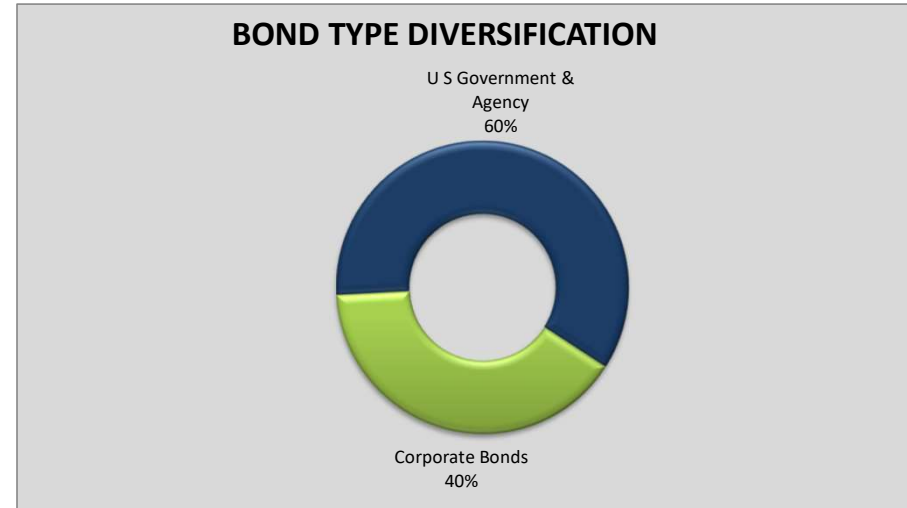
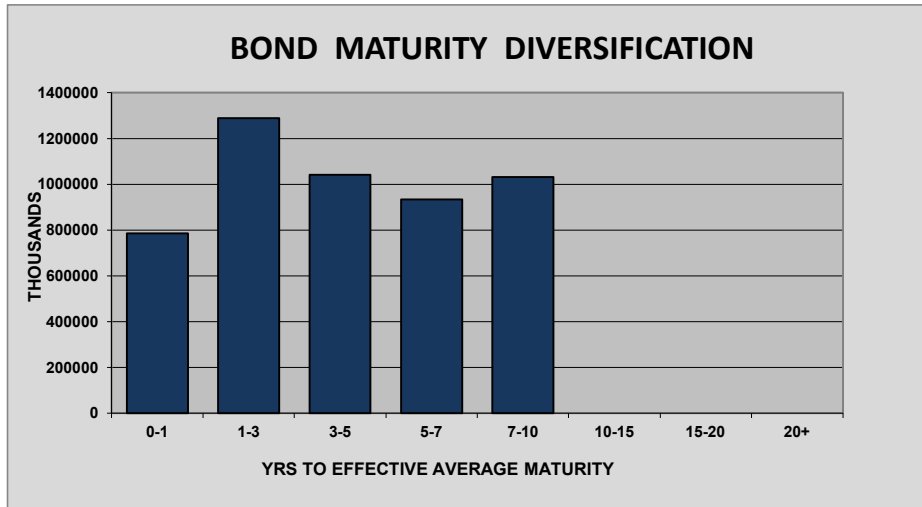
Sector	Portfolio	Benchmark	% Difference
Communication Services	7.7%	11.3%	-3.6%
Consumer Discretionary	14.2%	12.4%	1.8%
Consumer Staples	3.7%	5.8%	-2.1%
Energy	3.6%	2.8%	0.9%
Finance	12.3%	11.4%	1.0%
Health Care	9.8%	13.3%	-3.4%
Industrials	9.3%	8.0%	1.2%
Information Technology	33.1%	27.6%	5.4%
Materials	3.6%	2.5%	1.1%
Real Estate	1.8%	2.6%	-0.8%
Utilities	0.9%	2.5%	-1.5%
TOTAL	100.0%	100.0%	0.0%

Top 10 Holdings

Symbol	Security	Market Value	% of Assets
msft	Microsoft Corp	208,620.80	1.1
amzn	Amazon Com Inc	206,957.52	1.1
googl	Alphabet Inc Class A	187,146.40	1.0
aapl	Apple Inc	181,686.00	1.0
gs	Goldman Sachs Group Inc	156,882.45	0.9
intu	Intuit	126,784.85	0.7
nvda	Nvidia Corp	110,209.12	0.6
fb	Facebook Inc - A Shs	103,513.95	0.6
dhr	Danaher Corp Del	102,596.28	0.6
pxd	Pioneer Natural Resources Co	101,571.10	0.6
Top 10 Holdings Total		1,485,968.47	8.1

Portfolio vs. Benchmark





Weighted Average Coupon
Weighted Average Quality
Weighted Average Yield to Call
Weighted Effective Average Maturity
Weighted Average Duration

Fixed Income Investments

2.76%
Aa3
0.37%
4.13 Years
3.90 Years

Bloomberg US Govt/Credit Intern

1.97%
Aa2
0.98%
4.46 Years
4.21 Years

Source: BondEdge. Effective with the 09/30/2021 reporting period, this bar chart reflects years to average maturity, not years to stated maturity. The only exception to this statement is in the case of individual SBA, FHMA, and other government-issued loans that are not part of a pooled product. Due to the lack of data on average maturity and unpredictability of paydowns on these individual loans, stated maturity data is used for these securities.



Fund Name	3 Months	YTD	12 Months	3 Years	5 Years	10 Years	Since Inception	Manager Tenure	Total AUM (\$MM)	Portfolio Turnover	% Assets in Top 10 Holdings	Yield
Equities												
Funds- Large Cap												
BlackRock Equity Dividend K	(1.10)	15.18	35.24	10.32	12.59	12.70	12.74	5.67	21,343.00	45.00	26.34	1.50
<i>Russell 1000 Value TR USD</i>	<i>(0.78)</i>	<i>16.14</i>	<i>35.01</i>	<i>10.07</i>	<i>10.94</i>	<i>13.51</i>						
Vanguard Institutional Index I	0.57	15.90	29.98	15.97	16.87	16.61	10.60	12.38	298,032.00	4.00	28.44	1.34
<i>S&P 500 TR USD</i>	<i>0.58</i>	<i>15.92</i>	<i>30.00</i>	<i>15.99</i>	<i>16.90</i>	<i>16.63</i>						
Funds- Mid Cap												
iShares Russell Mid-Cap ETF	(0.98)	15.02	37.85	14.06	14.22	15.34	10.21	7.90	29,329.00	14.00	4.43	1.07
<i>Russell Mid Cap TR USD</i>	<i>(0.93)</i>	<i>15.17</i>	<i>38.11</i>	<i>14.22</i>	<i>14.39</i>	<i>15.52</i>						
MFS Mid Cap Growth R6	2.28	7.80	24.11	19.37	20.61	18.12	17.60	7.89	15,216.00	34.00	22.45	0.00
<i>Russell Mid Cap Growth TR USD</i>	<i>(0.76)</i>	<i>9.60</i>	<i>30.45</i>	<i>19.14</i>	<i>19.27</i>	<i>17.54</i>						
Nuance Mid Cap Value Institutional	(1.48)	6.81	23.16	11.06	11.69	0.00	10.21	5.64	3,670.00	76.00	44.36	0.92
<i>Russell Mid Cap Value TR USD</i>	<i>(1.01)</i>	<i>18.24</i>	<i>42.40</i>	<i>10.28</i>	<i>10.59</i>	<i>13.93</i>						
Principal MidCap R-6	0.71	13.92	31.08	18.71	17.92	17.65	18.35	14.71	22,935.00	13.90	32.62	0.00
<i>Russell Mid Cap TR USD</i>	<i>(0.93)</i>	<i>15.17</i>	<i>38.11</i>	<i>14.22</i>	<i>14.39</i>	<i>15.52</i>						
Funds- Small Cap												
Driehaus Small Cap Growth Institutional	0.58	15.37	50.84	26.77	0.00	0.00	33.39	3.36	504.00	164.00	18.24	0.00
<i>Russell 2000 Growth TR USD</i>	<i>(5.65)</i>	<i>2.82</i>	<i>33.27</i>	<i>11.70</i>	<i>15.34</i>	<i>15.74</i>						
iShares Russell 2000 ETF	(4.41)	12.27	47.47	10.44	13.39	14.62	8.85	7.90	67,794.00	20.00	3.19	0.92
<i>Russell 2000 TR USD</i>	<i>(4.36)</i>	<i>12.41</i>	<i>47.68</i>	<i>10.54</i>	<i>13.45</i>	<i>14.63</i>						
Tributary Small Company Instl Plus	(1.06)	18.67	53.86	6.54	9.71	12.72	10.31	18.17	743.00	64.00	23.46	0.27
<i>Russell 2000 TR USD</i>	<i>(4.36)</i>	<i>12.41</i>	<i>47.68</i>	<i>10.54</i>	<i>13.45</i>	<i>14.63</i>						
Victory Sycamore Small Company Opp I	(2.10)	16.02	48.95	9.52	12.50	14.39	9.81	15.03	6,944.00	37.00	15.05	0.52
<i>Russell 2000 Value TR USD</i>	<i>(2.98)</i>	<i>22.92</i>	<i>63.92</i>	<i>8.58</i>	<i>11.03</i>	<i>13.22</i>						
Funds- International												
Baillie Gifford International Alpha I	(5.48)	(0.18)	14.65	12.69	12.29	10.73	11.86	6.31	3,825.00	24.00	25.46	0.65
<i>MSCI ACWI Ex USA GR USD</i>	<i>(2.88)</i>	<i>6.29</i>	<i>24.45</i>	<i>8.52</i>	<i>9.45</i>	<i>7.97</i>						
Driehaus Emerging Markets Growth Instl	(6.69)	(0.69)	17.10	13.81	12.08	8.58	10.63	11.67	2,451.00	203.00	29.20	0.00
<i>MSCI EM NR USD</i>	<i>(8.09)</i>	<i>(1.25)</i>	<i>18.20</i>	<i>8.58</i>	<i>9.23</i>	<i>6.09</i>						



Fund Name	3 Months	YTD	12 Months	3 Years	5 Years	10 Years	Since Inception	Manager Tenure	Total AUM (\$MM)	Portfolio Turnover	% Assets in Top 10 Holdings	Yield
Manning & Napier Rainier Intl Discv Z	(0.18)	9.22	28.19	16.36	15.57	0.00	15.01	9.58	769.00	91.00	20.54	0.00
<i>MSCI EAFE Small Cap NR USD</i>	<i>0.90</i>	<i>10.02</i>	<i>29.02</i>	<i>9.05</i>	<i>10.38</i>	<i>10.73</i>						
Vanguard Developed Markets Index Admiral	(1.56)	8.20	26.51	8.18	9.18	8.62	4.81	6.29	102,721.00	3.00	9.94	2.48
<i>FTSE Developed ex North America NR USD</i>	<i>(1.15)</i>	<i>7.53</i>	<i>26.08</i>	<i>7.84</i>	<i>9.05</i>	<i>8.27</i>						

Fixed Income

Funds- Fixed Income

iShares Intermediate Govt/Crdt Bd ETF	(0.03)	(1.02)	(0.61)	4.44	2.42	2.33	3.45	5.29	2,479.00	26.00	12.04	1.55
<i>Bloomberg US Govt/Credit Interm TR USD</i>	<i>0.02</i>	<i>(0.87)</i>	<i>(0.40)</i>	<i>4.63</i>	<i>2.60</i>	<i>2.52</i>						
iShares Intermediate-Term Corp Bd ETF	0.09	(1.08)	1.33	7.54	4.60	4.13	4.73	5.29	11,993.00	23.00	2.13	2.38
<i>ICE BofA 5-10Y US Corp TR USD</i>	<i>(0.01)</i>	<i>(0.98)</i>	<i>1.51</i>	<i>7.69</i>	<i>4.64</i>	<i>5.28</i>						



Prairie Village Police Dept Ret Tr
mipvret (12691001)

Portfolio Appraisal

US Dollar
9/30/2021

Quantity	Symbol	Security	Unit Cost	Total Cost	Price	Market Value	% Assets	% Yield	Estimated Annual Income
COMMON STOCK									
Communication Services									
70.000	googl	Alphabet Inc Class A	621.94	43,536	2,673.52	187,146	1.0	0.0	0.00
305.000	fb	Facebook Inc - A Shs	107.00	32,634	339.39	103,514	0.6	0.0	0.00
79.000	nflx	Netflix Com Inc	586.95	46,369	610.34	48,217	0.3	0.0	0.00
				122,538		338,877	1.9	0.0	0.00
Consumer Discretionary									
63.000	amzn	Amazon Com Inc	517.90	32,628	3,285.04	206,958	1.1	0.0	0.00
244.000	five	Five Below Inc	113.13	27,605	176.81	43,142	0.2	0.0	0.00
135.000	hd	Home Depot Inc	188.20	25,406	328.26	44,315	0.2	2.0	891.00
411.000	nke	Nike Inc	80.73	33,181	145.23	59,690	0.3	0.8	452.10
150.000	orly	O'Reilly Automotive Inc	408.71	61,306	611.06	91,659	0.5	0.0	0.00
614.000	penn	Penn Natl Gaming Inc	74.60	45,804	72.46	44,490	0.2	0.0	0.00
601.000	sbux	Starbucks Corp	69.71	41,897	110.31	66,296	0.4	1.8	1,177.96
85.000	tsla	Tesla Inc	715.75	60,839	775.48	65,916	0.4	0.0	0.00
				328,665		622,465	3.4	0.4	2,521.06
Consumer Staples									
200.000	cost	Costco Wholesale Corp	314.09	62,818	449.35	89,870	0.5	0.7	632.00
237.000	el	Lauder Estee Cos Inc	262.30	62,166	299.93	71,083	0.4	0.7	502.44
				124,984		160,953	0.9	0.7	1,134.44
Energy									
568.000	cvx	Chevron Corp	106.95	60,747	101.45	57,624	0.3	5.3	3,044.48
610.000	pxd	Pioneer Natural Resources Co	124.09	75,695	166.51	101,571	0.6	1.3	1,360.30
				136,442		159,195	0.9	2.8	4,404.78
Finance									
398.000	bx	Blackstone Inc	113.81	45,298	116.34	46,303	0.3	1.3	606.55
415.000	gs	Goldman Sachs Group Inc	222.74	92,437	378.03	156,882	0.9	2.1	3,320.00
570.000	jpm	JP Morgan Chase & Co	61.65	35,143	163.69	93,303	0.5	2.4	2,280.00
775.000	ms	Morgan Stanley Co	56.97	44,150	97.31	75,415	0.4	2.9	2,170.00



Prairie Village Police Dept Ret Tr
mipvret (12691001)

Portfolio Appraisal

US Dollar
9/30/2021

Quantity	Symbol	Security	Unit Cost	Total Cost	Price	Market Value	% Assets	% Yield	Estimated Annual Income
578.000	schw	Schwab Charles Corp	72.94	42,158	72.84	42,102	0.2	1.0	416.16
73.000	sivb	SVB Financial Group	569.27	41,557	646.88	47,222	0.3	0.0	0.00
1,731.000	wfc	Wells Fargo & Co	46.01	79,650	46.41	80,336	0.4	1.7	1,384.80
				380,392		541,564	3.0	1.9	10,177.51

Health Care

450.000	abt	Abbott Laboratories	62.75	28,237	118.13	53,159	0.3	1.5	810.00
337.000	dhr	Danaher Corp Del	35.65	12,014	304.44	102,596	0.6	0.3	283.08
630.000	ew	Edwards Lifesciences Corp	76.80	48,386	113.21	71,322	0.4	0.0	0.00
205.000	syk	Stryker Corp	148.19	30,379	263.72	54,063	0.3	1.0	516.60
155.000	tmo	Thermo Fisher Scientific Inc	72.52	11,240	571.33	88,556	0.5	0.2	161.20
155.000	unh	UnitedHealth Group Inc	167.83	26,013	390.74	60,565	0.3	1.5	899.00
				156,270		430,261	2.4	0.6	2,669.88

Industrials

350.000	cat	Caterpillar Inc Del	211.54	74,038	191.97	67,190	0.4	2.3	1,554.00
160.000	fdx	Fedex Corp	281.39	45,023	219.29	35,086	0.2	1.4	480.00
550.000	pwr	Quanta Services Inc	88.42	48,633	113.82	62,601	0.3	0.2	132.00
180.000	rok	Rockwell Automation Inc	207.93	37,427	294.04	52,927	0.3	1.5	770.40
1,053.000	luv	Southwest Airlines Co	46.93	49,415	51.43	54,156	0.3	0.0	0.00
335.000	unp	Union Pacific Corp	171.50	57,454	196.01	65,663	0.4	2.2	1,433.80
195.000	uri	United Rentals Inc	189.44	36,941	350.93	68,431	0.4	0.0	0.00
				348,930		406,055	2.2	1.1	4,370.20

Information Technology

235.000	acn	Accenture Plc - Cl A	176.65	41,514	319.92	75,181	0.4	0.9	686.20
90.000	adbe	Adobe Inc	116.51	10,486	575.72	51,815	0.3	0.0	0.00
1,284.000	aapl	Apple Inc	3.82	4,908	141.50	181,686	1.0	0.6	1,129.92
374.000	crwd	CROWDSTRIKE HOLDINGS INC-A	236.85	88,582	245.78	91,922	0.5	0.0	0.00
198.000	docu	DocuSign Inc.	66.17	13,102	257.43	50,971	0.3	0.0	0.00
235.000	intu	Intuit	211.50	49,703	539.51	126,785	0.7	0.5	639.20
231.000	ma	Mastercard Inc - Class A	103.48	23,903	347.68	80,314	0.4	0.5	406.56
740.000	msft	Microsoft Corp	63.73	47,159	281.92	208,621	1.1	0.9	1,835.20



Prairie Village Police Dept Ret Tr
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Portfolio Appraisal

US Dollar
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Quantity	Symbol	Security	Unit Cost	Total Cost	Price	Market Value	% Assets	% Yield	Estimated Annual Income
532.000	nvda	Nvidia Corp	104.13	55,396	207.16	110,209	0.6	0.1	85.12
75.000	panw	Palo Alto Networks Inc	477.98	35,849	479.00	35,925	0.2	0.0	0.00
276.000	pypl	Paypal Holdings Inc	216.85	59,850	260.21	71,818	0.4	0.0	0.00
290.000	crm	Salesforce.com Inc	121.83	35,330	271.22	78,654	0.4	0.0	0.00
326.000	sq	Square Inc	269.55	87,873	239.84	78,188	0.4	0.0	0.00
425.000	txn	Texas Instruments Inc	128.59	54,649	192.21	81,689	0.4	2.1	1,734.00
352.000	v	Visa Inc	82.02	28,873	222.75	78,408	0.4	0.6	450.56
186.000	ZS	Zscaler Inc.	242.54	45,112	262.22	48,773	0.3	0.0	0.00
				682,285		1,450,958	7.9	0.5	6,966.76

Materials

149.000	lin	Linde Public Limited Co	251.45	37,466	293.38	43,714	0.2	1.2	521.50
730.000	nue	Nucor Corp	125.63	91,710	98.49	71,898	0.4	1.6	1,182.60
155.000	shw	Sherwin Williams CO	294.71	45,681	279.73	43,358	0.2	0.8	341.00
				174,856		158,969	0.9	1.3	2,045.10

Real Estate

1,624.000	dre	Duke Realty Corp	33.52	54,441	47.87	77,741	0.4	2.1	1,656.48
				54,441		77,741	0.4	2.1	1,656.48

Utilities

525.000	nee	NextEra Energy Inc	31.68	16,632	78.52	41,223	0.2	2.0	808.50
				16,632		41,223	0.2	2.0	808.50

COMMON STOCK Total				2,526,437		4,388,261	24.0	0.8	36,754.71
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EQUITY MUTUAL FUNDS

Mutual Funds - Large Cap

21,838.134	mkdvx	BlackRock Equity Dividend Fund K	19.41	423,798	22.21	485,025	2.6	1.6	7,774.38
2,624.646	vinix	Vanguard Institutional Index	181.14	475,437	376.30	987,654	5.4	1.4	13,438.19
				899,236		1,472,679	8.0	1.4	21,212.56



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mipvret (12691001)

Portfolio Appraisal

US Dollar
9/30/2021

Quantity	Symbol	Security	Unit Cost	Total Cost	Price	Market Value	% Assets	% Yield	Estimated Annual Income
Mutual Funds - Midcap									
12,762.726	otckx	MFS Mid Cap Growth Fund Class R 6	26.01	331,932	32.76	418,107	2.3	0.0	0.00
26,162.917	nmlvx	Nuance Mid Cap Value - I	12.74	333,218	14.91	390,089	2.1	1.2	4,761.65
23,261.226	pmaqx	Principal Midcap Fund R6	21.31	495,609	41.16	957,432	5.2	0.0	0.00
				1,160,760		1,765,628	9.6	0.3	4,761.65
Mutual Funds - Small Cap									
26,095.469	dnsmx	Driehaus Small Cap Growth Fund Instl.	16.95	442,405	27.55	718,930	3.9	0.0	0.00
9,477.636	fosbx	Tributary Small Co Institutional Plus	23.67	224,295	35.47	336,172	1.8	0.3	921.32
5,854.038	vsoix	Victory Sycamore Small Co Oppty Cl I	40.24	235,584	54.89	321,328	1.8	0.5	1,674.25
				902,284		1,376,430	7.5	0.2	2,595.58
Mutual Funds - International									
39,300.423	binsx	Baillie Gifford Intl Alpha - Instl	15.73	618,101	16.74	657,889	3.6	0.0	0.00
68,882.513	vtmgx	Developed Markets Index Fund Admiral CL	13.15	905,824	16.21	1,116,586	6.1	2.5	27,690.77
6,024.273	diemx	Driehaus Emerging Markets Growth Fund I	44.41	267,540	48.81	294,045	1.6	0.0	0.00
10,558.244	rairx	Manning & Napier Intl. Discovery CL Z	25.97	274,214	33.52	353,912	1.9	0.0	6.33
				2,065,680		2,422,432	13.2	1.1	27,697.11
EQUITY MUTUAL FUNDS Total				5,027,959		7,037,169	38.4	0.8	56,266.90
EXCHANGE TRADED FUNDS-EQUITY									
Mutual Funds - Midcap									
4,500	iwr	iShares Russell Midcap Index Fund	38.55	173,489	78.22	351,990	1.9	1.1	3,780.00
				173,489		351,990	1.9	1.1	3,780.00
Mutual Funds - Small Cap									
3,250	iwm	iShares Russell 2000 Index Fund	104.44	339,422	218.75	710,938	3.9	0.9	6,555.25
				339,422		710,938	3.9	0.9	6,555.25
EXCHANGE TRADED FUNDS-EQUITY Total				512,911		1,062,928	5.8	1.0	10,335.25



Prairie Village Police Dept Ret Tr
mipvret (12691001)

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US Dollar
9/30/2021

Quantity	Symbol	Security	Unit Cost	Total Cost	Price	Market Value	% Assets	% Yield	Estimated Annual Income	
U.S. GOVERNMENT & AGENCY BONDS										
US Treasuries										
265,000.00	912828wz9	United States Treasury Notes DTD 4/30/2015 1.750% 4/30/2022 1.750% Due 4/30/2022	99.10	262,613	100.98	267,608	1.5	1.7	4,637.50	
140,000.00	912828vs6	United States Treasury Notes DTD 8/15/2013 2.500% 8/15/2023 2.500% Due 8/15/2023	102.82	143,955	104.18	145,852	0.8	2.4	3,500.00	
255,000.00	912828d56	United States Treasury Notes DTD 8/15/2014 2.375% 8/15/2024 2.375% Due 8/15/2024	100.06	255,158	105.36	268,658	1.5	2.3	6,056.25	
65,000.00	912828k74	United States Treasury Notes DTD 8/15/2015 2.000% 8/15/2025 2.000% Due 8/15/2025	97.50	63,372	104.68	68,042	0.4	1.9	1,300.00	
85,000.00	912828m56	United States Treasury Notes DTD 11/15/2015 2.250% 11/15/2025 2.250% Due 11/15/2025	95.64	81,298	105.74	89,877	0.5	2.1	1,912.50	
240,000.00	912828r36	United States Treasury Notes DTD 5/15/2016 1.625% 5/15/2026 1.625% Due 5/15/2026	102.34	245,609	103.10	247,435	1.4	1.6	3,900.00	
125,000.00	912810ex2	United States Treasury Bonds DTD 8/15/1996 6.750% 8/15/2026 6.750% Due 8/15/2026	147.35	184,185	127.54	159,429	0.9	5.3	8,437.50	
200,000.00	912828r0	United States Treasury Notes DTD 8/15/2017 2.250% 8/15/2027 2.250% Due 8/15/2027	98.71	197,426	106.22	212,446	1.2	2.1	4,500.00	
215,000.00	9128284v9	United States Treasury Notes DTD 8/15/2018 2.875% 8/15/2028 2.875% Due 8/15/2028	103.10	221,667	110.38	237,315	1.3	2.6	6,181.25	
295,000.00	9128286b1	United States Treasury Notes DTD 2/15/2019 2.625% 2/15/2029 2.625% Due 2/15/2029	108.45	319,922	108.94	321,376	1.8	2.4	7,743.75	
240,000.00	912828ys3	United States Treasury Notes DTD 11/15/2019 1.750% 11/15/2029 1.750% Due 11/15/2029	104.98	251,955	102.67	246,413	1.3	1.7	4,200.00	
260,000.00	912828z94	United States Treasury Notes DTD 2/15/2020 1.500% 2/15/2030 1.500% Due 2/15/2030	102.66	266,927	100.54	261,391	1.4	1.5	3,900.00	
		Accrued Interest				11,045	0.1			
						2,494,087	2,536,886	13.9	2.2	56,268.75



Prairie Village Police Dept Ret Tr
mipvret (12691001)

Portfolio Appraisal

US Dollar
9/30/2021

Quantity	Symbol	Security	Unit Cost	Total Cost	Price	Market Value	% Assets	% Yield	Estimated Annual Income
GNMA									
100,000.00	3135g0zr7	Federal National Mortgage Assn DTD 9/8/2014 2.625% 9/6/2024 2.625% Due 9/6/2024 Accrued Interest	103.11	103,111	106.24	106,235	0.6	2.5	2,625.00
						182	0.0		
				103,111		106,417	0.6	2.5	2,625.00
U.S. GOVERNMENT & AGENCY BONDS Total				2,597,198		2,643,304	14.4	2.2	58,893.75
FNMA									
FNMA									
221.12	31418aax6	Federal National Mortgage Assn DTD 11/1/2011 3.0000% 12/1/2021 3.000% Due 12/1/2021	104.40	231	105.06	232	0.0	2.9	6.63
251.09	31418acr7	Federal National Mortgage Assn DTD 1/1/2012 3.0000% 2/1/2022 3.000% Due 2/1/2022 Accrued Interest	105.03	264	105.06	264	0.0	2.9	7.53
						1	0.0		
				495		497	0.0	2.9	14.17
		FNMA Total		495		497	0.0	2.9	14.17
CMO									
FHLMC									
10,068.65	3137atsl7	Freddie Mac DTD 9/1/2012 1.5000% 9/15/2027 1.500% Due 9/15/2027	100.31	10,100	101.95	10,265	0.1	1.5	151.03
3,025.23	3137gact2	Freddie Mac DTD 9/1/2010 2.5000% 9/15/2030 2.500% Due 9/15/2030 Accrued Interest	101.69	3,076	103.13	3,120	0.0	2.4	75.63
						19	0.0		
				13,176		13,403	0.1	1.7	226.66
		CMO Total		13,176		13,403	0.1	1.7	226.66



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US Dollar
9/30/2021

Quantity	Symbol	Security	Unit Cost	Total Cost	Price	Market Value	% Assets	% Yield	Estimated Annual Income
CORPORATE BONDS									
Corporate Bonds									
85,000.00	776743ac0	Roper Technologies Inc DTD 12/19/2016 2.800% 12/15/2021 2.800% Due 12/15/2021	100.04	85,036	100.30	85,251	0.5	2.8	2,380.00
25,000.00	571903ar4	Marriott International Inc DTD 6/10/2016 2.300% 1/15/2022 2.300% Due 1/15/2022	99.33	24,834	100.39	25,098	0.1	2.3	575.00
100,000.00	58013mem 2	McDonalds Corp MTN DTD 9/30/2011 2.625% Ser mtn 1/15/2022 2.625% Due 1/15/2022	101.61	101,607	100.71	100,709	0.6	2.6	2,625.00
40,000.00	747525ae3	Qualcomm Inc DTD 5/20/2015 3.000% 5/20/2022 3.000% Due 5/20/2022	102.51	41,006	101.71	40,684	0.2	2.9	1,200.00
90,000.00	06051gge3	Bank of America Corp DTD 1/20/2017 3.124% Ser MTN 1/20/2023 3.124% Due 1/20/2023	99.98	89,982	100.83	90,748	0.5	3.1	2,811.60
115,000.00	38141grd8	Goldman Sachs Group Inc DTD 1/22/2013 3.625% 1/22/2023 3.625% Due 1/22/2023	104.01	119,615	104.21	119,837	0.7	3.5	4,168.75
30,000.00	23331abg3	D R Horton Inc DTD 2/5/2013 4.750% 2/15/2023 4.750% Due 2/15/2023	108.30	32,490	104.56	31,367	0.2	4.5	1,425.00
100,000.00	79466lae4	Salesforce.com Inc DTD 4/11/2018 3.250% 4/11/2023 3.250% Due 4/11/2023	99.30	99,296	104.27	104,267	0.6	3.1	3,250.00
100,000.00	256677ac9	Dollar General Corp DTD 4/11/2013 3.250% 4/15/2023 3.250% Due 4/15/2023	102.74	102,740	103.68	103,684	0.6	3.1	3,250.00
75,000.00	695156aq2	Packaging Corp of America DTD 10/22/2013 4.500% 11/1/2023 4.500% Due 11/1/2023	108.20	81,147	107.05	80,289	0.4	4.2	3,375.00
135,000.00	91159hhg8	U S Bancorp Mtns DTD 1/30/2014 3.700% Ser MTN 1/30/2024 3.700% Due 1/30/2024	102.20	137,966	107.10	144,582	0.8	3.5	4,995.00
40,000.00	57636qab0	Mastercard Inc - Class A DTD 3/31/2014 3.375% 4/1/2024 3.375% Due 4/1/2024	103.34	41,337	106.95	42,778	0.2	3.2	1,350.00
80,000.00	37045xcv6	General Motors Finl Co. DTD 1/9/2020 2.900% 2/26/2025 2.900% Due 2/26/2025	100.09	80,069	104.88	83,907	0.5	2.8	2,320.00



Prairie Village Police Dept Ret Tr
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Portfolio Appraisal

US Dollar
9/30/2021

Quantity	Symbol	Security	Unit Cost	Total Cost	Price	Market Value	% Assets	% Yield	Estimated Annual Income
50,000.00	42217kbf2	Health Care Reit Inc DTD 5/26/2015 4.000% 6/1/2025 4.000% Due 6/1/2025	101.10	50,550	109.35	54,673	0.3	3.7	2,000.00
25,000.00	571903ap8	Marriott International Inc DTD 9/14/2015 3.750% 10/1/2025 3.750% Due 10/1/2025	104.12	26,029	107.47	26,868	0.1	3.5	937.50
80,000.00	31428xbf2	Fedex Corporation DTD 3/24/2016 3.250% 4/1/2026 3.250% Due 4/1/2026	108.31	86,648	108.50	86,798	0.5	3.0	2,600.00
125,000.00	68217faa0	Omnicom Group Inc DTD 4/6/2016 3.600% 4/15/2026 3.600% Due 4/15/2026	108.07	135,082	109.37	136,708	0.7	3.3	4,500.00
25,000.00	571903as2	Marriott International Inc DTD 6/10/2016 3.125% Ser R 6/15/2026 3.125% Due 6/15/2026	107.48	26,869	106.92	26,730	0.1	2.9	781.25
50,000.00	26138eau3	Keurig Dr Pepper Inc DTD 9/16/2016 2.550% 9/15/2026 2.550% Due 9/15/2026	107.15	53,573	105.59	52,794	0.3	2.4	1,275.00
25,000.00	001055aq5	Aflac Inc DTD 9/19/2016 2.875% 10/15/2026 2.875% Due 10/15/2026	104.15	26,037	107.54	26,884	0.1	2.7	718.75
50,000.00	844741bc1	Southwest Airlines Co DTD 11/4/2016 3.000% 11/15/2026 3.000% Due 11/15/2026	101.68	50,842	106.12	53,062	0.3	2.8	1,500.00
90,000.00	023135bc9	Amazon Com Inc DTD 2/22/2018 3.150% Ser WI 8/22/2027 3.150% Due 8/22/2027	114.23	102,803	109.90	98,906	0.5	2.9	2,835.00
140,000.00	92826cah5	Visa Inc DTD 9/11/2017 2.750% 9/15/2027 2.750% Due 9/15/2027	105.72	148,006	107.62	150,661	0.8	2.6	3,850.00
135,000.00	760759as9	Republic Services Inc DTD 11/16/2017 3.375% 11/15/2027 3.375% Due 11/15/2027	111.22	150,141	109.08	147,263	0.8	3.1	4,556.25
100,000.00	46625hry8	JP Morgan Chase & Co DTD 2/1/2017 3.782% 2/1/2028 3.782% Due 2/1/2028	107.68	107,681	110.14	110,138	0.6	3.4	3,782.00
100,000.00	61744yap3	Morgan Stanley DTD 1/23/2018 3.772% Ser GMTN 1/24/2029 3.772% Due 1/24/2029	110.06	110,059	110.57	110,565	0.6	3.4	3,772.00
125,000.00	87612ebh8	Target Corp DTD 3/27/2019 3.375% 4/15/2029 3.375% Due 4/15/2029	113.77	142,209	111.09	138,866	0.8	3.0	4,218.75



Prairie Village Police Dept Ret Tr
mipvret (12691001)

Portfolio Appraisal

US Dollar
9/30/2021

Quantity	Symbol	Security	Unit Cost	Total Cost	Price	Market Value	% Assets	% Yield	Estimated Annual Income
50,000.00	49271vaj9	Keurig Dr Pepper Inc DTD 4/13/2020 3.200% 5/1/2030 3.200% Due 5/1/2030 Accrued Interest	112.16	56,080	107.59	53,794	0.3	3.0	1,600.00
						21,374	0.1		
				2,309,731		2,349,283	12.8	3.1	72,651.85
		CORPORATE BONDS Total		2,309,731		2,349,283	12.8	3.1	72,651.85
EXCHANGE TRADED FUNDS-FIXED									
Mutual Funds - Fixed Income									
2,547.000	gvi	iShares Barclays Inter Govt/Credit Bd Fd	109.39	278,619	115.13	293,236	1.6	1.6	4,546.40
6,264.000	igib	iShares Intermediate-Term Corp Bond ETF	55.14	345,400	60.06	376,216	2.1	2.4	8,976.31
				624,019		669,452	3.7	2.0	13,522.71
		EXCHANGE TRADED FUNDS-FIXED Total		624,019		669,452	3.7	2.0	13,522.71
CASH AND EQUIVALENTS									
Short Term Funds									
999993116		BMO PRIME MONEY MARKET		142,468		142,468	0.8	0.0	14.25
	dvlng	Fund Reinvestment--Long Term Gains		0		0	0.0	0.9	0.00
				142,468		142,468	0.8	0.0	14.25
		CASH AND EQUIVALENTS Total		142,468		142,468	0.8	0.0	14.25
Total Portfolio				13,754,393		18,306,765	100.0	1.4	248,680.24



Asset Allocations	Current Overview - Relative to our neutral (strategic) position.	Change - Since last publication				
Broad Asset Class	UW Cash, OW Equity, UW Fixed Income	No change	<table border="1"> <tr><td>HIGHER</td></tr> <tr><td>NEUTRAL</td></tr> <tr><td>LOWER</td></tr> </table> Aggregate risk profile of tactical allocations (Relative to the strategic model portfolios.)	HIGHER	NEUTRAL	LOWER
HIGHER						
NEUTRAL						
LOWER						
Equity, Cap & Style	OW Large Cap, OW Mid Cap, OW Small Cap	No change				
Global Equity	OW Domestic, UW International	No change				
Fixed Income	UW Core Fixed Income, Neutral High Yield	No change				
Specialty	OW Real Estate	No change				

KEY: OW = overweight, UW = underweight, Red = reduce, Green = increase

Broad Asset Class (cash, equity, fixed income)

Cash	Equity	Fixed Income	Specialty
Underweight	Overweight	Underweight	Overweight

The UMB Asset Allocation Committee (AAC) made no changes to its tactical allocations during the month of August. Current tactical recommendations represent an overweight to equities and real estate and an underweight position in fixed income and cash.

August was another strong month for global stock markets, the U.S. posting a 7th consecutive month of gains while international stocks rose, particularly emerging markets following a sharp sell-off in July. It has now been more than ten months since the S&P 500 had at least a 5% correction, the market up nearly 40% since that point. COVID-19 and the Delta variant continue to be a primary economic risk, as the path of the virus has had a clear impact on job growth, consumption, consumer confidence and potentially Fed actions regarding tapering and hiking interest rates. However, barring another virus-related shutdown, conditions are favorable for strong economic growth in the near- to intermediate-term. The Committee continues to recommend an overweight position in global equities, particularly U.S. stocks, while keeping core fixed income and cash as underweight.

In August, the S&P 500 Index increased 3.0% and the MSCI EAFE Index increased 1.8%, while the Bloomberg Barclays U.S. Aggregate Bond Index decreased 0.2%.

Market Capitalization (small cap, mid cap, large cap) and **Market Style** (growth, core, value)

Large Cap	Mid Cap	Small Cap
Overweight	Overweight	Overweight
Core	Core	Core

Domestic stocks were again the top-performing asset class in August, led by large cap stocks which have supplanted small caps as the 2021 market leader. Growth stocks have also taken the lead over value after a significant dispersion in Q1. The S&P 500 was again led by large constituents Microsoft, Apple and NVIDIA, as Technology and also Financials stocks were top performers; Energy was the only negative sector in August down 2%. The Committee continues to recommend an overweight position in domestic equities across the market cap spectrum.

In August, the S&P 500 Index increased 3.0%, the Russell Midcap Index increased 2.5% and the Russell 2000 Index increased 2.2%.

Fixed Income

Agency	Treasury	Corporate	High Yield	Mortgage
Underweight	Underweight	Underweight	Neutral	Underweight

All eyes were on Jackson Hole this month as Jerome Powell delivered his speech on the economy, noting the gains made in the labor market but acknowledging that more progress still needs to be made on the road to recovery. The Fed Chair also highlighted the Delta variant as a key risk to the economy, while sticking to the central bank's transitory view on reopening-induced inflation which continues to touch record levels. Guidance on tapering is still unclear especially after the July jobs report that was much softer than expected, potentially extending out any plans by the Fed to reign in their bond buying program even into 2022. Treasuries climbed in August while high yield outperformed investment-grade bonds as spreads further tightened. The Committee continues to recommend an underweight to Core Fixed Income given the current yield environment and risk of inflation, while staying neutral on High Yield.

In August, the Bloomberg U.S. Aggregate Bond Index decreased 0.2% while the Bloomberg U.S. High Yield Index increased 0.5%.

Global Equity (domestic, international)

International	Domestic
Underweight	Overweight

International stocks posted strong returns this month, led by Emerging Markets which staged a nice recovery following their worst month since the beginning of the pandemic to remain positive on the year. The top contributors for both the EAFE and EM indices in August were firms instrumental in the production of semiconductors (ASML & TSMC, respectively). The European Union hit their target of 70% of adults being fully vaccinated, a remarkable achievement given its sluggish start earlier this year. New regulations coming out of China continue a trend for the country towards a "common prosperity" goal of the Xi Administration, with most mega-cap Chinese Tech firms still well off their 52-week highs as a result of the recent crackdown. The Committee continues to monitor the developments in Europe and China and the particular risks associated with the latter as it relates to our global equity allocation, favoring domestic stocks over international equities in the meantime.

In August, the S&P 500 Index increased 3.0%, while the MSCI EAFE Index increased 1.8% and the MSCI Emerging Markets Index increased 2.6%.

UMB ASSET ALLOCATION PROCESS

UMB has six asset allocation models, each designed to achieve a different investment objective. Strategic models are built using historical research and longer-term forecasts. Tactical models modify the asset weightings of the strategic models in order to take advantage of opportunities in constantly changing markets.

On a monthly basis, or more frequently when warranted, UMB's Asset Allocation team makes recommendations for asset allocation of investment portfolios based on its view of current economic conditions. Broad-based asset classes are broken down and evaluated in terms of momentum, valuation and investor sentiment.

Our research is driven by the following questions, which form the basis of our asset allocation recommendations:

- Which broad asset class will perform the best?
- What market capitalization/style will perform the best?
- Will domestic or foreign equities perform better?
- Which segment of the fixed-income market will perform the best?



Disclosure and Important Considerations

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Outlook by the Numbers

UMB Investment Management

September 2021

	2017	2018	2019	2020	Most Recent	2021E	Trend (12 -24 m)	
ECONOMY	Real GDP Growth SAAR (Annual Average)	2.20%	2.90%	2.30%	-3.5%	6.6%*	6.0%	
	The U.S. economy grew by 6.6% in Q2. Growth was mainly driven by personal consumption, which was up 11.9%. Fixed investments, exports and state and local govt spending also contributed. We expect 2021 GDP to grow by 6.0%, driven by strong consumption, corporate spending and fiscal stimulus.							
LABOR MARKET	Unemployment Rate (Year-End)	4.10%	3.90%	3.50%	6.7%	5.2%**	4.5%	
	The unemployment rate fell to 5.2% in August from 5.4% in July, as job gains slowed but outpaced growth in the labor force for the fourth straight month. We expect the unemployment rate to continue to improve throughout 2021 as the economy normalizes. Our 2021 year-end forecast is 4.5%.							
	Payroll Employment (Annual Monthly Average)	182k	223k	175k	-781k	235k**	585k	
U.S. payrolls increased by 235k in August, well below consensus expectations of 720k. Leisure & Hospitality, a sector that had averaged over 360k new jobs a month since April, saw no growth in August. We expect the labor market to continue improving through 2021 as the economy remains open.								
HOUSING	Housing Starts (Annual Average)	1,203k	1,250k	1290k	1,380k	1,534k***	1,600k	
	U.S. housing starts decreased by 7.0% in July to an annual rate of 1,534k units, with single-family decreasing by 4.5% to 1,111k units and multi-family decreased by 13.1% to 423k units. Overall activity should remain strong given the chronic shortage of housing units across the country, though recovery is also dependent on the labor market in construction.							
	Building Permits (Annual Average)	1,260k	1,313k	1300k	1,414k	1,635k***	1,700k	
	Building permits increased by 2.3% to an annual rate of 1,635k units in July, driven primarily by reduction in single-family units. Homebuilder confidence is high but has retraced in recent months, though activity should rebound as material costs normalize and labor shortage pressures begin to subside.							
Housing Prices Y/Y (Annual Average)	5.90%	5.80%	4.00%	4.50%	19.1%****	7.50%		
Housing prices increased by 19.1%, which is the thirteenth straight month of price gains and largest annual gain in history of the index dating back to 1987. Home prices are being fueled by low mortgage rates and strong demand with record low supply. The improving economy and low interest rates should continue to support housing prices in 2021. Prices nationally are 41% higher than their last peak during the housing boom in 2006.								



Outlook by the Numbers

UMB Investment Management

September 2021

	2017	2018	2019	2020	Most Recent	2021E	Trend (12 -24 m)	
INFLATION	PCE Index Y/Y (Annual Average)	1.10%	1.70%	2.00%	1.20%	4.20%***	3.90%	
	The U.S. PCE Price Index came in at 4.2% YoY in July. We expect inflation readings to remain elevated in the near-term given elevated commodity prices, supply disruptions for goods and many service-oriented business operating below capacity as the labor market remains extremely tight.							
	Core PCE Price Index Y/Y (Annual Average)	1.60%	1.90%	1.80%	1.40%	3.60%***	3.70%	
	The Core PCE Price Index, which excludes food and energy, rose 3.6% YoY in July, the sharpest gain since 1991. Increasing wages, a high savings rate, input constraints and a later Fed tapering could all provide added support to price levels throughout the year.							
CONSUMER	Consumer Price Index (CPI) Y/Y (Annual Average)	2.10%	2.50%	1.90%	1.20%	5.40%***	3.50%	
	Consumer prices rose by 5.4% YoY in July, the biggest monthly gain since August 2008. The reopening of the economy, fiscal stimulus and used car prices have been driving inflation higher. The Fed believes this upward move in inflation will prove transitory. We expect inflation to average 3.5% in 2021, with higher wage growth being a prerequisite for sustained inflation.							
	Core CPI Y/Y (Annual Average)	1.80%	2.10%	2.00%	1.70%	4.30%***	3.20%	
	Excluding the volatile food and energy categories, core consumer prices came in at 4.3% YoY in July, a decrease from June but still historically high. We believe core CPI will continue to remain elevated over the next couple of quarters due to the current trajectory of employment and wage growth.							
CONSUMER	Consumer Spending (PCE) (Annual Average)	2.50%	2.60%	2.60%	-3.60%	7.60%***	5.90%	
	U.S. consumer spending increased by 7.6% YoY in July, a moderation from June as spending on cars & merchandise declined. We expect a strong recovery in consumer spending in 2021 given pent-up demand and a high savings rate corresponding with a general reopening of the economy.							
CONSUMER	Consumer Confidence (U of MI) (Annual Average)	96.8	98.4	98.0	81.5	70.3**	87.5	
	Consumer confidence fell to 70.3 in August, a near decade low. The primary drivers included the surging Delta variant, higher inflation with slower wage growth, and a softening outlook for the labor market. We expect confidence to recover in 2021 should COVID cases reverse course and the job market continue to recover alongside wages.							



Outlook by the Numbers

UMB Investment Management

September 2021

	2017	2018	2019	2020	Most Recent	2021E	Trend (12 -24 m)
INTEREST RATES	Fed Funds Rate	1.50%	2.50%	1.75%	0.25%	0.25%**	0.25%
	<p>The Fed has aggressively cut rates down to 0.25% as the COVID pandemic hit the U.S. and a sharp recession developed. Despite the strong economic recovery that we expect in 2021, we believe the Fed will remain on hold in 2021 and the Fed Funds rate will end 2021 at 0.25%.</p>						
INTEREST RATES	10-Year Treasury Yield	2.41%	2.68%	2.00%	0.92%	1.31%**	1.75%
	<p>The 10-Year Treasury Yield will likely be driven by modestly increasing inflation expectations after falling significantly from a flight to safety trade. We expect the 10-Year Treasury Yield to modestly rise in 2021, ending the year at 1.75%.</p>						
EQUITIES	S&P 500 Price	2,674	2,507	2,900	3,756	4,522**	4300-4500
	<p>The S&P 500 ended 2020 up 18.4% on a total return basis, despite the worst economic downturn in U.S. history. The market has started strong in 2021, up 18% YTD. The positive vaccine news fueled a sharp rally into value stocks, although growth sectors have more recently returned as market leaders. We expect 2021 to finish in positive territory, the market remaining rangebound between 4300-4500 for the S&P 500 index.</p>						
EQUITIES	S&P 500 Operating EPS Growth	12.8%	23.6%	2.0%	-20.0%	54.7%*****	40.0%
	<p>We believe earnings will grow by 40% in 2021 after falling 20% in 2020 due to the global recession. Drivers of earnings growth include the reopening of the economy and aggressive fiscal stimulus. Risk factors include the variants of the virus and inflation.</p>						
GLOBAL ECONOMY	World GDP (Annual Average)	3.70%	3.70%	3.00%	-4.4%	0.7%*	5.3%
	<p>We expect a broad-based global economic recovery in 2021, driven both by emerging and developed economics. The recovery is being driven by a return to normal as vaccines are rolled out and both fiscal and monetary policies remain accommodative across the globe.</p>						
GLOBAL ECONOMY	Emerging Markets GDP (Annual Average)	4.90%	5.00%	4.40%	-0.6%	2.0%*	6.5%
	<p>We expect emerging markets to recover strongly in 2021, led by China at around 8% growth. China and other southeast Asian countries were impacted less economically by COVID during 2020 than the United States, Europe, and Latin America.</p>						

*Quarter over Quarter Seasonally Adjusted Annualized Rate, as of Q2 2021

**As of August 2021

***As of July 2021

****As of June 2021

*****Trailing four quarters

E = Estimate



Outlook by the Numbers

UMB Investment Management

September 2021

Disclosure and Important Considerations

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Trend Key

Positive
Trending Down
Trending Up
Neutral
Trending Down
Trending Up
Negative

Securities and Insurance products are:
Not FDIC Insured * No Bank Guarantee * Not a Deposit * Not Insured by any Government Agency * May Lose Value



**Pension Board of Trustees
Special Meeting Minutes
Thursday, April 15, 2021 – Zoom Meeting**

The Pension Board met on April 15, 2021 at 2:00 p.m. via zoom. Members present were Jim Whittier, Dan Runion, and Capt. Ivan Washington. The following people were also present in their advisory role to the Committee: Wes Jordan, City Administrator, Jamie Robichaud, Deputy City Administrator, Nicole Lee, Finance Director, Cindy Volanti, HR Manager, Mayor Eric Mikkelson, and Jeff White, Columbia Capital.

Prior to the agenda items, Board Trustee Jim Whittier clarified for purposes of the minutes that he represents the Pension Board as a citizens' representative of both Prairie Village and Mission Hills.

Board Trustee Dan Runion expressed the expectation of the meeting is to listen to the presentation and then vote if this presentation shall be moved forward to the full City Council for consideration.

Consider Pension Obligation Bond and Interest Presentation

Jeff White, the City's Financial Advisor with Columbia Capital, explained that the Pension Board chair approached him in late March about the potential to use of pension bonds to extinguish some or all of the Plan's unfunded actuarial liability (UAL). He said that the purpose of the presentation is to brief the pension board regarding the risks and benefits of using pension bonds generally, and for the City of Prairie Village's Police Pension plan specifically.

Mr. White explained that as of January 1, 2021, the plan's assets were approximately worth \$17 million in market value, and the unfunded actuarial liability of the plan (as of January 1, 2022) was estimated to be \$4.55 million. The actuarial rate is 7.25% and the funded ratio of the plan as of January 1, 2021 is 78%.

Mr. White went on to explain that he was asked to look at refunding a portion of the \$4.55 million in unfunded actuarial liability with taxable bonds, which would require the City to issue general obligation bonds to "refund" a portion of the unfunded actuarial liability. The debt service on the bonds would then be paid from the City's general fund. In effect, issuing these bonds exchanges the annual funding of the unfunded actuarial liability at the actuarial rate of 7.25% for bonded debt at an assumed rate of 3.00%. Mr. White explained that issuing the GO bonds for the full UAL of \$4.5 million could possibly produce an annual budgetary savings of \$106,000.

Mr. White explained that most plans using pension bonds do not fully fund their UAL with bonds. By issuing the bonds, the Board would essentially convert a 7.25% for the portion of the UAL funded to a lower-cost liability in the form of bond debt service. Mr.

White added that Pension bonds do not prevent the future creation of UALs due to actuarial or method changes, changes in plan provisions, actuarial experience different from what was assumed, or investment performance on the refunded UAL that does not exceed the all-in rate on the bonds.

In explaining the key risks associated with issuing the bonds, Mr. White said that it's possible that if the bond proceeds deposited into the Plan do not produce a return at least equal to the borrowing cost on the bonds, the City's financial obligations will actually increase (it will be paying both debt service on the pension bonds and a new amortization layer of UAL payments to cover the negative amortization). He also added that issuing bonds for the Plan reduces the City's borrowing capacity for other projects at its current bond ratings.

Mr. White ended his presentation with the pros and cons of proceeding with pension obligation bonds. For reasons to proceed, Mr. White explained that given current returns on risk-free assets, it could be very challenging for the Plan to meet or exceed a 7.25% annual return target in the short-to mid-term, potentially increasing the City's UAL and contribution rates. The City's taxable borrowing rates are also currently low enough that the likelihood of the Plan producing a return equal/greater than the bonds' cost of borrowing are better than 50/50. For reasons not to proceed, Mr. White said that if the pension bond does not meet expectations, the City's costs could actually increase because of the bonds. He added that a significant one-time deposit into the Plan can create investment challenges in current markets and that the City's borrowing capacity for other projects will be reduced.

Capt. Washington asked if there are other municipalities that have used pension obligation bonds to refund UAL. Mr. White stated there has been an increasing interest among cities.

Mr. Runion asked the Board if they wished to recommend that this presentation be shared with the City Council for consideration. Mr. Runion then made motion to have Mr. White present to the City Council.

Mr. Whittier stated that he sees the pension fund as performing well at 78% funded and questions whether there is a need to issue the bonds.

Capt. Washington stated the Pension Board has always taken a conservative approach and the presentation identifies taking on an increased risk with a bond issuance. He believes the plan is healthy and does not see the need to take on the added risk.

Mr. Runion asked again whether there was a second to have the presentation presented to City Council.

Jim Whittier asked where the City of Mission Hills stands in this subject and wondered whether they would be involved in the presentation to the City Council and share in the

liability of the bonds. He said he would like to hear from City legal counsel on the legality of this issue and how Mission Hills is involved.

Capt. Washington reiterated he does not want to make a recommendation to move the presentation forward to the City Council due to the increased risk to the Plan by issuing the bonds.

Mr. Runion asked if there was a second to the motion. The motion died for lack of a second.

Approval of Minutes from January 14, 2021 Meeting

Mr. Runion moved to approve the March 18, 2021 meeting minutes. Jim Whittier asked to make a modification to reflect he is a community representative of both cities of Mission Hills and Prairie Village. Mr. Runion moved to approve the minutes as modified. Mr. Whittier seconded. The motion was approved unanimously.

Adjournment

Mr. Runion moved to adjourn. Jim Whittier seconded the motion. The motion was approved unanimously and the meeting was adjourned at 2:37 p.m.



City Council Policy: CP054 - Investment Policy Statement for City Supplemental 401/457 Retirement Plans

Effective Date: TBD

Amends: Not applicable

Approved By: Governing Body - DRAFT

I. PURPOSE

The City of Prairie Village Supplemental 401/457 Retirement Plan provides for individual accounts and permits participants (or beneficiaries) to exercise investment control over the assets in their accounts. The Pension Board of Trustees have the responsibility to manage oversight of the investment options offered to Plan Participants and to receive performance updates periodically and no less than once per year. The Board will use these guidelines and objectives to monitor, evaluate, and make decisions about the suitability of the Plan's investment options and the management of those investments.

The Plan's overall investment objective is to provide Plan participants (or beneficiaries) with a sufficient variety of investment options to enable participants to achieve their individual investment goals for retirement. To accomplish this, the Plan may enter into group annuity contracts or agreements with financial services providers to offer a wide variety of investment options and benefit distribution facilities. The investment options should represent multiple asset classes covering equity (stock), fixed income (bond), money market or stable value, and balanced options/Lifestyle/Lifecycle. These investments will have the following general characteristics:

- a. Different risk/return characteristics;
- b. Different investment objectives and styles;
- c. Annualized returns over three-, five-, and ten-year periods that have met or exceeded the competitive averages or established industry benchmarks; and
- d. Reasonable operating expenses and/or minimum guaranteed rates or return, as applicable, that are disclosed to participants.

The investment objectives and standards set forth in this Policy will be reviewed by the Board annually, or more frequently as needed to ensure it remains prudent and consistent with the best interests of the Plan's participants. This Policy may be amended or modified by the Board at any time, subject to final approval by the Governing Body.

II. STANDARDS FOR INVESTMENT OPTION SELECTION

The selection of particular investment options will be based on the standards outlined below. It is the intent to have investment options that represent a diversified mix of asset classes and styles. Included in the selections are active and passive/index-like options, equity options across capitalization ranges (small, mid, and large capitalization), and style categories (growth, blend, and value) as well as international equity exposure (foreign or global), fixed income and Lifecycle or Lifestyle options.

Income option selection will generally focus on credit quality (investment grade, high-yield), and maturity period (short, intermediate, long term). Stable value option selection will generally focus on credit rate structures, the adequacy of any minimum guarantees, and the claims paying abilities of the underlying insurer(s). Index fund selection will focus on the reasonableness of fund expense ratios and correlation to the index benchmark.

For investment options other than index funds, stable value funds and income funds, the Plan fiduciary will establish a reasonable universe of diversified investment funds with similar investment styles for each targeted asset class and then make selections from that universe based on the following standards:

- a. Operating expenses - the expense ratio of the funds will be evaluated for reasonableness with a preference for lower cost funds except where additional cost can be justified by other factors.
- b. Risk-adjusted returns - as measured by Sharpe Ratio, historical investment performance relative to risk and a comparison of risk/return tradeoff versus peers.

CP054 - Investment Policy for City Supplemental 401/457 Retirement Plans

- c. Performance - the investment performance of the fund as reflected by total trailing annualized returns, rolling window performance, and Alpha, a measure of value added by a manager.
- d. Risk characteristics - such as standard deviation (a measure of the dispersion of a fund's historical returns) and upside/downside market capture (a measure of downside protection and upside participation).
- e. Consistency of style - the consistency of the fund's investment performance relative to its stated investment objectives.

III. **404(c) COMPLIANCE**

The Plan intends to comply with the Section 404(c) regulation under ERISA. Plan participants shall have the opportunity to control the investment of their individual accounts, and no fiduciary of the plan shall be liable for any loss that results from a participant's exercise of investment control. The choice of investment options and services provided to the plan should facilitate compliance with 404(c).

The Plan's service provider should provide detailed account statements that regularly inform participants regarding investment performance and expenses that affect their individual account balances. In addition, to the extent provided in the Plan, participants may exercise any voting, tender, or other rights connected with investments in their accounts.

IV. **MONITORING**

The Plan Fiduciary will monitor the Plan's investment options by periodically reviewing the investment objectives and risk characteristics, historical performance, and expenses applicable to each investment option. Investment option reviews will be undertaken with the understanding that investment performance is best evaluated on the basis of full-market cycles and that greater weight should be afforded to market-cycle performance than to performance in any given year.

Investment options that consistently underperform on a risk-adjusted basis will be placed on a watch list for closer monitoring and evaluation to determine if action is warranted, the Pension Board of Trustees shall direct the transfer of assets directly to the replacement investment option. If the decision to terminate or replace an investment option is made by the Board, a transfer of assets directly to the replacement investment option, freeze the assets allocated to the de-selected investment option, and direct new asset flows to the newly-selected investment option or take such other action it deems appropriate under the circumstances and in the best interests of the Plan.



City Council Policy: CP055 - Investment Policy for City Police Pension Plan Retirement Funds

Effective Date: May 6, 2019TBD

Amends: November 18, 2013May 6, 2019

Approved By: Governing Body

I. PURPOSE

A. OVERSIGHT OF PLAN'S INVESTMENTS

The Board of Trustees (Board) have the responsibility, among others, to manage the investment of the Plan's assets. The purpose of this Policy is to formalize the Board's guidelines and objectives related to the investment of the Plan's assets, including the standards for selecting and monitoring the Plan's investments, and the persons or entities (if any) to whom the authority and responsibility for management of those investments is delegated by the Board. This Policy presents the Board's general investment philosophy and identifies specific guidelines and objectives related to investment return and risk with respect to management of the Plan's assets. The Board will use these guidelines and objectives to monitor, evaluate and make decisions about the suitability (and continued suitability) of the Plan's investments, and the management of those investments, in light of the Plan's contribution source, accrued benefit liabilities, benefit payment stream, and other relevant factors.

~~Annually the Board will review the City's supplemental pension plan to monitor and evaluate the plan's investments and management of those investments, as required by the Internal Revenue Code.~~

B. THE PLAN'S CONTRIBUTION SOURCE, BENEFIT LIABILITIES AND BENEFIT PAYMENTS

Contributions to the Plan are made by the employees as a condition of participation and by the City based on an amount determined by the Plan's actuaries to adequately fund the Plan. Thus, the funding of the Plan depends on some of the following factors:

- a) the number of persons employed, during any period of time;
- b) the salary of the covered employees during such period of time;
- c) the amount of time the employees work for the City; and
- d) the performance of the investments of the Plan's assets.

The contribution rate is determined upon consideration of many factors, including but not necessarily limited to, the Plan's benefit accrual formula, the projected benefit accruals under the Plan, benefit payment obligations, and performance of the Plan's investments over extended time horizons.

Benefits are paid by the Plan upon a distributable event, such as death, disability or retirement of a covered employee. Benefits obligations may be paid monthly to eligible retirees and beneficiaries.

C. REVIEW AND MODIFICATION OF THIS INVESTMENT POLICY STATEMENT

The investment objectives and standards set forth in this Policy will be reviewed by the Board annually, or more frequently as needed to ensure it remains prudent and consistent with the best interests of the Plan's participants. This Policy may be amended or modified by the Board at any time.

II. POLICY

- A.** This document, as amended from time to time, will serve as the Investment Policy Statement (Policy) for the City of Prairie Village Police Pension Plan (Plan), a defined benefit pension plan qualified under Section 401(a) of the Internal Revenue Code. The City of Prairie Village (City) established the plan to provide retirement benefits to employees (and their beneficiaries) in accordance with the Plan document.

B. INVESTMENT GUIDELINES

1. GENERAL FIDUCIARY OBLIGATION

In establishing, monitoring and modifying this Policy, and in complying with the guidelines and standards established in this Statement, the Board will at all times act prudently, and exclusively in the best interests of the Plan's participants and beneficiaries. "Prudence" means the care, skill and diligence under the circumstances then prevailing that a prudent person acting in a similar capacity and familiar with such matters would use in the conduct of an enterprise of a like character and with like aims. The Board will diversify the investments of the Plan's assets so as to minimize the risk of large losses, unless under the circumstances then prevailing, it is clearly prudent not to do so.

2. LONG TERM RISK AND REWARD

This Policy reflects consideration of the long-term funding requirements of the Plan. The Board recognizes that expectations for the returns to be earned on the different classes of Plan assets in the future may not be realized. However, the expectations reflected in this Statement are considered by the Board to be reasonable, given the historical experience covering long-term periods and the belief that the capital markets will remain viable. Long-term is defined as over 10 years. If the assumptions are not realized, the Board recognizes that a substantial shortfall of actual investment returns from those expected could require increased contributions or a reduction in future benefit accruals, or other Plan modifications.

3. PRESERVATION OF ASSETS AND PURCHASING POWER

The fundamental objectives of the Plan's investments are to preserve capital, to avoid a diminution in the purchasing power of the Plan's assets (relative to inflation), and to assure satisfaction of the Plan's long-term liquidity needs. The Board believes it is appropriate for the Plan to assume a moderate degree of investment risk, with diversification of Plan assets among different classes of investments as a means of reducing risk. The Plan can and will tolerate some variability in market value and rates of return in order to achieve a greater long-term rate of return.

While neither the City nor the Board guarantee the continued viability of existence of the Plan, they hope and intend to continue the Plan indefinitely. Consequently, the Board endorses a long-term approach to managing the investment portfolio, but believe this should not be viewed as justification for exposing the portfolio to levels of volatility that might adversely affect the value of the Plan's assets.

The Board believes that the level of risk assumed in the fund is a function, in large part, of the fund's risk posture as stated above. The proportion of assets allocated to equity investments is the most important determinant of volatility of future returns. As indicated by long-term historical data, the risk of equity ownership has been rewarded with a higher rate of return.

4. SELECTION OF INVESTMENT MANAGERS

The Boards desire to retain an Investment Manager (Manager) to assist them in their responsibility to manage the Plan's assets. The Manager will construct and manage investment portfolios within the guidelines of this Policy. The manager will select specific securities, buy and sell such securities, and modify the asset allocation within the guidelines in this Policy. The Policy is intended to allow enough flexibility for the Manager to respond to changing economic conditions and securities markets.

In selecting a Manager the following criteria will be taken into account:

- Investment returns
- Risk assessments
- Background of people
- Philosophy of Manager
- Process of investment decisions
- Diversification of portfolio
- Management fees
- Use of cash
- Portfolio turnover
- Quality of manager reports and communications
- Comparison of Manager's return and risk to appropriate market indices and universes
- Compliance with regulatory agencies

CP055 - Investment Policy for City Retirement Funds

Managers will be required to specifically assume fiduciary liability for investment results. Any manager may be replaced at any time by the Board. The Manager is required to acknowledge the guidelines and objectives stated in this Policy and agrees to manage Plan assets in accordance with this Policy.

5. PORTFOLIO RESTRICTIONS AND DIVERSIFICATION

Each asset class will be invested in a portfolio of marketable securities. Private placements, restricted or letter stock, and other non-marketable securities are not permissible. Investment in the following types of marketable securities is not permissible: financial futures, derivatives (except mortgaged backed securities used in a conservative manner), options, warrants, and commodities except for gold.

The Manager may choose to invest in publicly traded mutual funds and/or commingled trust funds. Mutual funds are expected to exhibit long-term performance that is competitive relative to the peer group and an appropriate market benchmark. Expense ratios within any mutual fund or commingled trust should be at or below the category average. Assets within the mutual fund or commingled trust should be at least \$50 million.

The Manager may not engage in the following types of transactions: short sales or any other marginable transactions, option writing, hedging strategies, or any other transaction that unduly increases risk in the portfolio.

The diversification of equity and fixed income securities held in each portfolio among sectors, industry groups and issuers is the responsibility of the Manager. The Manager is expected to diversify the portfolio sufficiently to minimize the risk of a large loss from a single security.

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C. ASSET ALLOCATION

The Board will select the appropriate asset classes. In selecting the asset classes, the Board will choose asset classes reasonably designed to further the purposes of the Plan, taking into account:

1. The risk of loss and opportunity for gain associated with the asset classes, both objectively and in light of the acceptable risk permitted by this Policy, taking into account the correlation of the various asset classes and the time horizon over which the Plan is likely to have assets invested in the asset classes;
2. The composition of the available asset classes with regard to the Plan's opportunity to meet its objectives without exceeding the risk tolerance permitted by this Policy;
3. The composition of the available asset classes with regard to the Plan's opportunity to achieve diversification of its investment portfolio;
4. The liquidity and current return which with respect to the asset classes, relative to the specific cash flow requirements of the Plan; and
5. The projected return available with respect to the asset classes, relative to the funding objectives of the Plan.

The target asset allocation and asset classes to be used in the Plan are shown below. All percentages are based on market values of the entire portfolio.

Asset Class	Target Percentage of Total Portfolio	Minimum Percentage of Total Portfolio	Maximum Percentage of Total Portfolio
Large Cap Domestic Equity	25	20	40
Mid Cap Domestic Equity	10	0	15
Small Cap Domestic Equity	10	0	15
International Equity	15	0	20
Fixed Income	35	25	45
Other	5	0	10
Cash	0	0	10

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Based on asset allocation studies using long-term historical returns from the various capital markets, the Board believes there is a reasonable likelihood the Plan will meet the overall investment objectives using the above asset allocation.

The Board may add, delete, or change asset classes (and may change the percentages assigned to each asset class) at any time, in their discretion. In some cases the Board may satisfy asset classes by using pooled funds. Where pooled funds are used, they should substantially comply with this policy.

D. STANDARDS OF INVESTMENT PERFORMANCE

1. ACTUARIAL OBJECTIVES

The Plan's investment objective is to realize an investment return that, at a minimum, equals the Plan's actuarial interest assumption on an ongoing basis.

2. INFLATION OBJECTIVES

As inflation is a serious deterrent to providing meaningful benefits to covered employees and their beneficiaries in the future, the Board maintains a relative objective to keep the investment performance of the Plan's assets in perspective. This relative objective is an annual rate of return, net of fees, equal to the annual rate of inflation plus five percent (5%). The Consumer Price Index (CPI) will be used as an index to measure inflation.

3. MARKET RELATED OBJECTIVES

The Plan's investment objectives should be pursued as long-term goals designed to maximize return while reducing exposure to undue risk as set out in this Policy. All returns will be measured in terms of total return based on market value. Total returns will be defined as all income paid or accrued plus realized and unrealized capital gains and losses. The Plan's custodian is responsible for preparing the statement used for performance monitoring.

4. OVERALL INVESTMENT PERFORMANCE STANDARD

The market objective for measurement of the Plan's overall investment performance is a weighted blended index based on target percentage return consisting of: The Standard and Poor's 500 Equity Index, the Russell Mid Cap, the Russell 2000, the MSCI EAFE International Equity Index, the Barclays Capital Intermediate Government/Corporate Fixed Income Index, and the 90 day Treasury Bill. Risk will be measured by variability of returns (standard deviation). Emphasis will be placed on measurement over a full market cycle, usually three to five years. Policy Benchmark consists of 25% S&P 500, 15% EAFE, 10% Russell Mid Cap, 10% Russell 2000, 35% Barclays US Govt/Cred Int., 5% 90-Day T-bills.

The total fund should exceed the returns of a comparable universe of balanced funds with similar objectives, net of investment management fees, with less risk.

5. DOMESTIC EQUITY PERFORMANCE STANDARDS

The purpose of Domestic Equity investments is to provide maximum total return while not exceeding the risk levels stated in this Policy.

The market objective for the Domestic Equity portion of the portfolio is to exceed the return of The Standard & Poor's 500 Equity Index (benchmark) while not exceeding the risk of the benchmark as measured by variability of returns (standard deviation), net of investment management fees. Emphasis will be placed on measurement over a full market cycle, usually three to five years.

The asset class should exceed the returns of a comparable universe of Domestic Equity funds with similar objectives, net of investment management fees, with less risk.

Guidelines

- a.) The Manager may select from marketable domestic equity securities traded on any of the major U.S. exchanges or through NASDAQ. Securities for this portfolio may include common stocks, preferred stocks, convertible securities and publicly traded mutual funds or commingled trust funds.
- b.) Securities with a market capitalization of less than \$500 million at the time of purchase will not be used. Preference should be given to high quality equity securities.

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- c.) Diversification must be maintained at all times. No single equity position shall exceed 10% of the market value of the Domestic Equity portfolio. No single industry (as defined by Standard & Poor's industry groups) shall exceed 20% of the market value of the Domestic Equity portfolio.
- d.) The selection of individual securities will be at the discretion of the Manager, within the guidelines stated in this Policy.
- e.) The Manager should stay fully invested in Domestic Equity securities

6. INTERNATIONAL EQUITY PERFORMANCE STANDARDS RELATIVE TO MARKET

The purpose of international equity investments is to diversify the overall equity position in the portfolio to protect assets and reduce risk.

The market objective for the International Equity portion of the portfolio is to exceed the return of the EAFE International Equity Index (benchmark) while not exceeding the risk of the benchmark as measured by variability of returns (standard deviation), net of investment management fees.

Emphasis will be placed on measurement over a full market cycle, usually three to five years.

The asset class should exceed the returns of a comparable universe of international equity pooled funds with similar objectives, net of investment management fees, with less risk.

Guidelines

- a.) The Manager may select from marketable international securities traded on any of the major international exchanges. Securities for this portfolio may include common stocks, preferred stocks and convertible securities.
- b.) Securities with a market capitalization of less than \$500 million at the time of purchase will not be used. Preference should be given to high quality equity securities.
- c.) Diversification must be maintained at all times. No single equity position shall exceed 10% of the market value of the International Equity portfolio. No single industry shall exceed 20% of the market value of the International Equity portfolio. The Manager should also be diversified in at least three capital markets whose assets and currencies are not closely correlated to each other.
- d.) The selection of individual securities will be at the discretion of the Manager, within the guidelines stated in this Policy.
- e.) The Manager may use discretion regarding hedging currencies where they may be fluctuating adversely relative to the dollar.
- f.) The Manager should stay fully invested in International Equity securities.

7. DOMESTIC FIXED INCOME PERFORMANCE STANDARDS RELATIVE TO MARKET

The primary purpose of fixed income investments is to provide total return while not exceeding the risk levels stated in this policy. The secondary purpose is to generate income and reduce volatility in the entire portfolio.

The market objective for the fixed income portion of the Plan is to exceed the return of the Barclays Capital Intermediate Government/Corporate Fixed Income Index (benchmark) while not exceeding the risk of the benchmark as measured by variability of returns (standard deviation), net of investment management fees. Emphasis will be placed on measurement over a full market cycle, usually three to five years.

The asset class should exceed the returns of a comparable universe of domestic fixed income funds with similar objectives, net of investment management fees, with less risk.

Guidelines

- a.) The Manager may select from marketable Domestic Fixed Income securities. Securities for this portfolio may include corporate bonds, government & agency bonds, Treasury Inflation-Protected Securities (TIPS), mutual funds, or exchange traded funds (ETFs).
- b.) Fixed income investments should stress high quality with overall portfolio quality rated A or better. Corporate debt securities will be of investment grade or better. Any investments that do not maintain a minimum investment grade credit rating of BBB from Standard & Poor's or Baa from

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Moody's Investment Services may be retained in the portfolio at the discretion of the Manager, but only after a serious review of the risks involved.

- c.) Diversification must be maintained at all times. The Manager may not invest more than 10% of the market value of fixed income portion in any obligation of a single issuer, with the exception of the U.S. Government and its agencies.
- d.) The portfolio duration will not vary from the duration of the benchmark by plus or minus 20%.
- e.) The selection of individual securities will be at the discretion of the Manager, within the guidelines stated in this Policy. The allocation between corporate and government bonds is in the discretion of the Manager.
- f.) The Manager should stay fully invested in Domestic Fixed Income securities. Cash positions in excess of 5% are not permitted.

E. RESPONSIBILITIES OF THE INVESTMENT MANAGER

1. FIDUCIARY LIABILITY

The Manager acknowledges that investment decisions will be made in the sole interest and for the exclusive purpose of providing benefits to participants. All assets must be invested with the care, skill and diligence that a prudent person familiar with such matters acting in a like capacity would use in a similar enterprise. The Manager will assume the responsibility for investment performance and comply with all fiduciary requirements required by law. All investments will be made within the guidelines of quality, marketability and diversification mandated by any controlling statutes. The Manager is granted full discretion to manage the investment portfolio within the constraints and guidelines of this Policy. The Manager will acknowledge and accept this fiduciary responsibility by executing this document. The Manager shall comply with the fiduciary responsibility standards and requirements of the Employee Retirement Income Security Act (ERISA) of 1974, as amended, and rules and regulations thereunto.

2. REPORTING

The Manager shall report investment results to the Board in writing on at least a semi-annual basis. The Board should also be informed of any significant changes in the ownership, affiliation, organizational structure, financial condition, or professional personnel staffing of the investment management organization. The Manager will inform the Board regarding all significant matters pertaining to the investment of the assets. The Board should be kept apprised of major changes in investment strategy, portfolio structure, market value of the assets, and other matters affecting the investment of the assets.

3. TRADING AND BROKERAGE

Trading activity is in the discretion of the Manager. The Manager is free to execute trades whenever it is in the best interest of the Fund. There are no specific restrictions on portfolio turnover. However, the Board anticipates that better long-term investment performance will result from investment strategies, not trading strategies. The Manager will have the discretion to execute transactions with brokerage firms of his or her choosing. This selection should be based on the quality of executions rendered, the financial health of the brokerage firm, the general business integrity of the firm, commission costs, and the firm's overall efficiency in transacting business. It is further acknowledged that commission dollars are a Fund asset and should not be used for purposes other than that which directly benefits plan participants. The Manager will report to the Board on the total commissions paid, commission rates charged, and the brokerage firms used by the Manager.

4. USE OF CASH

If cash is used by the Manager, it should be invested in instruments that will achieve the highest return which does not impair the principal of the Fund, while maintaining liquidity at all times. All such assets must represent maturities of one year or less at the time of purchase. Cash investments can be made in money market mutual funds, bank short-term U.S. Government and agency obligations, government insured deposits, time deposits, certificates of deposit, A1/P1 commercial paper, collateralized agreements, bankers acceptances, and the like.

5. PROXY VOTING

The Manager for equities is required to vote all proxies in the best interest of plan participants by maximizing the value of the securities in the portfolio. The Manager shall maintain proper files documenting the decisions made on each proxy. The Manager's proxy voting procedure and proxy voting record will be reviewed by the Board on a regular basis. The Manager will have complete discretion with respect to the voting of the proxies.

F. MONITORING OF INVESTMENT PERFORMANCE

1. SEMI-ANNUAL REPORT

No less frequently than semi-annually, the Board will review the continued suitability of the asset classes, and the overall performance of the investment funds. As part of this review process, the Board will prepare or cause to be prepared a Performance Monitoring Report, which shall review the performance of the investment vehicles in light of the criteria set out in this Policy. The purpose of this report is to satisfy Boards' obligation to continually perform due diligence on the Plan's investments. Cash equivalents used in reserve to pay benefits and expenses of the Plan will not be part of the performance monitoring process.

2. CHANGES IN INVESTMENT MANAGER

The Board will also review the suitability of an investment manager upon a change in the portfolio manager or a perceived or announced change in investment style or objectives, of which the Board are aware. The Board has the right to eliminate and, as appropriate, replace any manager that ceases to be suitable based upon the criteria set out in this Policy. The Board may add additional investment managers, as they deem appropriate in their discretion.

In the event the Board determines that an investment manager is no longer suitable, the Board shall select another manager within the same asset class, and direct that amounts then invested in the unsuitable manager be transferred to the new manager for management.

G. CUSTODIAN

All assets will be held at BMO Trust and Custody Services as the custodian in the name of the City of Prairie Village Police Pension. The Custodian will regularly summarize these holdings for the Boards' review. The Custodian will allocate funds to the Manager at the direction of the Board. All indicia of ownership of any assets of the Plan shall be maintained within the jurisdiction of the courts of the United States.

The Board hereby adopts this Investment Policy Statement for the City of Prairie Village Police Pension Plan this _____ day of _____ 2019. This Policy supersedes any previous Investment Policy Statement.

Commented [JR1]: Update

H. DEFINITIONS

Board of Trustees - Responsible for establishing the Investment Policy Statements (ISP). Also known as the Police Pension Board.

Custodian - Maintains physical possession of the funds.

Investment Manager - Manages investment portfolios within the guidelines of this policy. The manager will select specific securities, buy and sell securities, and modify the asset allocation within the guidelines of this policy.

Authorized Signature

Date

Authorized Signature

Date