

Jackson County, Missouri  
Revised Pension Plan



Jackson County, Missouri  
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Annual Comprehensive Financial Report of  
Jackson County, Missouri Revised Pension Plan-  
A Component Unit of Jackson County, Missouri

For the Years Ended  
June 30, 2024 and 2023

Annual Comprehensive Financial Report of  
Jackson County, Missouri Revised Pension Plan-  
A Component Unit of Jackson County, Missouri



For the Years Ended  
June 30, 2024 and 2023

Prepared by:

Department of Finance and Purchasing

Jackson County, Missouri

**Jackson County, Missouri**  
**Revised Pension Plan**  
**Table of Contents**

**Introductory Section**

Certificate of Achievement for Excellence in Financial Reporting .....	1
Letter of Transmittal .....	2
Plan Administration .....	8
Board of Trustees Members .....	9
Organization Chart .....	10
Consulting Services .....	11

**Financial Section**

Independent Auditor's Report .....	13
Management's Discussion and Analysis .....	15
Basic Financial Statements	
Statements of Fiduciary Net Position .....	21
Statements of Changes in Fiduciary Net Position .....	22
Notes to Basic Financial Statements .....	23
Required Supplementary Information	
Schedule of Changes in Net Pension Liability and Related Ratios .....	44
Schedule of Employer Contributions .....	46
Schedule of Investment Returns .....	46
Notes to Required Supplementary Information .....	47
Other Supplementary Information, Schedule of Expenses .....	48

**Investment Section (Unaudited)**

Asset Consultant's Report on Investment Activity .....	49
Summary of Investment Policies .....	50
Schedule of Investment Results .....	52
Investment Allocation .....	53
List of Largest Assets Held .....	54
Schedule of Brokerage Commissions Paid .....	55
Investment Summary .....	57

**Jackson County, Missouri**  
**Revised Pension Plan**  
**Table of Contents**

**Actuarial Section (Unaudited)**

Actuary's Certification Letter .....	58
Summary of Actuarial Assumptions .....	60
Schedule of Active Member Valuation Data .....	66
Schedule of Retirees and Beneficiaries Added to and Removed From Rolls .....	66
Short-Term Solvency Test .....	67
Schedule of Funding Progress .....	67
Analysis of Financial Experience .....	68
Summary of Plan Provisions .....	69
Schedule of Active Members by Attained Age and Service .....	71

**Statistical Section (Unaudited)**

Schedule of Changes in Fiduciary Net Position .....	72
Schedules of Additions by Source and Deductions by Type .....	73
Schedule of Principal Participating Employers .....	73
Schedule of Benefit Expenses by Type .....	74
Schedule of Retired Members by Type of Benefit .....	75
Schedule of Average Benefit Payments .....	76
Schedule of Benefits Payable .....	77

Jackson County, Missouri  
Revised Pension Plan

Introductory Section





Government Finance Officers Association

Certificate of  
Achievement  
for Excellence  
in Financial  
Reporting

Presented to

**Jackson County, Missouri**  
**Revised Pension Plan**

For its Annual Comprehensive  
Financial Report  
For the Fiscal Year Ended

June 30, 2023

*Christopher P. Morill*

Executive Director/CEO



## **JACKSON COUNTY**

### **Pension Plan Board of Trustees**

Jackson County Courthouse  
415 East 12th Street, First Floor  
Kansas City, Missouri 64106  
[jacksongov.org](http://jacksongov.org)

(816) 881-3135  
Fax: (816) 881-3474

January 29, 2025

Board of Trustees and  
Pension Plan Members  
Jackson County, Missouri  
Revised Pension Plan

We are pleased to transmit to you the 2024 Annual Comprehensive Financial Report of the Jackson County, Missouri Revised Pension Plan for the fiscal year ended June 30, 2024. State law requires that divisions of all local governments publish, within six months of the close of each fiscal year, a complete set of financial statements presented in conformity with generally accepted accounting principles (GAAP) and audited in accordance with generally accepted auditing standards by a firm of licensed certified public accountants. The objective of this report is to inform the members of the Board of Trustees of the Jackson County, Missouri Revised Pension Plan of the financial condition of the Plan.

Responsibility for both the accuracy of the presented data and the completeness and fairness of the presentation, including all disclosures, rests with the management of the Plan. The Board of Trustees has delegated management to the Finance Department of Jackson County, Missouri (the County). We believe that the data, as presented, is accurate in all material aspects, that it is presented in a manner designed to fairly set forth the financial position and results of operations of the Plan as measured by the financial activity of its fund, and that all disclosures necessary to enable the reader to gain the maximum understanding of the Plan's financial affairs have been included.

The financial statements of the Plan have been audited by the independent auditors of RSM US LLP, a firm of licensed certified public accountants. The goal of the independent audit was to provide reasonable assurance that the financial statements of the Plan for the fiscal year ended June 30, 2024, are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering an unmodified opinion that the Plan's financial statements for the year ended June 30, 2024, are fairly presented in conformity with GAAP. The independent auditor's report is presented as the first component of the financial section of this report.

Governmental accounting standards require that management provide a narrative introduction, overview and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A).

This letter of transmittal is designed to complement MD&A and should be read in conjunction with it. Jackson County, Missouri Revised Pension Plan's MD&A can be found immediately following the report of the independent auditors. The accuracy and completeness of the data contained in this report is the sole responsibility of the management of the Plan.

*Frank White, Jr., County Executive*



## **Profile of the Plan**

The Jackson County, Missouri Revised Pension Plan (Plan) was created and established by ordinance of the Jackson County Legislature in 1967. The governance of the Plan was reorganized with an Ordinance dated February 17, 2009. This Ordinance created an independent Board of Trustees which holds the Plan assets in trust separate from the assets of Jackson County. The purpose of the Plan is to provide for the retirement of employees who become members of the Plan, to provide benefits for totally and permanently disabled members, and death benefits for spouses and beneficiaries of deceased members subject to Plan provisions.

At year-end (June 30, 2024), the Plan had 1,151 active members and a total of 1,638 members or their beneficiaries currently receiving benefits. The Plan covers those employees of Jackson County, Missouri, the Little Blue Valley Sewer District, the Kansas City Board of Election Commissioners, the Jackson County Law Library, Inc., and the Jackson County Sports Complex Authority.

## **Local Economy**

Jackson County, Missouri continues to demonstrate robust economic performance characterized by resilience and strategic growth. Employment has increased, highlighting sustained job creation and economic stability. Key sectors driving this growth include Health Care & Social Assistance, Retail Trade, and Professional, Scientific, & Technical Services, which collectively employ a significant portion of the workforce.

However, challenges remain, including a notable economic disparity between Black and White residents. In 2012, the inflation-adjusted median household income for White households was \$67,248, compared to \$35,195 for Black households—a gap of \$32,053. By 2022, this gap had narrowed slightly, with median incomes rising to \$72,554 for White households and \$42,205 for Black households, yet a significant disparity of \$30,349 persists.

The local economy is bolstered by dynamic institutions of higher learning, including the University of Missouri-Kansas City, Metropolitan Community College (MCC), and Rockhurst University. These institutions award over 10,000 degrees annually, preparing graduates for careers in the county's leading industries.

Workforce constraints significantly impact economic growth. Labor shortages create upward pressure on wages, benefiting workers but also posing challenges for businesses. To sustain economic expansion, it is essential to grow our workforce through responsible immigration policies and by increasing workforce productivity. Strategic investments in people, facilities, and financial resources will enhance productivity, improve the value of local production, and help enter new markets with innovative, high-value products.

Jackson County stands at a promising juncture, ready to build on its achievements and drive towards a more prosperous future by addressing its challenges head-on and leveraging its strengths.

## **Long-Term Financial Planning**

The investment portfolio of the Plan is a major source of funds to the Plan. Net investment income from both long-term and short-term investments amounted to a gain of \$31.7 million, representing 70.8% of total additions. This gain was primarily due to appreciation of \$9.5 million, \$8.7 million, and \$13.2 million in the fair value of the corporate stocks, International Equity Fund, and the S&P 500 Index Fund, respectively. Employer and employee contributions totaling \$13.1 million



represent 29.2% of total additions. Investment gains, interest, dividends, and contributions exceeded investment expenses by \$44.8 million. The supporting schedules reflect the changes in the portfolio during the year. The total yield on investments was 9.0%, up from the 2023 total yield of 5.8%. The Plan's investments are managed by independent investment managers and are held by the current custodian, Midwest Institutional Trust Company (MITC), except for the commingled investments which are held by the custodian chosen by such commingled fund, and maintained, for reporting purposes only, at MITC.

Employer contributions are subject to annual appropriation by the employers participating in the Plan. Annual contributions consist of the service cost and a payment toward funding past service liability. The ten year history of employer contributions as a percent of the actuarially determined contribution level ranged from a high of 160.9% in the fiscal year ended 2023 to a low of 95.8% in 2016. Employer contributions during this reporting period were \$13.0 million, and 144.6% of the actuarially determined contribution level.

### **Relevant Financial Policies**

Jackson County is responsible for establishing and maintaining internal control designed to ensure the protection of assets from loss, theft, or misuses, and to ensure the accounting information generated is adequate to prepare financial statements in conformity with accounting principles generally accepted in the United States of America. As a Pension Trust Fund of Jackson County, Missouri, the Revised Pension Plan is subject to this internal control. Because the cost of internal control should not exceed anticipated benefits, the objective is to provide reasonable, rather than absolute, assurance that the financial statements are free of any material misstatements. Internal control over financial reporting is a process that involves human diligence and compliance and is subject to lapses in judgment and breakdowns resulting from human failures. Internal control over financial reporting also can be circumvented by collusion or improper management override. Because of such limitations, there is a risk that material misstatements may not be prevented or detected on a timely basis by internal control over financial reporting. However, these inherent limitations are known features of the financial reporting process. Therefore, it is possible to design into the process safeguards to reduce, though not eliminate, this risk. In addition, the County and the Plan are subject to annual audits.

This report is prepared in accordance with the principles of governmental accounting and reporting pronounced by the Governmental Accounting Standards Board (GASB). The accrual basis of accounting is used to record assets, liabilities, revenues and expenses. Revenue recognition occurs when earned without regard to the date of collection. Expense recognition occurs when the corresponding liabilities are incurred, regardless of payment date.

The Pension Plan Board of Trustees has set out the following investment objectives and policy guidelines:

#### **Investment Objectives:**

1. An absolute return objective of 6.75%, which is the actuarial assumed rate of return.
2. A relative return objective to outperform a policy index comprised of the following:

23%	Standard & Poor's 500 Stock Index	15%	Russell 2500 Index
25%	MSCI ACWI ex U.S. Index	10%	NFI ODCE (net) Index
27%	Bloomberg Barclays Capital Aggregate Index		

3. A relative Total Plan return objective of median or greater in a manager universe with comparable equity allocations.
4. Each manager's individual guidelines shall establish separate performance objectives consistent with this total performance objective. The expectation for each asset class is to rank in the upper half of its peer universe and meet or exceed its applicable benchmark as listed below.

<u>Asset Class</u>	<u>Performance Benchmark</u>
Core Fixed Income	Bloomberg US Aggregate Index
Core Plus Fixed Income	Bloomberg US Aggregate Index
Large Capitalization:	
Growth Equity	Russell 1000 Growth Index
Value Equity	Russell 1000 Value Index
Core Index Equity	S&P 500 Index
Small/Mid Capitalization Equity	Russell 2500 Index
International Equity	MSCI ACWI ex U.S. Index
International Equity Small Cap	MSCI World ex U.S. Small Cap Index
Emerging Markets Equity	MSCI Emerging Market Index
Real Estate and Infrastructure	NFI ODCE (net) Index

#### **Policies:**

1. The Board has established the following asset-mix guidelines for the Plan:

<u>Asset Class</u>	<u>Pension Plan Target</u>	<u>Range</u>
Domestic Large Cap Equities	23%	18-28%
Domestic Small/Mid Cap Equities	15%	10-20%
International Equity Investments	20%	15-25%
Emerging Market Equity Investments	5%	0-10%
Fixed Income Investments	27%	22-32%
Core Bonds	10%	5-15%
Core Plus Bonds	17%	12-22%
Real Assets	10%	5-15%

Should the fund move outside the ranges listed above, the Board, with the advice of the Investment Consultant, will review the allocations and shall have the authority to bring the asset allocation back within allowable ranges.

2. The portfolio will generally be invested in marketable securities.
3. Generally, equity portfolios will be comprised of common stocks or securities having characteristics of common stocks (such as convertible securities or warrants).
4. Fixed income portfolios will be comprised of treasury, agency, mortgage, corporate, asset-backed and full-faith-and-credit guaranteed loan securities of investment grade quality.
5. Assets may be held in commingled (mutual) funds as well as privately managed separate accounts. Assets held in commingled accounts should be managed in style/strategy consistent with the fund's stated objective and constraints. If assets are held in a commingled account, the Board will make its best efforts to utilize funds that are managed in strategies that are generally consistent with the investment policies adopted by the Board.

6. Derivative instruments will only be used in ways that reduce risk or transfer risk and not to increase risk and are consistent with the fund's investment objectives. They will not be used to add leverage to the fund. Counterparty risk arising from derivative transactions will be limited to credits rated "A" or better. Instruments used may include, but are not limited to, futures, options, swaps, and structured notes.
7. Each asset manager's portfolio should be fully invested at all times, although cash may be held briefly when a security is sold prior to deciding which new security should be purchased. In no case shall cash comprise more than ten (10) percent of the portfolio without prior written approval of the Board.
8. Not less than annually, the Board will formally review actual investment results, manager performance, asset allocations, and investment policies and objectives.

### **Funding:**

The bottom line for a retirement plan is the level of funding. The better the level of funding, the larger the ratio of assets accumulated and investment income potential. A better level of funding gives the participants a higher degree of assurance that their pension benefits are secure. The advantage of a well-funded plan is that the participants can look at assets that are irrevocably committed to the payment of benefits. Although the historical level of funding for the Plan is good, the Board and the employers continue to make a constant effort to improve that level, thereby assuring the participants of a financially sound retirement plan. The Plan fiduciary net position as a percentage of total pension liability was 88.8% in 2024 compared to 81.3% funded 10 years prior, in 2015. This represents an increase of 2.6% from the 2023 ratio of 86.2%. Between 2015 and 2024 the ratio fluctuated from a low of 76.7% to a high of 99.8%. The fair value of plan assets increased 7.4%, while the total pension liability increased by 4.2%. The liabilities for the years of 2015 through 2024 have increased 36.9%. Employer contributions have increased 53.7% in the past ten years, while actuarially determined contributions have increased 8.2%. Every effort is being made to increase employer contributions in order to match or exceed the actuarially determined contribution.

### **Professional Services:**

Professional consultants retained by the Plan are essential to the effective and efficient operation of the Plan. The firm of Cheiron, Inc. provides actuarial consultation. The investment consulting firm of Asset Consulting Group, Inc. (ACG) has been retained as a professional co-fiduciary to assist the Board of Trustees with evaluating prospective investment managers, as well as risk and return potential within the investment portfolios. ACG also monitors the investment performance of the Plan and the capabilities of the investment managers retained by the Board. Custodial services, ancillary plan administration, and cash management services are provided by the Midwest Institutional Trust Company (MITC).

## **Awards and Acknowledgments**

### **Certificate of Achievement:**

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to Jackson County, Missouri for its annual comprehensive financial report of the Jackson County, Missouri Revised Pension Plan Trust Fund for the fiscal year ended June 30, 2023. This was the 31st consecutive year that the Jackson County, Missouri Revised Pension Plan has achieved this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized annual comprehensive financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current annual comprehensive financial report continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

### **Acknowledgements:**

The compilation of this report reflects the combined effort of the staff of Jackson County, Missouri. The intent is to provide complete and reliable information as a basis for making management decisions, to present evidence of compliance with legal provisions and demonstrate responsible stewardship for the assets contributed by the members and their employers.

On behalf of the board, I would like to express our gratitude to the staff, the advisors, and to the many people who have worked so diligently to assure the successful operation of the Plan. I would also like to personally thank the members of the Jackson County, Missouri Pension Plan Board of Trustees, whose work has helped assure the members of the Plan can rely on future benefits.

Respectfully submitted,

A handwritten signature in black ink, appearing to read 'Bob Crutsinger', is written over a horizontal line.

Bob Crutsinger  
Director of Finance  
Jackson County

**Jackson County, Missouri**  
**Revised Pension Plan**  
**Plan Administration**  
**June 30, 2024**

County ordinance provides that the administration of the plan be vested in a Pension Plan Board of Trustees appointed by the County Executive, subject to the disapproval of the County Legislature. The composition and membership of the Pension Plan Board of Trustees shall be established as follows:

- (i) Jackson County Chief Administrative Officer
- (ii) Jackson County Director of Human Resources
- (iii) One (1) active Member of the Plan who is an employee of the Circuit Court
- (iv) One (1) active Member of the Plan from the bargaining unit within the Office of the Prosecuting Attorney and with which the Office of the Prosecuting Attorney has a valid Memorandum of Understanding
- (v) Two (2) other active Members of the Plan, but not more than one member from any one department
- (vi) Four (4) independent business executives with special consideration to be given to those with investment experience
- (vii) One (1) labor leader or union representative affiliated with a labor organization or union with which the Employer has a current Memorandum of Understanding

The Investment Section, Schedule of Brokerage Commissions Paid, provides information on investment professionals who provide services to the Plan (see pages 55-56).

**Jackson County, Missouri  
Revised Pension Plan  
Board of Trustees Members  
June 30, 2024**

Chairperson:  
**Michael Martin**  
Independent Business Executive

Secretary:  
**Michelle Chrisman**  
Director of Human Resources

**Sylvia Stevenson**  
Chief Administrative Officer

**Scott M. Brinkman**  
Active Member  
Jackson County Circuit Court

**Terrence Messonier**  
Active Member  
Office of the Prosecuting Attorney

**Theresa Ryan**  
Active Member  
Little Blue Valley Sewer District

**Whitney Miller**  
Active Member  
Deputy County Counselor

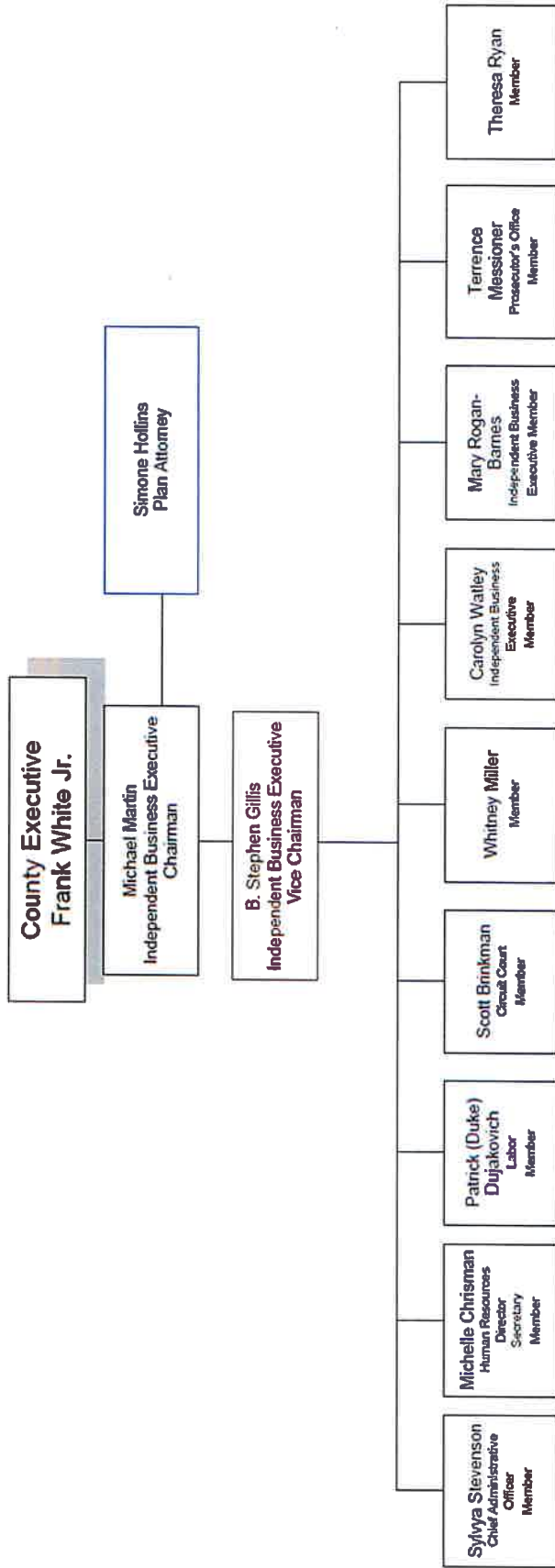
**B. Stephen Gillis**  
Independent Business Executive

**Carolyn Watley**  
Independent Business Executive

**Mary Rogan-Barnes**  
Independent Business Executive

**Patrick Dujakovich**  
AFL-CIO  
Labor Leader

**Jackson County, Missouri  
Revised Pension Plan  
Organization Chart  
Year Ended June 30, 2024**





**Jackson County, Missouri  
Revised Pension Plan  
Consulting Services  
June 30, 2024**

**Auditor**

**RSM US LLP**

Certified Public Accountants  
Kristen Hughes  
Kansas City, MO

**Consultant/Actuary**

**Cheiron, Inc.**

Steve T. McElhaney, FCA, FSA  
McLean, VA

**Custodian**

**Midwest Institutional Trust Services**

Tricia Zimmel  
Wauwatosa, WI

**Investment Advisor**

**Asset Consulting Group, LLC**

Nathan Burk  
St. Louis, MO

**Investment Manager**

**Allspring-Global Investments**

Michael Warren  
Menomonee Falls, WI

**Investment Manager**

**Atlanta Capital Management**

Michael Jaje  
Atlanta, GA

**Investment Manager**

**Brown Investment Advisory, Inc.**

Marc Bernhardt  
Baltimore, MD

**Investment Manager**

**Financial Counselors, Inc.**

Jonathan B. Lewis  
Overland Park, KS

**Jackson County, Missouri  
Revised Pension Plan  
Consulting Services  
June 30, 2024**

**Investment Manager**

**Hotchkis & Wiley Capital Management, LLC**  
Kristin Smith  
Los Angeles, CA

**Investment Manager**

**J.P. Morgan Asset Management**  
Brittany Shervan  
Columbus, OH

**Investment Manager**

**Loomis Sayles & Co., LP**  
Joseph Beauparlant  
Boston, MA

**Investment Manager**

**Mondrian Investment Partners (U.S.), Inc.**  
Patricia Karolyi  
Philadelphia, PA

**Investment Manager**

**Ninety One Asset Management**  
Lorena Cabezas  
New York, NY

**Investment Manager**

**Northern Trust Asset Management**  
Chermaine Fullinck  
Chicago, IL

**Investment Manager**

**Principal Global Investors**  
Andria Bolton  
Des Moines, IA

**Investment Manager**

**Ullico Insurance Investments**  
Luke Howe  
Chicago, IL

**Legal Counsel**

**Arnold, Newbold, Sollars & Hollins, P.C.**  
Simone Hollins  
Kansas City, MO

Jackson County, Missouri  
Revised Pension Plan

Financial Section





## Independent Auditor's Report

RSM US LLP

Plan Participants and Members of the  
Pension Plan Board of Trustees of the  
Jackson County, Missouri Revised Pension Plan

### Opinion

We have audited the financial statements of the Jackson County, Missouri Revised Pension Plan (the Plan), a component unit of Jackson County, Missouri, as of and for the years ended June 30, 2024 and 2023, and the related notes to the financial statements, which collectively comprise the Plan's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the fiduciary net position of the Plan, as of June 30, 2024 and 2023, and the changes in fiduciary net position for the years then ended in accordance with accounting principles generally accepted in the United States of America.

### Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Plan, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Plan's ability to continue as a going concern for 12 months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

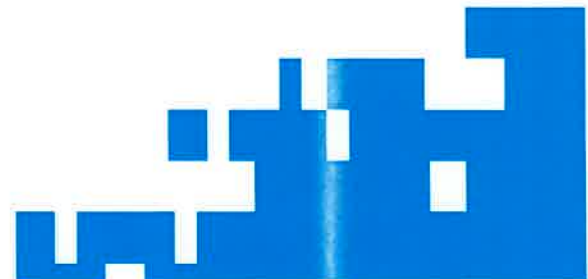
### Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.

**THE POWER OF BEING UNDERSTOOD**  
ASSURANCE | TAX | CONSULTING



- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Plan's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Plan's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

#### **Required Supplementary Information**

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and the schedules of changes in net pension liability and related ratios, contributions and investment returns, as listed in the table of contents, be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with GAAS, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

#### **Supplementary Information**

Our audits were conducted for the purpose of forming an opinion on the financial statements that collectively comprise the Plan's basic financial statements. The schedules of expenses, listed in the table of contents as other supplementary information, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audits of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with GAAS. In our opinion, the schedules of expenses are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

#### **Other Information**

Management is responsible for the other information included in the annual comprehensive financial report. The other information comprises the introductory section, investment section and statistical section but does not include the basic financial statements and our auditor's report thereon. Our opinion on the basic financial statements does not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

*RSM US LLP*

Kansas City, Missouri  
January 29, 2025

**Jackson County, Missouri  
Revised Pension Plan  
Management's Discussion and Analysis  
June 30, 2024 and 2023**

As management of the Jackson County, Missouri Revised Pension Plan, we offer readers of the Plan's financial statements this narrative overview and analysis of the financial activities of the Plan for the fiscal years ended June 30, 2024 and 2023.

**Financial Highlights (in Thousands)**

The Plan's fiduciary net position was \$365,950; reflecting an increase of \$25,081. This change in fiduciary net position is the result of several key factors: appreciation of \$30,766 in the fair value of assets; interest and dividend income of \$2,422, contributions to the Plan of \$13,070, and offsets of: benefits paid to participants of \$19,447, and expenses paid of \$1,729 (refer to page 21). The change in fiduciary net position reflects an increase of \$11,978 from the 2023 increase of \$13,103; which is primarily due to the \$3,551, \$3,312 and \$3,095 appreciation of the fair value of corporate stocks, the International Equity Fund, and the S&P 500 Index Fund, respectively. The Plan's fiduciary net position indicates the Plan will be able to meet ongoing obligations to Plan participants and their beneficiaries.

Revenues (net additions to fiduciary net position) for the year were \$44,815; this reflects an increase of \$13,366 from 2023. The net investment income of \$31,745 reflects an increase of \$13,060 from 2023. This is primarily due to the appreciation of the fair value of corporate stocks, the International Equity Fund, and the S&P 500 index Fund, as discussed above. Employer contributions to the plan were \$13,034, an increase of \$297 from 2023 (refer to page 22).

Benefits and administrative expenses (deductions from fiduciary net position) increased \$1,387 from \$18,346 in 2023 to \$19,733. Pension benefits paid to retirees, survivors, and disabled former employees totaled \$19,447 an increase of \$1,400 from 2023, due to a net increase of 37 pensioners receiving benefits (refer to page 22). Administrative expenses decreased \$13.

**Overview of the Financial Statements**

This discussion and analysis is intended to serve as an introduction to the Jackson County, Missouri Revised Pension Plan. The financial section of the Jackson County, Missouri Revised Pension Plan is comprised of three components: (1) Basic Financial Statements, (2) Required Supplementary Information, and (3) Other Supplementary Information.

Basic Financial Statements: (1) The Statements of Fiduciary Net Position are a snapshot of account balances at fair value as of the end of the reporting period whereby fiduciary net position equals assets less liabilities at fiscal year-end. It indicates the assets available for future payments to retirees. (2) The Statements of Changes in Fiduciary Net Position provide a view of current and prior year additions to and deletions from the Plan whereby the net change in fiduciary net position equals additions less deductions. Both statements are in compliance with all Government Accounting Standard Board (GASB) pronouncements for state and local governments. (3) The Notes to Basic Financial Statements provide additional information not readily evident in the statements themselves. The notes are an integral part of the financial statements.

**Jackson County, Missouri  
Revised Pension Plan  
Management's Discussion and Analysis  
June 30, 2024 and 2023**

**Overview of the Financial Statements** (continued)

Required Supplementary Information: Consists of a Schedule of Changes in Net Pension Liability and Related Ratios, a Schedule of Employer Contributions, and a Schedule of Investment Returns.

Other Supplementary Information, Schedule of Expenses: The Schedules of Administrative Expenses, Investment Expenses and Payments to Vendors are presented immediately following the required supplementary information. These schedules provide historical and additional detailed information considered useful in evaluating the condition of the Plan.

**Financial Analysis**

**Investments**

**Defined Benefit Pension Trust Fund Changes in Fiduciary Net Position**

The investment policy is set by the Pension Plan Board of Trustees. The policy states the composition of investments of the fund will not exceed the range of 43% to 83% in equities, 22% to 32% in fixed income investments, and 5% to 15% in real estate. The following chart represents the composition of the fiduciary net position at June 30, 2024, 2023, and 2022, respectively. As of June 30, 2024, corporate stocks represented 20.5% of the portfolio, while the International Equity Fund, the S&P 500 Index Fund, and the Bond Collective Trust Fund accounted for 19.0%, 17.8%, and 16.0%, respectively. The remaining funds were in U.S. government securities, a limited partnership, an emerging markets equity fund, corporate bonds and debentures, municipal bonds, a money market fund, a real estate pooled separate account, and a special situations property fund.



**Jackson County, Missouri**  
**Revised Pension Plan**  
**Management's Discussion and Analysis**  
**June 30, 2024 and 2023**

**Summary Comparative Statements of Fiduciary Net Position (in Thousands)**

	2024	2023	Amount	%	2023	2022	Amount	%
U.S. Government Securities	\$ 14,583	\$ 13,868	715	5.2%	\$ 13,868	\$ 17,165	(3,297)	-19.2%
Bond Collective Trust Fund	58,358	52,741	5,617	10.7%	52,741	55,073	(2,332)	-4.2%
Limited Partnership	6,050	5,883	167	2.8%	5,883	5,562	321	5.8%
International Equity Fund	69,322	47,099	22,223	47.2%	47,099	41,688	5,411	13.0%
Long-Short Equity Fund	-	32,401	(32,401)	-100.0%	32,401	30,835	1,566	5.1%
Emerging Markets Equity Fund	18,417	17,222	1,195	6.9%	17,222	16,223	999	6.2%
S&P 500 Index Fund	64,673	54,418	10,255	18.8%	54,418	23,256	31,162	134.0%
Corporate Stocks:								
Common Stocks	21,476	18,065	3,411	18.9%	18,065	37,599	(19,534)	-52.0%
Regional Stocks	53,115	35,617	17,498	49.1%	35,617	32,639	2,978	9.1%
Total Corporate Stocks	74,591	53,682	20,909	39.0%	53,682	70,238	(16,556)	-23.6%
Corporate Bonds & Debentures	19,324	16,072	3,252	20.2%	16,072	18,080	(2,008)	-11.1%
Municipal Bonds	100	99	1	1.0%	99	111	(12)	-10.8%
Money Market Fund	8,865	9,618	(753)	-7.8%	9,618	4,558	5,060	111.0%
Real Estate Pooled Separate Account	17,946	20,980	(3,034)	-14.5%	20,980	23,477	(2,497)	-10.6%
Special Situations Property Fund	12,123	16,963	(4,840)	-28.5%	16,963	21,756	(4,793)	-22.0%
Total Investments	364,352	341,046	23,306	6.8%	341,046	328,022	13,024	4.0%
Accrued Interest & Dividends	366	279	87	31.2%	279	289	(10)	-3.5%
Investment receivable	1,704	-	1,704	100.0%	-	-	-	0.0%
Contributions receivable	12	7	5	71.4%	7	12	(5)	-41.7%
Total Assets	366,434	341,332	25,102	7.4%	341,332	328,323	13,009	4.0%
Accrued Expense	484	463	21	4.5%	463	557	(94)	-16.9%
Fiduciary Net Position	\$ 365,950	\$ 340,869	25,081	7.4%	\$ 340,869	\$ 327,766	13,103	4.0%

**2024**

Fiduciary net position increased \$25,081. The most significant factors were increases of \$22,223, \$20,909, and \$10,255, in the valuation of the International Equity Fund, corporate stocks, and the S&P 500 index Fund; respectively, offset by a redemption of the Long-Short Equity Fund of \$32,401.

**2023**

Fiduciary net position increased \$13,103. The most significant factors were increases of \$31,162, \$5,411, and \$5,060, in the valuation of the S&P 500 Index Fund, the International Equity Fund, and the GS Fin Sq Gov #465 money market; respectively, offset by a decrease in the valuation of \$16,556 of corporate stocks and \$4,793 in the Special Situations Property Fund.

**Jackson County, Missouri**  
**Revised Pension Plan**  
**Management's Discussion and Analysis**  
**June 30, 2024 and 2023**

**Summary Comparative Statements of Changes in Fiduciary Net Position (in Thousands)**

	June 30,		Change		June 30,		Change	
	2023	2023	Amount	%	2023	2022	Amount	%
Net Appreciation (Depreciation)	\$ 30,766	\$ 18,235	\$ 12,531	68.7%	\$ 18,235	\$ (41,317)	\$ 59,552	-144.1%
Interest & Dividends	2,422	1,867	555	29.7%	1,867	2,201	(334)	-15.2%
Investment Expense	(1,443)	(1,417)	(26)	1.8%	(1,417)	(1,701)	284	-16.7%
Net Investment Income (Loss)	31,745	18,685	13,060	69.9%	18,685	(40,817)	59,502	-145.8%
Employee Contributions	36	27	9	33.3%	27	30	(3)	-10.0%
Employer Contributions	13,034	12,737	297	2.3%	12,737	11,501	1,236	10.8%
Total Additions	44,815	31,449	13,366	42.5%	31,449	(29,286)	60,735	-207.4%
Benefits Paid	19,447	18,047	1,400	7.8%	18,047	16,839	1,208	7.2%
Administrative Expenses	287	299	(12)	-4.0%	299	316	(17)	-5.4%
Total Deductions	19,734	18,346	1,388	7.6%	18,346	17,155	1,191	6.9%
Net Increase (Decrease) in Fiduciary Net Position	25,081	13,103	11,978	91.4%	13,103	(46,441)	59,544	-128.2%
Fiduciary Net Position								
Beginning of Year	340,869	327,766	13,103	4.0%	327,766	374,207	(46,441)	-12.4%
End of Year	365,950	340,869	25,081	7.4%	340,869	327,766	13,103	4.0%

**2024**

The appreciation of the fair value of investments increased from \$18,235 in 2023 to \$30,766 in 2024, an increase of \$12,531. This is most notably due to increases in appreciation of \$3,551, \$3,312, and \$3,095 in the fair value of corporate stocks, the International Equity Fund, and the S&P 500 Index Fund, respectively.

The increase of \$13,060 in net investment income is primarily due to the \$12,531 increase in appreciation of the fair value of investments. The appreciation of the fair value of corporate stocks increased \$3,551, the largest increase by category from 2023 to 2024.

Employer contributions to the plan increased \$297 and 2.3%. This is partially due to an increase in the salaries on which the contribution rates are based.

Benefits paid to retirees, survivors, and disabled former employees increased \$1,400 and 7.8%. Part of the increase was due to a net increase of 37 participants receiving benefits during the reporting period.

**Jackson County, Missouri**  
**Revised Pension Plan**  
**Management's Discussion and Analysis**  
**June 30, 2024 and 2023**

2023

The appreciation of the fair value of investments increased from \$(41,317) in 2022 to \$18,235 in 2023, an increase of \$59,552. This is most notably due increases in appreciation of \$17,951, \$17,669, \$12,926, and \$9,104 in the fair value of corporate stocks, the International Equity Fund, the S&P 500 Index Fund, and the Emerging Markets Equity Fund, respectively.

The increase of \$59,502 in net investment income is primarily due to the \$59,552 increase in appreciation of the fair value of investments. The appreciation of the fair value of corporate stocks increased \$17,951, the largest increase by category from 2022 to 2023.

Employer contributions to the plan increased \$1,236 and 10.8%. This is partially due to an increase in the salaries on which the contribution rates are based.

Benefits paid to retirees, survivors, and disabled former employees increased \$1,208 and 7.2%. Part of the increase was due to a net increase of 46 participants receiving benefits during the reporting period.

Investment expense decreased \$284 and 16.7% from 2022. Investment fees are based on the fair value of each portfolio.

**Economic Factors (in Thousands)**

2024

Employer contributions to the Plan for the 2023-2024 fiscal year increased 2.3%.

The assets of Jackson County exceeded its liabilities at the close of fiscal year 2023 by \$519,420 (net position). Of this amount, \$286,398 was invested in capital assets (net of related debt).

Restricted net position was comprised of \$32,047 for debt service, \$47,880 for capital projects, and \$671 for workers' compensation claims. The remaining balance of \$152,423 is unrestricted and may be used to meet the government's ongoing obligations to its citizen and creditors.

The total debt of Jackson County increased \$268,589 in fiscal year 2023. This is primarily due to a net increase of bonds in the amount of \$251,144, a \$6,625 addition of software subscription liabilities, as well as a \$6,027 increase of accrued claims and judgements.

The real and personal property assessed value of \$17,584,339 in 2023 reflected an increase in the base of \$3,443,453 and 24.4% from 2022.

Revenue for Jackson County in 2023 was \$377,825 a decrease of 1.7% from 2022.

**Jackson County, Missouri  
Revised Pension Plan  
Management's Discussion and Analysis  
June 30, 2024 and 2023**

**2023**

Employer contributions to the Plan for the 2022-2023 fiscal year increased 10.8%.

The assets of Jackson County exceeded its liabilities at the close of fiscal year 2022 by \$491,554 (net position). Of this amount, \$285,295 was invested in capital assets (net of related debt).

Restricted net position was comprised of \$33,026 for debt service, \$10,165 for capital projects, and \$645 for workers' compensation claims. The remaining balance of \$162,422 is unrestricted and may be used to meet the government's ongoing obligations to its citizen and creditors.

The total debt of Jackson County increased \$6,506 in fiscal year 2022. This is primarily due to a \$43,657 increase in the pension liability, offset by a reduction of \$32,084 of bonds payables and lease liabilities.

The real and personal property assessed value of \$14,140,886 in 2022 reflected an increase in the base of \$718,071 and 5.4% from 2021.

Revenue for Jackson County in 2022 was \$384,344 an increase of 12.0% from 2021.

**Requests for Information**

This financial report is designed to provide the reader a general overview of the Plan's finances. Questions or requests for more information concerning any of the information provided in this report should be directed to Michelle Chrisman, Director of Human Resources, Human Resources Department, Jackson County, Missouri, 415 East 12<sup>th</sup> Street, Room 104, Kansas City, Missouri 64106.

**Jackson County, Missouri**  
**Revised Pension Plan**  
**Statements of Fiduciary Net Position**  
**June 30, 2024 and 2023**

	<u>2024</u>	<u>2023</u>
<b>Assets:</b>		
Investments:		
U.S. Government Securities	\$ 14,583,049	\$ 13,867,508
Bond Collective Trust Fund	58,357,534	52,741,276
Limited Partnership	6,050,379	5,882,545
International Equity Fund	69,322,243	47,099,270
Long-Short Equity Fund	-	32,400,866
Emerging Markets Equity Fund	18,417,432	17,221,931
S&P 500 Index Fund	64,672,500	54,417,753
Corporate Stocks	74,590,926	53,682,538
Corporate Bonds & Debentures	19,324,210	16,072,301
Municipal Bonds	100,000	99,491
Money Market	8,864,492	9,618,034
Real Estate Pooled Separate Account	17,946,294	20,979,676
Special Situations Property Fund	12,122,845	16,963,400
Total Investments	364,351,904	341,046,589
Contributions receivable	12,497	6,698
Investment redemption receivable	1,703,817	-
Accrued Interest and Dividends	365,762	278,802
Total Assets	<u>366,433,980</u>	<u>341,332,089</u>
<b>Liabilities:</b>		
Accrued Expenses	483,896	463,456
Fiduciary Net Position Restricted for Pensions	<u>\$ 365,950,084</u>	<u>\$ 340,868,633</u>

See Notes to Basic Financial Statements.

**Jackson County, Missouri**  
**Revised Pension Plan**  
**Statements of Changes in Fiduciary Net Position**  
**For the Fiscal Years Ended June 30, 2024 and 2023**

	2024	2023
<b>Additions:</b>		
Net Investment Income (Loss):		
Net Appreciation/(Depreciation) of Fair Value		
U.S. Government Securities	223,666	\$ (337,869)
Bond Collective Trust Fund	1,616,257	668,139
Limited Partnership	(6,586)	188,205
International Equity Fund	8,722,973	5,411,285
Long-Short Equity Fund	1,675,481	1,566,027
Emerging Markets Equity Fund	1,195,501	998,652
S&P 500 Index Fund	13,260,517	10,165,485
Corporate Stocks	9,541,534	5,990,094
Corporate Bonds and Debentures	289,542	(250,470)
Municipal Bonds	509	(1,785)
Real Estate Pooled Separate Account	(1,834,260)	(2,497,715)
Special Situations Property Fund	(3,918,921)	(3,664,933)
	30,766,213	18,235,115
Interest and Dividends	2,421,507	1,866,857
Investment Expense	(1,442,711)	(1,416,640)
	31,745,009	18,685,332
Net Investment Income (Loss)		
Employee Contributions	35,759	27,244
Employer Contributions	13,033,911	12,736,736
Total Contributions	13,069,670	12,763,980
Total Additions	44,814,679	31,449,312
<b>Deductions:</b>		
Benefits paid directly to participants	19,446,729	18,046,865
Administrative Expenses	286,499	299,719
Total Deductions	19,733,228	18,346,584
Net Increase (Decrease) in Fiduciary Net Position	25,081,451	13,102,728
<b>Fiduciary Net Position Restricted for Pensions:</b>		
Beginning of Year	340,868,633	327,765,905
End of Year	\$ 365,950,084	\$ 340,868,633

See Notes to Basic Financial Statements.

**Jackson County, Missouri**  
**Revised Pension Plan**  
**Notes to Basic Financial Statements**  
**June 30, 2024 and 2023**

**(1) Summary of Significant Accounting Policies**

Measurement Focus, Basis of Accounting, and Basis of Presentation

The Jackson County, Missouri Revised Pension Plan (The Plan) uses a fund to report on its financial position and the results of its operations. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain government functions or activities. The Plan's fund is classified as a Pension Trust Fund of fiduciary fund type. Pension Trust Funds account for assets held by the Plan in a trustee capacity or as an agent on behalf of others and are accounted for on the flow of economic resources measurement focus and the accrual basis of accounting. Employee contributions are recognized in the plan year applicable to the pay period they are withheld from the employee's pay. Employer contributions are recognized in the plan year to which the underlying payroll applies, if received within 30 days of the plan year-end, which does not comply with accounting principles generally accepted in the United States of America. Investment redemptions are recorded in the year the related redemption occurs. Interest and dividend income are recorded when earned. Expenses are recorded when the corresponding liabilities are incurred. Benefits are recognized when due and payable in accordance with the terms of the Plan.

Investment Valuation and Income Recognition

Investments are recorded at fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Fair value is a market-based measurement, not an entity-specific measurement. For some assets and liabilities, observable market transactions or market information might be available; for others, it might not be available. However, the objective of a fair value measurement in both cases is the same—that is, to determine the price at which an orderly transaction to sell the asset or transfer the liability would take place between market participants at the measurement date under current market conditions. Fair value is an exit price at the measurement date from the perspective of a market participant that controls the asset or is obligated for the liability. Purchases and sales of securities are recorded on a trade-date basis. Interest income is recorded on the accrual basis. Dividends are recorded on the ex-dividend date. See Note (3) for additional information regarding fair value measures.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying footnotes. Actual results could differ from these estimates.

Administrative Expenses

Actuarial, investment management and bank trustee fees and expenses are included in the Plan's expenses when incurred. Expenses applicable to the Plan year that have not been paid, are accrued and reflected in the total expense reported.



**Jackson County, Missouri**  
**Revised Pension Plan**  
**Notes to Basic Financial Statements**  
**June 30, 2024 and 2023**

**(2) Plan Description**

Plan Administration

The Jackson County, Missouri Revised Pension Plan (the Plan) is considered a cost-sharing multiple-employer defined benefit plan providing for retirement, disability and death benefits for all eligible employees of Jackson County (the County), the Little Blue Valley Sewer District, the Kansas City Board of Election Commissioners, the Jackson County Sports Complex Authority, and the Jackson County Law Library, Inc. The benefit provisions are provided under the authority of Section 50.337, RSMo (state law). The Pension Plan Board of Trustees is responsible for the overall governance of the Pension Plan, including all administrative, operational, and investment functions. The Board shall have all the powers and duties that are necessary and proper to enable it to fully and effectively carry out its responsibilities. The Board consists of eleven members—the Jackson County Chief Administrative Officer, the Jackson County Director of Human Resources, one active plan member employed by the Circuit Court, one active plan member from the Prosecuting Attorney's bargaining unit, two other active plan members from other departments, four independent business executives, and a labor leader or union representative from one of the County's bargaining units (see page 8 for additional information). Day-to-day administration of the Plan is performed by employees of the Jackson County Human Resources and Finance Departments.

The employers listed in the paragraph above, have agreed to voluntarily contribute such amounts as are necessary to provide assets sufficient to meet benefits to be paid to Plan members. The Plan is a component unit of the County and is included in the County's financial statements as a fiduciary Pension Trust Fund. However, these financial statements present only the Pension Trust Fund. The County, by action of the County Legislature, has the right under the Plan to discontinue contributions at any time and terminate the Plan. In the event of Plan termination, the Plan's net position is to be distributed in the following order:

1. To provide for the distribution of non-refunded participants contributions.
2. To provide for the continuance of benefits to those receiving such prior to plan termination.
3. To provide benefits for those eligible, but not yet receiving benefits as of the plan termination date.
4. To provide benefits to participants at normal retirement date eligible for termination benefits whether or not they have actually terminated, without reference to the order they shall reach normal retirement date.
5. To provide for subsequent normal retirement benefits for members upon reaching normal retirement date.

**Jackson County, Missouri**  
**Revised Pension Plan**  
**Notes to Basic Financial Statements**  
**June 30, 2024 and 2023**

**(2) Plan Description (continued)**

Plan Membership

As of June 30, 2024 and 2023, the Jackson County, Missouri Revised Pension Plan membership consisted of:

	<u>2024</u>	<u>2023</u>
Retirees and beneficiaries currently receiving benefits	1,638	1,601
Terminated employees entitled to benefits but not yet receiving them	1,097	1,101
Current employees:		
Vested	832	830
Non Vested	<u>319</u>	<u>312</u>
Total	<u><u>3,886</u></u>	<u><u>3,844</u></u>

Benefits Provided

Plan benefit terms may be amended by the Jackson County Legislature.

*Eligibility:* Employees become eligible for the plan on the January 1<sup>st</sup> after completion of one year of full-time service.

*Vesting:* The participant is 100% vested after five years of service. No partial vesting is allowed.

*Normal Retirement:* The Plan calls for the normal retirement benefit at age sixty-five of 1.5% of the average monthly earnings for each year of credited service (computed average monthly earnings for the highest thirty-six consecutive months, from the previous one hundred twenty months). Effective December 15, 1997, the Plan was amended to also provide a normal retirement benefit to those active employees who have reached the age of fifty-five and whose years of age and credited service total eighty years.

*Normal Retirement (Elected Officials):* Effective November 5, 2003, the Plan was amended to provide a benefit schedule applicable to Elected Officials. The Plan allows for a normal retirement benefit calculation of 4.167% of the Average Monthly Earnings for each year of the first twelve years of credited service plus 5% of Average Monthly Earnings times years of credited service from years 12 to 16.

*Early Retirement:* Early retirement is available at age fifty-five and five years of service, subject to certain reductions from the normal benefit. No benefits are available before age fifty-five, exclusive of disability benefits.

*Disability Retirement:* The participant shall receive the accrued benefit, if the participant has five years of service and the disability is total and permanent as defined by the Social Security Act.

**Jackson County, Missouri**  
**Revised Pension Plan**  
**Notes to Basic Financial Statements**  
**June 30, 2024 and 2023**

**(2) Plan Description (continued)**

*Pre-Retirement Death Benefit:* If any active member should die being vested in the plan, a lump sum death benefit equal to the deceased member's current benefit at the time of death shall be payable.

*Cost of Living Adjustments:* The Plan provisions regarding cost of living adjustments (COLAs) allow for discretionary increases of up to 3.0% for members who have been retired for a full year, at the discretion of the Pension Plan Board of Trustees.

IRS Determination

The Plan has received a favorable determination letter dated May 17, 2017, from the Internal Revenue Service indicating that it is qualified under the Internal Revenue Code. The Plan has been amended since receiving this determination letter. The Plan Administrator believes the Plan is currently designed, and is being operated, in compliance with the applicable requirements of the Code.

Contributions

Employer contributions are subject to annual appropriation by Jackson County, Missouri, and other participating employers. The only employee contributions are the 4% required to be contributed by elected officials for up to 16 years. No other employee contributions are allowed. The Plan receives an annual actuarial valuation for the purpose of determining the recommended contribution rates. The contribution rates were 11.52% of annual covered payroll for July 2022 to December 2022, 11.00% for 2023, and 12.09% for January to June 2024.

Administrative costs of the pension plan are financed through investment earnings when incurred.

Funded Status and Changes in Net Pension Liability

As of July 1, 2024, the most recent actuarial valuation date, the Plan was 88.8% funded (on the market value of assets basis). The total pension liability was \$412,134,459; and the plan fiduciary net position was \$365,950,084; resulting in a net pension liability (NPL) of \$46,184,375. The annual covered payroll (the payroll on which contributions to the Plan are based) was \$74,533,503; and the ratio of the NPL to the annual covered payroll was 62.0%. Using the actuarial value of assets basis, the Plan was 91.5% funded as of July 1, 2024. This basis does not comply with accounting principles generally accepted in the United States of America.

As of July 1, 2023, the Plan was 86.2% funded (on the market value of assets basis). The total pension liability was \$395,642,881; and the plan fiduciary net position was \$340,868,633; resulting in a net pension liability (NPL) of \$54,774,248. The annual covered payroll (the payroll on which contributions to the Plan are based) was \$71,949,487; and the ratio of the NPL to the annual covered payroll was 76.1%. Using the actuarial value of assets basis, the Plan was 92.3% funded as of July 1, 2023. This basis does not comply with accounting principles generally accepted in the United States of America.

**Jackson County, Missouri**  
**Revised Pension Plan**  
**Notes to Basic Financial Statements**  
**June 30, 2024 and 2023**

**(3) Investments**

Investment Policy

The Plan's investments are managed by independent investment managers and are held by the current custodian, Midwest Institutional Trust Company (MITC), except for the commingled investments which are held by the custodian chosen by such commingled fund, and maintained, for reporting purposes only, at MITC. Equity securities are limited to 83% of total investments, with an allocation target of 63%. Fixed income investments, other than cash equivalents, are limited to 32% of total investments, with an allocation target of 27%. Real estate investments are limited to 15% of total investments, with an allocation target of 10%. Investment performance is monitored by a professional consultant and reviewed not less than annually by the Pension Board of Trustees, which has the authority to amend investment policy decisions, including asset allocation targets and acceptable asset classifications.

Concentration of Investments

At June 30, 2024, investments in corporate stocks represented 20.5% of the Plan's total investments, the International Equity Fund represented 19.0%, the S&P 500 Index Fund accounted for 17.8% of total investments, and the Bond collective Trust Fund represented 16.0%. Corporate bonds and debentures totaled 5.2% and the Emerging Markets Equity Fund represented 5.1%. All other individual investments represented less than 5% of the Plan's total investments.

At June 30, 2023, the S&P 500 Index Fund represented 16.0% of the Plan's total investments, the investment in the Bond Collective Trust Fund represented 15.5%, the International Equity Fund represented 13.8%, the Long-Short Equity Fund represented 9.5%, the Real Estate Pooled Separate Account represented 6.2%, and the Emerging Markets Equity Fund represented 5.1%. All other individual investments represented less than 5% of the Plan's total investments.

Rate of Return

For the years ended June 30, 2024 and 2023, the annual money weighted rates of return on pension plan investments, net of pension plan investment expense, were 9.46 and 5.76%, respectively. The money weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

Interest Rate Risk

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. The Plan does not have a policy for interest rate risk.

**Jackson County, Missouri**  
**Revised Pension Plan**  
**Notes to Basic Financial Statements**  
**June 30, 2024 and 2023**

**(3) Investments (continued)**

Information about the sensitivity of the fair values of the Plan's investments to market interest rate fluctuations is provided by the following table that shows the distribution of the Plan's investments in debt securities by maturity:

June 30, 2024

Security Description	Current Fair Value	Debt Security Investment Maturities (in years)			
		<1	1-5	5-10	10+
US Agencies	\$ 5,275,198	9,957	-	-	5,265,241
Municipal Bonds	100,000	100,000	-	-	-
Treasury Notes	9,307,851	-	1,841,170	1,842,224	5,624,457
Corporate Bonds	19,324,210	639,747	9,896,553	7,897,032	890,878
Total	<u>\$ 34,007,259</u>	<u>749,704</u>	<u>11,737,723</u>	<u>9,739,256</u>	<u>11,780,576</u>

June 30, 2023

Security Description	Current Fair Value	Debt Security Investment Maturities (in years)			
		<1	1-5	5-10	10+
US Agencies	\$ 569,412	12,000	35,377	-	522,035
Municipal Bonds	99,491	-	99,491	-	-
Treasury Notes	13,298,096	1,886,068	7,499,631	3,912,397	-
Corporate Bonds	16,072,301	951,343	8,530,037	5,765,212	825,709
Total	<u>\$ 30,039,300</u>	<u>2,849,411</u>	<u>16,164,536</u>	<u>9,677,609</u>	<u>1,347,744</u>

Credit Risk

Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. The Plan does not have a policy for credit risk.

**Jackson County, Missouri**  
**Revised Pension Plan**  
**Notes to Basic Financial Statements**  
**June 30, 2024 and 2023**

**(3) Investments** (continued)

As of June 30, 2024, the Plan's investments were rated as follows:

Security Description	Moody's	Standard & Poor's
US Agencies:		
Federal Home Loan Mortgage Corp Partn Gold	Not Rated*	Not Rated*
Federal National Mortgage Association GTD PASSTHRU	Not Rated*	Not Rated*
Municipal Bonds:		
Brownsburg Ind GO Bonds	Not Rated	AA
Corporate Bonds:		
American Express Co Sr Nt	A2	BBB+
Amgen Inc Sr Nt	BAA1	BBB+
Aon Plc Sr Gbl Nt	BAA2	A-
AT&T Inc Global Nt	BAA2	BBB
Autodesk Inc Sr Nt	A3	BBB+
Bank Amer Corp Fr	A1	A-
Bk of America Corp Sr Nt	A1	A-
Blackrock Inc Sr Nt	AA3	AA-
Boeing Co Cr Sen Sr Nt	BAA3	BBB-
Broadcom Inc Sr Nt	BAA3	BBB
Capital One Finl Corp Sr Nt	BAA1	BBB
Citigroup, Inc Sr Nt	A3	BBB+
Citizens Bank Nafr	BAA1	A-
Comcast Corp New Nt	A3	A-
CVS Health Corp Sr Gbl	BAA2	BBB
CVS Health Corp Sr Nt	BAA2	BBB
Dell Intl Corp Sr Nt	BAA2	BBB
Dollar Gen Corp Sr Nt	BAA2	BBB
Edwards LifeSciences Corp	BAA2	BBB
Elevance Health Inc Gbl Nt	BAA2	A
Fifth Third Bancorp Sr Gbl Nt	BAA1	BBB+
General Electric Co Sr Nt	BAA1	BBB+
General Mtrs Finl Co Inc Sr Gbl	BAA2	BBB
General Mtrs Finl Co Inc Sr Gbl Nt	BAA2	BBB
Goldman Sachs Group Inc Sr Gbl	A2	BBB+
HP Inc Sr Nt	BAA2	BBB
Huntington Bancshares Inc Sr Nt	BAA1	BBB+
Ingersoll Rand Inc Sr Gbl Nt	BAA2	BBB



**Jackson County, Missouri**  
**Revised Pension Plan**  
**Notes to Basic Financial Statements**  
**June 30, 2024 and 2023**

**(3) Investments (continued)**

Security Description	Moody's	Poor's
JPMorgan Chase & Co Nt	A1	A-
Keycorp Medium Term Nts Fr	BAA2	BBB
Lowes Cos Inc Gbl Nt	BAA1	BBB+
Marriott Intl Inc New Cr Sen Sr JJ	BAA2	BBB
Meta Platforms Inc Gbl Nt	AA3	AA-
Microsot Corp Sr Gbl	AAA	AAA
Molson Coors Brewing Co Sr Gbl Nt	BAA2	BBB
Morgan Stanley Fr	A1	A-
Paypal Holdings Inc Sr Nt	A3	A-
Pnc Finl Svcs Group Inc Sr Nt	A3	A-
Regeneron Pharmaceuticals Sr Nt	BAA1	BBB+
Regions Financial Corp new Sr Nt	BAA1	BBB+
Schwab Charles Corp Sr Nt	A2	A-
Starbucks Corp Sr Gbl	BAA1	BBB+
State Str Corp Sr Nt	A1	A
Sysco Corp Sr Nt	BAA1	BBB
T Mobile Usa Inc Sr Sec Gbl Nt	BAA2	BBB
Timken Co Fr	BAA2	BBB-
Trust Finl Corp Fr	BAA1	A-
Union Pac Corp Gbl Nt	A3	A-
Verizon Communications Inc Nt	BAA1	BBB+
Visa Inc Sr Nt	AA3	AA-
VMWare Inc Sr Nt	WR**	BBB
Wells Fargo & Co New Sr Gbl Nt	A1	BBB+
Williams Partners L P New Sr Gbl Nt	BAA2	BBB
Loomis Sayles Commingled Bonds Account	Not rated	AA-
GS Fin Sq Gov #465 (Money Market)	Aaa-mf	AAAm

\*These US agency securities are pooled assets, so they are not rated by Moody's and Standard and Poor's.

\*\*Withdrawn rating

The market value of assets subject to the ratings listed above is \$101.2 million.



**Jackson County, Missouri**  
**Revised Pension Plan**  
**Notes to Basic Financial Statements**  
**June 30, 2024 and 2023**

As of June 30, 2023, the Plan's investments were rated as follows:

Security Description	Moody's	Standard & Poor's
US Agencies:		
Federal Home Loan Mortgage Corp Partn Gold	Not Rated*	Not Rated*
Federal National Mortgage Association GTD PASSTHRU	Not Rated*	Not Rated*
Municipal Bonds:		
Brownsburg Ind GO Bonds	Not Rated	AA
Corporate Bonds:		
Abbvie Inc Sr Nt	A3	BBB+
Activision Blizzard Inc Sr Gbl	BAA1	A-
American Express Co Sr Nt	A2	BBB+
Amgen Inc Sr Nt	BAA1	BBB+
Aon Plc Sr Gbl Nt	BAA2	A-
Apple Inc Sr Nt	AAA	AA+
Astrazeneca Finance Llc Sr Nt	A2	A
AT&T Inc Glocal Nt	BAA2	BBB
Autodesk Inc Sr Nt	A3	BBB+
Bank Amer Corp Fr	A1	A-
Bank New York Mellon Corp Fr	A1	A
Bk of America Corp Sr Nt	A1	A-
Blackrock Inc Sr Nt	AA3	AA-
Boeing Co Cr Sen Sr Nt	BAA2	BBB-
Broadcom Inc Sr Nt	BAA3	BBB-
Burlington Northn Santa Fe Cp Deb	A3	AA-
Capital One Finl Corp Sr Nt	BAA1	BBB
Citigroup, Inc Sr Nt	A3	BBB+
Citizens Bank Nafr	BAA1	A-
Comcast Corp New Nt	A3	A-
CVS Health Corp Sr Nt	BAA2	BBB
Dollar Gen Corp Sr Nt	BAA2	BBB
Edwards LifeSciences Corp	BAA2	BBB
Fifth Third Bancorp Sr Nt	BAA1	BBB+
General Electric Co Sr Nt	BAA1	BBB+
Goldman Sachs Group Inc Sr Gbl	A2	BBB+
HP Inc Sr Nt	BAA2	BBB
Huntington Bancshares Inc Sr Nt	BAA1	BBB+
JPMorgan Chase & Co Nt	A1	A-
Lowe's Cos Inc Gbl Nt	BAA1	BBB+

**Jackson County, Missouri**  
**Revised Pension Plan**  
**Notes to Basic Financial Statements**  
**June 30, 2024 and 2023**

**(3) Investments (continued)**

Security Description	Moody's	Standard & Poor's
Morgan Stanley Fr	A1	A-
Paypal Holdings Inc Sr Nt	A3	A-
Pnc Finl Svcs Group Inc Sr Gbl	A3	A-
Regeneron Pharmaceuticals Sr Nt	BAA2	BBB+
Starbucks Corp	BAA1	BBB+
State Str Corp Sr Nt	A1	A
Sysco Corp Sr Nt	BAA1	BBB
T Mobile Usa Inc Sr Sec Gbl Nt	BAA2	BBB
Timken Co Fr	BAA2	BBB-
TJX Cos Inc New Sr Nt	A2	A
VMWare Inc Sr Nt	BAA3	BBB-
Wells Fargo & Co New Sr Gbl Nt	A1	BBB+
Williams Partners L P New Sr Gbl Nt	BAA2	BBB
Willis North Amer Inc Sr Gbl	BAA3	BBB+
Loomis Sayles Commingled Bonds Account	Aa3	Not Rated
GS Fin Sq Gov #465 (Money Market)	Aaa-mf	AAAm

\*These US agency securities are pooled assets, so they are not rated by Moody's and Standard and Poor's.

The market value of assets subject to the ratings listed above is \$92.4 million.

**Jackson County, Missouri**  
**Revised Pension Plan**  
**Notes to Basic Financial Statements**  
**June 30, 2024 and 2023**

**(3) Investments (continued)**

**Custodial Credit Risk**

The custodial credit risk for investments is the risk that in the event of the failure of the counter party (e.g. Broker-Dealer) to a transaction, a government will not be able to recover the value of its investment or collateral securities that are in the possession of another party. The Plan does not have a policy for custodial credit risk.

At June 30, 2024, and 2023, the Plan's U.S. government securities, corporate stocks, corporate bonds and debentures, municipal bonds, and money market fund were uninsured and unregistered investments with the securities held by the counterparty's trust department or agent in the name of the Plan. The Plan's investments during the years ended June 30, 2024, and 2023, did not differ significantly from these at the respective year-ends in amounts or level of risk.

**Fair Value Measurements**

The Plan categorizes its assets and liabilities measured at fair value within the hierarchy established by generally accepted accounting principles. Assets and liabilities valued at fair value are categorized based on inputs to valuation techniques as follows:

**Level 1 Input:** Quoted prices for identical assets or liabilities in an active market that an entity has the ability to access.

**Level 2 Input:** Inputs—other than quoted prices included within Level 1—that are observable for an asset or liability, either directly or indirectly. Agency securities and corporate bonds are valued using either a price or spread basis as determined by the observed market data. Municipal bonds are valued using yield curves which are adjusted throughout the day based on trades and other pertinent market information.

**Level 3 Input:** Inputs that are unobservable for the asset or liability which are typically based upon the Plan's own assumptions as there is little, if any, related market activity.

**Hierarchy:** The fair value hierarchy gives the highest priority to Level 1 inputs and the lowest priority to Level 3 inputs.

**Inputs:** If the fair value of an asset or a liability is measured using inputs from more than one level of the fair value hierarchy, the measurement is considered to be based on the lowest priority level input that is significant to the entire measurement.

The Plan has the following recurring fair value measurements as of June 30, 2024 and 2023:

**Jackson County, Missouri**  
**Revised Pension Plan**  
**Notes to Basic Financial Statements**  
**June 30, 2024 and 2023**

**(3) Investments (continued)**

**Investments Measured at Fair Value**  
**(\$ in thousands)**

		Fair Value Measurements Using		
		Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
	June 30, 2024			
<b>Investments by fair value level</b>				
Debt securities:				
U.S. Treasury securities	\$ 9,308	\$ -	\$ 9,308	\$ -
U.S. Agency securities	5,275	-	5,275	-
Municipal bonds	100	-	100	-
Corporate bonds and debentures	19,324	-	19,324	-
Total debt securities	34,007	-	34,007	-
Equity securities:				
Consumer discretionary	9,905	9,905	-	-
Consumer staples	2,449	2,449	-	-
Energy	1,329	1,329	-	-
Financials	17,058	17,058	-	-
Health care	6,472	6,472	-	-
Industrials	18,539	18,539	-	-
Information technology	12,218	12,218	-	-
Materials	4,018	4,018	-	-
Real Estate	1,092	1,092	-	-
Telecommunication services	1,228	1,228	-	-
Utilities	283	283	-	-
Total equity securities	74,591	74,591	-	-
Total investments by fair value level	108,598	\$ 74,591	\$ 34,007	\$ -
<b>Investments measured at amortized cost</b>				
Money market funds	8,864			
Total investments measured at amortized cost	8,864			
<b>Investments measured at the net asset value (NAV)</b>				
Bond Collective Trust Fund	58,358			
Limited Partnership	6,050			
International Equity Fund	69,322			
Emerging Markets Equity Fund	18,417			
S&P 500 Index Fund	64,673			
Real Estate Pooled Separate Account	17,946			
Special Situations Property Fund	12,123			
Total investments measured at the NAV	246,889			
Total investments	\$ 364,351			

**Jackson County, Missouri**  
**Revised Pension Plan**  
**Notes to Basic Financial Statements**  
**June 30, 2024 and 2023**

**(3) Investments (continued)**

**Investments Measured at Fair Value**  
**(\$ in thousands)**

		Fair Value Measurements Using		
		Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
	June 30, 2023			
<b>Investments by fair value level</b>				
Debt securities:				
U.S. Treasury securities	\$ 13,298	\$ -	\$ 13,298	\$ -
U.S. Agency securities	570	-	570	-
Municipal bonds	99	-	99	-
Corporate bonds and debentures	16,072	-	16,072	-
Total debt securities	30,039	-	30,039	-
Equity securities:				
Consumer discretionary	7,240	7,240	-	-
Consumer staples	1,324	1,324	-	-
Energy	1,041	1,041	-	-
Financials	11,084	11,084	-	-
Health care	6,066	6,066	-	-
Industrials	10,825	10,825	-	-
Information technology	11,605	11,605	-	-
Materials	1,922	1,922	-	-
Real Estate	1,088	1,088	-	-
Telecommunication services	1,323	1,323	-	-
Utilities	164	164	-	-
Total equity securities	53,682	53,682	-	-
Total investments by fair value level	83,721	\$ 53,682	\$ 30,039	\$ -
<b>Investments measured at amortized cost</b>				
Money market funds	9,618			
Total investments measured at amortized cost	9,618			
<b>Investments measured at the net asset value (NAV)</b>				
Bond Collective Trust Fund	52,741			
Limited Partnership	5,883			
International Equity Fund	47,099			
Long-Short Equity Fund	32,401			
Emerging Markets Equity Fund	17,222			
S&P 500 Index Fund	54,418			
Real Estate Pooled Separate Account	20,980			
Special Situations Property Fund	16,963			
Total investments measured at the NAV	247,707			
Total investments	\$ 341,046			

**Jackson County, Missouri**  
**Revised Pension Plan**  
**Notes to Basic Financial Statements**  
**June 30, 2024 and 2023**

**(3) Investments (continued)**

Equity securities classified in Level 1 of the fair value hierarchy are valued using prices quoted in active markets for those securities. U.S. Treasury securities classified in Level 1 of the fair value hierarchy are valued throughout the day using continuous feeds from a number of live data sources. U.S. Agency securities, corporate bonds, and municipal bonds classified in Level 2 of the fair value hierarchy are valued using relevant observable data including quoted prices for similar assets, benchmark yield curves, and market corroborated inputs. Money market funds are valued at amortized cost.

The valuation method for investments measured at the net asset value (NAV) per share (or its equivalent) is presented on the following table.

**Investments Measured at Net Asset Value (NAV)**  
**(\$ in thousands)**

	Fair Value		Redemption Frequency (if Currently Eligible)	Redemption Notice period
	June 30, 2024	June 30, 2023		
Bond Collective Trust Fund (1)	\$ 58,358	\$ 52,741	Daily	0 to 3 days
Limited Partnership (2)	6,050	5,883	1st business day of the month	15th day of the prior month
International Dynamic Equity Fund (3)	69,322	47,099	Daily	1 day
Long-Short Equity Hedge Fund (4)	-	32,401	Quarterly	45 days
Emerging Markets Equity Fund (5)	18,417	17,222	Each Wednesday (or the next business day)/Last business day of each month	10 business days
S&P 500 Index Fund (6)	64,673	54,418	Daily	Prior to 9:30am CST on trade date
Real Estate Pooled Separate Account (7)	17,946	20,980	Daily	1 day
Special Situations Property Fund (8)	12,123	16,963	Quarterly	30 days
Total investments measured at the NAV	<u>\$ 246,889</u>	<u>\$ 247,707</u>		

**Jackson County, Missouri**  
**Revised Pension Plan**  
**Notes to Basic Financial Statements**  
**June 30, 2024 and 2023**

**(3) Investments (continued)**

Units of the Limited Partnership and the S&P 500 Index Fund are sold quarterly to pay the management fees of the respective investment managers. At June 30, 2024 and 2023, the Plan had no unfunded commitments.

1. *Bond Collective Trust Fund.* The fund is a core plus fixed income collective investment trust. The objective of the fund is high total investment return through a combination of current income and capital appreciation. There are no requirements to give advanced notice of intent to redeem the investment, but three days' notice is preferred. The fair value of the investment has been determined using the NAV per share (or its equivalent) of the fund.
2. *Limited Partnership.* The investment is a small cap equity fund established as a limited partnership. The fund's objective is to achieve a long-term total return by investing in non-U.S. small capitalization companies. The fund has ten business days to disburse funds per the Offering Memorandum. This would be utilized for terminations and large flows. The fair value of the investment has been determined using the NAV per share (or its equivalent) of the Plan's ownership interest in the partners' capital.
3. *International Dynamic Equity Fund.* The investment is an international dynamic equity fund. The fund's objective is to achieve long term capital growth, primarily through investment in shares of companies around the world, except the United States. At least two-thirds of the fund's assets are to be invested in the equities of companies domiciled in Europe, Australia, Asia, and Latin America. The fund is traded daily and redemption normally occurs after one days' written notice. However, if the fund's requested withdrawals exceed 10 percent of the fund's net asset value, the fund may defer the excess of such withdrawals to the next dealing day. All withdrawal requests relating to an earlier dealing day will be completed before new requests are considered, subject to further deferral and to liquidity being raised with respect to the next or any subsequent dealing day. The fair value of the investment has been determined using the NAV per share (or its equivalent) of the fund.
4. *Long-Short Equity Hedge Fund.* The fund invests in other hedge funds that invest across liquid asset classes, primarily focusing on equity long/short in global markets. The underlying funds aim to invest primarily in companies in developed markets through equity and equity-related securities. The majority of the fund's underlying investments can only be redeemed on the first business day of each calendar quarter or each calendar month. The fair value of the investment has been determined using the NAV per share (or its equivalent) of the fund.
5. *Emerging Markets Equity Fund.* The objective of the fund is to seek long-term capital appreciation by investing at least 80% of its assets in emerging market equity securities. The fund may invest in securities across all market capitalizations and styles. Redemptions occur weekly on Wednesday (or the next business day) or the last business day of the month, with 10 business days' advanced written notice. The fair value of the investment has been determined using the NAV per share (or its equivalent) of the fund.



**Jackson County, Missouri**  
**Revised Pension Plan**  
**Notes to Basic Financial Statements**  
**June 30, 2024 and 2023**

**(3) Investments (continued)**

6. *S&P 500 Index Fund.* The objective of the fund is to provide a vehicle to access the U.S. equity market and investment results that approximate the overall performance of the common stocks included in the Standard & Poor's 500 Composite Stock Price Index. The fund requires 1 days' notice to redeem 100% of the Plan's investment. Notification of other planned transactions is to be provided prior to 9:30am CST on trade date. The fair value of the investment has been determined using the NAV per share (or its equivalent) of the fund.
7. *Real Estate Pooled Separate Account.* The account is a diversified real estate equity account consisting primarily of high quality, well-leased real estate properties in the multifamily, industrial, office, retail, and hotel sectors. The objective of the account is to invest in a well-diversified real estate portfolio that reflects the overall performance of the U.S. commercial real estate market. Redemptions normally occur with one day of notice. However, the accountholder has the right to impose withdrawal limitations to pay withdrawal requests on a pro rata basis as cash becomes available for distribution. The fair value of this investment has been determined using the NAV per share (or its equivalent) of the Plan's ownership interest in the accountholder's capital.
8. *Special Situations Property Fund.* The fund is a balanced portfolio of stabilized and value-added real estate opportunities. The objective of this fund is to provide a moderate level of current income and/or high residual property appreciation by investing in a wide variety of value-added real estate opportunities in the United States. The fair value of the investment has been determined using the NAV per share (or its equivalent) of the fund.

Foreign Currency Risk

Foreign currency risk is the risk that changes in exchange rates will adversely impact the fair value of an investment. The Plan does not have a policy related to foreign currency risk.

At June 30, 2024, the Plan had invested in an International Equity Fund, an Emerging Markets Equity Fund, and a Limited Partnership, all of which invested in international stocks. The fair value of the International Equity Fund was \$69,322,243 and 19.0% of the Plan's portfolio. The fair value of the Emerging Markets Equity Fund was \$18,417,432 and 5.1% of the Plan's portfolio. The fair value of the Limited Partnership was \$6,050,379 and 1.7% of the Plan's portfolio. The Bond Collective Trust Fund also had some international investments. In addition, the Plan's corporate bonds and debentures include international bonds with a fair value of \$488,610 representing 0.1% of the Plan's portfolio.

**Jackson County, Missouri**  
**Revised Pension Plan**  
**Notes to Basic Financial Statements**  
**June 30, 2024 and 2023**

**(3) Investments (continued)**

At June 30, 2023, the Plan had invested in a Limited Partnership, an International Equity Fund, a Long-Short Equity Fund, and an Emerging Markets Equity Fund, all of which invested in international stocks. The fair value of the Limited Partnership was \$5,882,545 and 1.7% of the Plan's portfolio. The fair value of the International Equity Fund was \$47,099,270 and 13.8% of the Plan's portfolio. The fair value of the Long-Short Equity Fund was \$32,400,866 and 9.5% of the Plan's portfolio. The fair value of the Emerging Markets Equity Fund was \$17,221,931 and 5.0% of the Plan's portfolio. The Bond Collective Trust Fund also had some international investments. In addition, the Plan's corporate bonds and debentures include international bonds with a fair value of \$481,905 representing 0.1% of the Plan's portfolio.

In October 2023, the Board approved a motion to invest \$10 million in an Infrastructure Fund, or 3% of the overall portfolio. The plan funded the full commitment amount to Ullico, the Infrastructure Fund, in October 2024.

In May 2024, the Board approved a motion to liquidate the Limited Partnership and move the proceeds to the International Equity Fund. The Board also approved a motion for a full liquidation of the Special Situations Property Fund. It is anticipated it will take multiple quarters, potentially years, for a full liquidation of the Special Situations Property Fund.

**(4) Net Pension Liability and Actuarial Assumptions**

Net Pension Liability of the Employers

The components of the net pension liability of the employers at June 30, 2024 and 2023, were as follows:

	2024	2023
Total Pension Liability	\$ 412,134,459	\$ 395,642,881
Plan Fiduciary Net Position	(365,950,084)	(340,868,633)
Net Pension Liability	<u>\$ 46,184,375</u>	<u>54,774,248</u>
Plan Fiduciary Net Position as a % of the Total Pension Liability	88.8%	86.2%

**Jackson County, Missouri**  
**Revised Pension Plan**  
**Notes to Basic Financial Statements**  
**June 30, 2024 and 2023**

Actuarial Assumptions

The projection of benefits for financial reporting purposes does not explicitly incorporate the potential effects of legal or contractual funding limitations. Most assumptions were revised in 2022 based on the results of the experience study conducted in 2022 for the period from July 1, 2016 to June 30, 2021.

The actuarial assumptions used are as follows:

Valuation dates:	<u>July 1, 2024 and 2023</u>
Investment rate of return, net of expenses:	6.75% compounded annually
Projected salary increases:	3.00% to 6.00%
Assumed inflation rate:	2.5% per annum
Post retirement benefit increase:	1.75%

**(4) Net Pension Liability and Actuarial Assumptions** (continued)

Mortality:

Healthy Non-Annuitants:	2010 Public General Amount-Weighted Mortality Table for Healthy Employees, projected using Scale MP-2021 on a generational basis.
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Healthy Annuitants:	2010 Public General Amount-Weighted Below-Median Mortality Table for Healthy Retirees (multiplied by 1.038 for males and 1.190 for females), projected using Scale MP-2021 on a generational basis.
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Disabled:	2010 Public General Amount-Weighted Mortality Table for Disabled Retirees, projected using Scale MP-2021 on a generational basis
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The July 1, 2024 and 2023 actuarial valuations assume a 6.75% rate of return. The Board of Trustees has adopted an asset allocation strategy that structures the Plan's assets in such a way as to maximize the financial return to the retirement system consistent with the risks incumbent in each investment and the portfolio as a whole, while maintaining an appropriate level of diversification of the retirement system assets. The Board of Trustees, with assistance from Asset Consulting Group, our investment consultant, has reviewed the asset allocation of the Plan based on the long term capital market assumptions (including expected return, volatility and correlation among asset types) developed by the investment consultant. The Board of Trustees, upon the advice and consultation from the investment consultant, believes that there is a reasonable probability that the portfolio is structured in such a manner as to provide a 6.75% annualized rate of return over a long-term (20+ years) time horizon. There is also a reasonable probability of achieving a 6.75% rate of return in any given year; however, the range of potential outcomes around the median is much wider over shorter periods.

**Jackson County, Missouri**  
**Revised Pension Plan**  
**Notes to Basic Financial Statements**  
**June 30, 2024 and 2023**

**(4) Net Pension Liability and Actuarial Assumptions (continued)**

Best estimates of arithmetic real rates of return for each major asset class as of June 30, 2024 and 2023, (see the discussion of the Plan's investment policy) are summarized in the following table:

Asset Class	Long-Term Expected Real Rate of Return	
	2024	2023
Core Bonds	2.56%	2.58%
Core Plus	2.87%	2.89%
U.S. Large Cap Equity	7.15%	7.17%
U.S. Small Cap Equity	8.58%	8.61%
International Developed Equity	8.03%	8.06%
Emerging Market Equity	9.29%	9.33%
Long-Short Equity	-	5.77%
Core Real Estate	6.49%	6.54%
Value Added Real Estate	7.99%	8.04%
Infrastructure	6.07%	-

Discount Rate

The discount rate used to measure the total pension liability was 6.75% for the years ended June 30, 2024 and 2023. The projection of cash flows used to determine the discount rate assumed that elected official contributions will continue at the current rate of 4.0%. Employer contributions were assumed to be made in accordance with the following contribution policy:

For Jackson County, a contribution is made based upon total budgeted payroll (i.e. not just pension payroll). For calendar years beginning 2020 and later, the County and all other employers contribute the actuarially determined contribution rate determined in the prior year's actuarial valuation. For calendar year 2024, the rate was 12.09%, which was the actuarially determined rate from the July 1, 2023 actuarial valuation. For calendar year 2023, the rate was 11.00%, which was the actuarially determined rate from the July 1, 2022 actuarial valuation.

Based on those assumptions, the Plan's fiduciary net position was projected to be available to make projected future benefit payments for current members for all future years. Therefore, the single equivalent rate used to determine the Total Pension Liability as of June 30, 2024 is 6.75%, the long-term expected rate of return on Plan investments.

Sensitivity

The following presents the net pension liability of the Plan, calculated using the discount rate of 6.75%, as well as what the Plan's net pension liability would be if it were calculated using a discount rate that is 1% lower or 1% higher than the current rate:

**Jackson County, Missouri**  
**Revised Pension Plan**  
**Notes to Basic Financial Statements**  
**June 30, 2024 and 2023**

**(4) Net Pension Liability and Actuarial Assumptions (continued)**

Net Pension Liability	1% Decrease (5.75%)	Discount Rate (6.75%)	1% Increase (7.75%)
2024	\$ 97,803,901	46,184,375	3,314,299
2023	\$ 104,637,803	54,774,248	13,385,175

**(5) New Pronouncements**

The Plan implemented the following Governmental Accounting Standards Board (GASB) Statements during the year:

GASB 100, *Accounting Changes and Error Corrections – An Amendment of GASB Statement No. 62*. This statement enhances accounting and financial reporting requirements for accounting changes and error corrections to provide more understandable, reliable, relevant, consistent, and comparable information for making decisions or assessing accountability. This statement had no effect on the Plan's financial statements in the current year.

The GASB has issued several Statements not yet required to be implemented by the Plan. The Plan's management has not yet determined the effect these Statements will have on the Plan's financial statements. However, the Plan plans to implement all standards by required dates. The Statements which may impact the Plan are as follows:

GASB 101, *Compensated Absences*, issued in June 2022, will be effective for the Plan beginning with its fiscal year ending June 30, 2025. This statement enhances accounting and financial reporting requirements by updating the recognition and measurement guidance for compensated absences.

GASB 102, *Certain Risk Disclosures*, issued in December 2023, will be effective for the Plan beginning with its fiscal year ending June 30, 2025. The requirements of this Statement will improve financial reporting by providing users of financial statements with essential information that currently is not often provided. The disclosures will provide users with timely information regarding certain concentrations or constraints and related events that have occurred or have begun to occur that make a government vulnerable to a substantial impact. As a result, users will have better information with which to understand and anticipate certain risks to a government's financial condition.

GASB 103, *Financial Reporting Model Improvements*, issued in April 2024, will be effective for the Plan beginning with its fiscal year ending June 30, 2026. The objective of this Statement is to improve key components of the financial reporting model to enhance its effectiveness in providing information that is essential for decision making and assessing a government's accountability. This Statement also addresses certain application issues.

**Jackson County, Missouri**  
**Revised Pension Plan**  
**Notes to Basic Financial Statements**  
**June 30, 2024 and 2023**

**(5) New Pronouncements (continued)**

GASB 104, *Disclosure of Certain Capital Assets*, issued in September 2024, will be effective for the Plan beginning with its fiscal year ending June 30, 2026. The objective of this Statement is to provide users of government financial statements with essential information about certain types of capital assets.

This Statement requires certain types of capital assets to be disclosed separately in the capital assets note disclosures required by Statement 34. Lease assets recognized in accordance with Statement No. 87, *Leases*, and intangible right-to-use assets recognized in accordance with Statement No. 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements*, should be disclosed separately by major class of underlying asset in the capital assets note disclosures. Subscription assets recognized in accordance with Statement No. 96, *Subscription-Based Information Technology Arrangements*, also should be separately disclosed. In addition, this Statement requires intangible assets other than those three types to be disclosed separately by major class.

This Statement also requires additional disclosures for capital assets held for sale. A capital asset is a capital asset held for sale if (a) the government has decided to pursue the sale of the capital asset and (b) it is probable that the sale will be finalized within one year of the financial statement date. Governments should consider relevant factors to evaluate the likelihood of the capital asset being sold within the established time frame. This Statement requires that capital assets held for sale be evaluated each reporting period. Governments should disclose (1) the ending balance of capital assets held for sale, with separate disclosure for historical cost and accumulated depreciation by major class of asset, and (2) the carrying amount of debt for which the capital assets held for sale are pledged as collateral for each major class of asset.



**Jackson County, Missouri**  
**Revised Pension Plan**  
**Required Supplementary Information**  
**Schedule of Changes in Net Pension Liability and Related Ratios**  
**Ten Years Ended June 30, 2024**

	2024	2023	2022	2021	2020
<b>Total Pension Liability</b>					
Service Cost	\$ 4,725,578	\$ 4,588,415	\$ 3,906,160	\$ 3,679,234	\$ 3,744,220
Interest Cost	26,379,261	25,084,342	25,016,015	23,891,529	23,113,852
Changes in Benefits	-	-	-	-	-
Difference Between Expected and Actual Experience	4,833,468	8,109,434	4,589,153	5,112,194	41,495
Changes of Assumptions	-	-	(15,748,524)	-	-
Benefits Paid	(19,446,729)	(18,046,865)	(16,838,482)	(15,682,065)	(14,956,657)
<b>Net Change in Total Pension Liability</b>	<b>16,491,578</b>	<b>19,735,326</b>	<b>924,322</b>	<b>17,000,892</b>	<b>11,942,910</b>
<b>Total Pension Liability-Beginning</b>	<b>395,642,881</b>	<b>375,907,555</b>	<b>374,983,233</b>	<b>357,982,341</b>	<b>346,039,431</b>
<b>Total Pension Liability-Ending (a)</b>	<b>412,134,459</b>	<b>395,642,881</b>	<b>375,907,555</b>	<b>374,983,233</b>	<b>357,982,341</b>
<b>Plan Fiduciary Net Position</b>					
Contribution-Employer	13,033,911	12,736,736	11,500,879	11,954,596	10,318,596
Contribution-Employee	35,759	27,244	29,563	28,984	28,957
Net Investment Income (Loss)	31,745,009	18,685,332	(40,816,815)	69,881,599	11,318,002
Benefits Paid	(19,446,729)	(18,046,865)	(16,838,482)	(15,682,065)	(14,956,657)
Administrative Expenses	(286,499)	(299,719)	(316,295)	(220,928)	(224,753)
<b>Net Change in Plan Fiduciary Net Position</b>	<b>25,081,451</b>	<b>13,102,728</b>	<b>(46,441,150)</b>	<b>65,962,186</b>	<b>6,484,145</b>
<b>Plan fiduciary Net Position-Beginning</b>	<b>340,868,633</b>	<b>327,765,905</b>	<b>374,207,055</b>	<b>308,244,869</b>	<b>301,760,724</b>
<b>Plan Fiduciary Net Position-Ending (b)</b>	<b>365,950,084</b>	<b>340,868,633</b>	<b>327,765,905</b>	<b>374,207,055</b>	<b>308,244,869</b>
<b>Net Pension Liability-Ending (a)-(b)</b>	<b>46,184,375</b>	<b>54,774,248</b>	<b>48,141,650</b>	<b>776,178</b>	<b>49,737,472</b>
<b>Plan Fiduciary net Position as a % of the Total Pension Liability</b>	<b>88.79%</b>	<b>86.16%</b>	<b>87.19%</b>	<b>99.79%</b>	<b>86.11%</b>
<b>Covered Payroll</b>	<b>74,533,503</b>	<b>71,949,487</b>	<b>71,084,998</b>	<b>66,818,179</b>	<b>66,459,289</b>
<b>Net Pension Liability as a % of Covered Payroll</b>	<b>61.96%</b>	<b>76.13%</b>	<b>67.72%</b>	<b>1.16%</b>	<b>74.84%</b>

In 2022, tables and assumptions for mortality, cost of living adjustments, salary increases, retirement, disability, and termination were changed, based on the results of an experience study.

In 2017, the Plan changed the following assumptions based on the results of an experience study: (1) Changed the earnings assumption from 7.0% to 6.75%; (2) Changed the amortization method from a level dollar rolling 30-year open period to a level dollar layered 20-year closed amortization period for current and future unfunded liabilities, while continuing the separate 20-year amortization for the 2013 Plan changes; and (3) Changed the tables and assumptions for mortality, retirement, termination, disability, and salary increases.



**Jackson County, Missouri**  
**Revised Pension Plan**  
**Required Supplementary Information**  
**Schedule of Changes in Net Pension Liability and Related Ratios**  
**Ten Years Ended June 30, 2024**

	2019	2018	2017	2016	2015
<b>Total Pension Liability</b>					
Service Cost	\$ 3,679,043	\$ 3,747,904	\$ 4,515,213	\$ 4,159,756	\$ 4,204,176
Interest Cost	22,431,567	21,914,747	21,955,012	20,982,000	19,226,216
Changes in Benefits	-	-	-	-	-
Difference Between Expected and Actual Experience	(1,543,227)	(4,307,023)	5,125,099	(75,313)	(3,626,506)
Changes of Assumptions	-	-	(7,234,328)	-	15,831,115
Benefits Paid	(14,106,502)	(13,169,152)	(11,990,680)	(11,068,365)	(10,134,743)
<b>Net Change in Total Pension Liability</b>	<b>10,460,881</b>	<b>8,186,476</b>	<b>12,370,316</b>	<b>13,998,078</b>	<b>25,500,258</b>
<b>Total Pension Liability-Beginning</b>	<b>335,578,550</b>	<b>327,392,074</b>	<b>315,021,758</b>	<b>301,023,680</b>	<b>275,523,422</b>
<b>Total Pension Liability-Ending (a)</b>	<b>346,039,431</b>	<b>335,578,550</b>	<b>327,392,074</b>	<b>315,021,758</b>	<b>301,023,680</b>
<b>Plan Fiduciary Net Position</b>					
Contribution-Employer	9,383,418	9,885,962	9,584,406	8,965,045	8,479,786
Contribution-Employee	25,909	23,488	23,892	22,294	24,221
Net Investment Income (Loss)	18,234,113	22,624,839	30,135,277	(519,751)	8,894,357
Benefits Paid	(14,106,502)	(13,169,152)	(11,990,680)	(11,068,365)	(10,134,743)
Administrative Expenses	(218,728)	(249,640)	(177,806)	(213,999)	(185,094)
<b>Net Change in Plan Fiduciary Net Position</b>	<b>13,318,210</b>	<b>19,115,497</b>	<b>27,575,089</b>	<b>(2,814,776)</b>	<b>7,078,527</b>
<b>Plan fiduciary Net Position-Beginning</b>	<b>288,442,514</b>	<b>269,327,017</b>	<b>241,751,928</b>	<b>244,566,704</b>	<b>237,488,177</b>
<b>Plan Fiduciary Net Position-Ending (b)</b>	<b>301,760,724</b>	<b>288,442,514</b>	<b>269,327,017</b>	<b>241,751,928</b>	<b>244,566,704</b>
<b>Net Pension Liability-Ending (a)-(b)</b>	<b>44,278,707</b>	<b>47,136,036</b>	<b>58,065,057</b>	<b>73,269,830</b>	<b>56,456,976</b>
<b>Plan Fiduciary net Position as a % of the Total Pension Liability</b>	<b>87.20%</b>	<b>85.95%</b>	<b>82.26%</b>	<b>76.74%</b>	<b>81.25%</b>
<b>Covered Payroll</b>	<b>64,516,217</b>	<b>66,315,839</b>	<b>60,510,891</b>	<b>60,503,534</b>	<b>61,267,909</b>
<b>Net Pension Liability as a % of Covered Payroll</b>	<b>68.63%</b>	<b>71.08%</b>	<b>95.96%</b>	<b>121.10%</b>	<b>92.15%</b>

In 2015, the Plan incorporated the new RP-2014 mortality table, resulting in an increase of approximately 5.6% in plan liabilities over the RP-2000 table used in the prior valuation. The method of determining the funding value of assets was altered slightly to improve the smoothing of asset gains and losses going forward, and was reset to the fair value as of July 1, 2015.

**Jackson County, Missouri**  
**Revised Pension Plan**  
**Required Supplementary Information**  
**Ten Years Ended June 30, 2024**

**Schedule of Employer Contributions**

Year Ended June 30	Employer Contributions	Actuarially Determined Contribution*	Difference	Annual Covered Payroll	Employer Contributions as a % of Covered Payroll
2015	\$ 8,479,786	\$ 8,326,685	\$ 153,101	\$ 61,267,909	13.8%
2016	8,965,045	9,356,800	(391,755)	60,503,534	14.8%
2017	9,584,406	10,002,450	(418,044)	60,510,891	15.8%
2018	9,885,962	9,436,744	449,218	66,315,839	14.9%
2019	9,383,418	9,006,464	376,954	64,516,217	14.5%
2020	10,318,596	8,872,315	1,446,281	66,459,289	15.5%
2021	11,954,596	8,806,636	3,147,960	66,818,179	17.9%
2022	11,500,879	8,188,992	3,311,887	71,084,998	16.2%
2023	12,736,736	7,914,444	4,822,292	71,949,487	17.7%
2024	13,033,911	9,011,101	4,022,810	74,533,503	17.5%

\*Includes service cost and amortization of unfunded past service liability.

**Schedule of Investment Returns**

Year Ended June 30	Annual Money Weighted Rate of Return (Net of Investment Expense)
2015	3.68%
2016	-0.16%
2017	12.64%
2018	8.58%
2019	6.46%
2020	3.82%
2021	22.98%
2022	-10.98%
2023	5.76%
2024	9.46%

See Notes to Required Supplementary Information.

**Jackson County, Missouri**  
**Revised Pension Plan**  
**Notes to Required Supplementary Information**  
**June 30, 2024 and 2023**

Actuarial Information

The information presented in the Schedule of Employer Contributions above was determined as part of the actuarial valuations at the dates indicated.

Valuation date:	<u>July 1, 2024 and 2023</u>
Timing:	Actuarially determined contribution rates are calculated based on the actuarial valuation at the beginning of the plan year
Actuarial cost method:	Individual Entry Age Normal Method
Amortization method:	20-year layered, level dollar 20-year closed amortization for 2013 COLA change
Remaining amortization period:	20 years
Asset valuation method:	5 years smoothed market; reset to market value at 07/01/15

Actuarial Assumptions

Investment rate of return, net of expenses:	6.75% compounded annually
Projected salary increases:	Ranges from 3.00% to 6.00%
Assumed inflation rate:	2.5% per annum
Post retirement benefit increase:	1.75%
Mortality:	
Healthy Non-Annuitants:	2010 Public General Amount-Weighted Mortality Table for Healthy Employees projected using Scale MP-2021 on a generational basis.
Healthy Annuitants:	2010 Public General Amount-Weighted Below-Median Mortality Table for Healthy Retirees (multiplied by 1.038 for males and 1.190 for females), projected using Scale MP-2021 on a generational basis.
Disabled Members:	2010 Public General Amount-Weighted Mortality Table for Disabled Retirees, projected using Scale MP-2021 on a generational basis.

**Jackson County, Missouri**  
**Revised Pension Plan**  
**Schedule of Expenses**  
**June 30, 2024 and 2023**

**Schedule of Administrative Expenses**

Administrative Expense	2024	2023
Legal Services	\$ 48,547	\$ 70,856
Investment Performance Review	118,315	105,000
Board Expenses	31,498	31,885
Actuarial Services	51,415	57,013
Audit Services	36,724	34,965
	<u>\$ 286,499</u>	<u>299,719</u>

**Schedule of Investment Expenses**

Investment Service	2024	2023
Banking Fees	\$ 121,603	\$ 112,585
Investment Manager Fees	1,321,108	1,304,055
	<u>\$ 1,442,711</u>	<u>\$ 1,416,640</u>

**Schedule of Payments to Vendors**

Individual or Firm	Commission/Fee	Nature of Service
Alphagraphics	655	Printing Services
Arnold, Newbold, Sollars & Hollins, PC	48,547	Legal Services
Asset Consulting Group, Inc.	118,315	Investment Performance Review
Cheiron, Inc	51,415	Actuarial Services
Government Finance Officers Association	610	Certificate of Achievement
Missouri Association of Public Employee Retirement Systems (MAPERS)	1,050	Dues and Conference expenses
PBI Research	25,280	Certi-Census subscription
RSM US, LLP	36,724	Audit Services
MCG Consulting Group Inc	600	Continuing Education seminar
B. Stephen Gillis	211	MAPERS Conference expenses
Carolyn Watley	203	MAPERS Conference expenses
Dianne Kimzey	229	MAPERS Conference expenses
Michelle Chrisman	2,158	MAPERS Conference expenses
Scott Brinkman	245	MAPERS Conference expenses
Sylvia Stevenson	257	MAPERS Conference expenses
	<u>\$ 286,499</u>	

Jackson County, Missouri  
Revised Pension Plan

Investment Section



September 30, 2024

Jackson County, Missouri Revised Pension Plan  
Kansas City, Missouri

The investment performance returns as shown in the five-year investment performance review are all calculated using information derived from monthly statements provided by the Plan's custodial institution and asset managers. Monthly returns are calculated using a time-weighted rate of return methodology based upon beginning and end of month market values and cash flows. Monthly returns are linked to provide compounded, annual, and annualized rates of return for periods of one, three, five years and beyond when available. The returns as shown in this report are gross of investment manager fees.

The investment performance of the Total Portfolio and its segments is compared to relevant benchmark returns and presented to the Jackson County, Missouri Revised Pension Plan Board of Trustees on a monthly basis. For the Total Portfolio, the benchmark is an index which reflects the asset mix policy established by the Board and is referred to as the Policy Index. Comparisons to the Policy Index and the median return of a universe of total funds with a similar asset allocation are presented to the Board of Trustees on a quarterly basis.

All of the above comparisons are included in the Statement of Investment Policy and Objectives and are also reported to the Board of Trustees on a quarterly basis. Investment objectives are spelled out for the Total Plan and each of the segments for one year time periods and longer (three - five years), and include protecting the fund corpus, both nominally and in terms of inflation, by achieving a return in excess of the 6.75% actuarial rate, the median return of a universe of funds with similar asset mix, and that of an unmanaged index return (constructed to reflect the asset mix of the Fund's assets). In addition, investment managers are monitored for adherence to style, both on a returns-based regression analysis as well as a holdings-based characteristic analysis versus the appropriate benchmarks specified in the Statement of Investment Policy and Objectives. Current asset allocation ranges and targets within those ranges are measured against target ranges established in the Statement of Investment Policy and Objectives on a monthly basis. The status of each is also presented on a monthly investment performance review submitted to the Board of Trustees.

The risk profile of the Total Plan and its segments is also measured quarterly for one, three, and five years, and includes the usual Modern Portfolio Theory statistics: alpha, beta,  $R^2$ , and standard deviation. To further reduce risk, Plan assets are diversified by asset class, security, and by investment manager style.

Respectfully submitted,

Nathan Burk, CFA  
Asset Consulting Group  
Investment Consultant to the Jackson County, Missouri Revised Pension Plan

**Jackson County, Missouri**  
**Revised Pension Plan**  
**Summary of Investment Policies**  
**June 30, 2024**

This section of the report presents the investment policies of the Plan. The Pension Plan Board of Trustees has set out the following investment policy guidelines:

1. The Board has established the following asset-mix guidelines for the Plan:

<u>Asset Class</u>	<u>Pension Plan Target</u>	<u>Range</u>
Domestic Large Cap Equities	23%	18-28%
Domestic Small/Mid Cap Equities	15%	10-20%
International Equity	20%	15-25%
Emerging Market Equity	5%	0-10%
Fixed Income	27%	22-32%
Core Bonds	10%	5-15%
Core Plus Bonds	17%	12-22%
Real Estate	10%	5-15%

Should the fund move outside the ranges listed above, the Board, with the advice of the Investment Consultant, will review the allocations and shall have the authority to bring the asset allocation back within allowable ranges.

2. The portfolio will generally be invested in marketable securities.
3. Generally, equity portfolios will be comprised of common stocks or securities having characteristics of common stocks (such as convertible securities or warrants).
4. Fixed income portfolios will be comprised of treasury, agency, mortgage, corporate, asset-backed and full-faith-and-credit guaranteed loan securities of investment grade quality.
5. Assets may be held in commingled (mutual) funds as well as privately managed separate accounts. Assets held in commingled accounts should be managed in style/strategy consistent with the fund's stated objective and constraints. If assets are held in a commingled account, the Board will make its best efforts to utilize funds that are managed in strategies that are generally consistent with the investment policies adopted by the Board.
6. Derivative instruments will only be used in ways that reduce risk or transfer risk and not to increase risk and are consistent with the fund's investment objectives. They will not be used to add leverage to the fund. Counterparty risk arising from derivative transactions will be limited to credits rated "A" or better. Instruments used may include, but are not limited to, futures, options, swaps, and structured notes.
7. Each asset manager's portfolio should be fully invested at all times, although cash may be held briefly when a security is sold prior to deciding which new security should be purchased. In no case shall cash comprise more than ten (10) percent of the portfolio without prior written approval of the Board.



**Jackson County, Missouri  
Revised Pension Plan  
Summary of Investment Policies  
June 30, 2024**

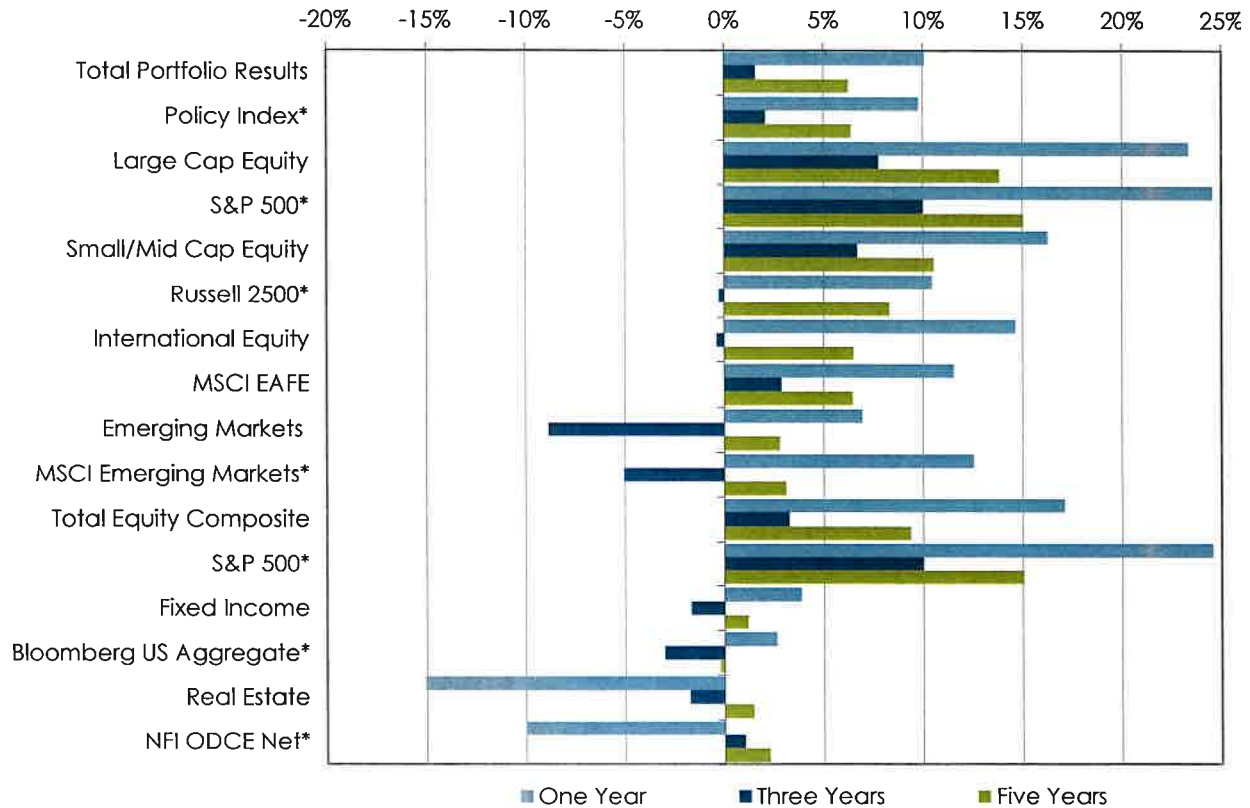
8. Not less than annually, the Board will review investment results, manager performance, asset allocations, and investment policies and objectives.

**Subsequent Events**

In October 2023, the Board approved a motion to invest \$10 million in an Infrastructure Fund, or 3% of the overall portfolio. The plan called the full commitment amount to Ullico, the Infrastructure Fund, in October 2024.

In May 2024, the Board approved a motion to liquidate the Limited Partnership and move the proceeds to the International Equity Fund. The Board also approved a motion for a full liquidation of the Special Situations Property Fund. It is anticipated it will take multiple quarters, potentially years, for a full liquidation of the Special Situations Property Fund.

**Jackson County, Missouri**  
**Revised Pension Plan**  
**Schedule of Investment Results**  
**Year Ended June 30, 2024**

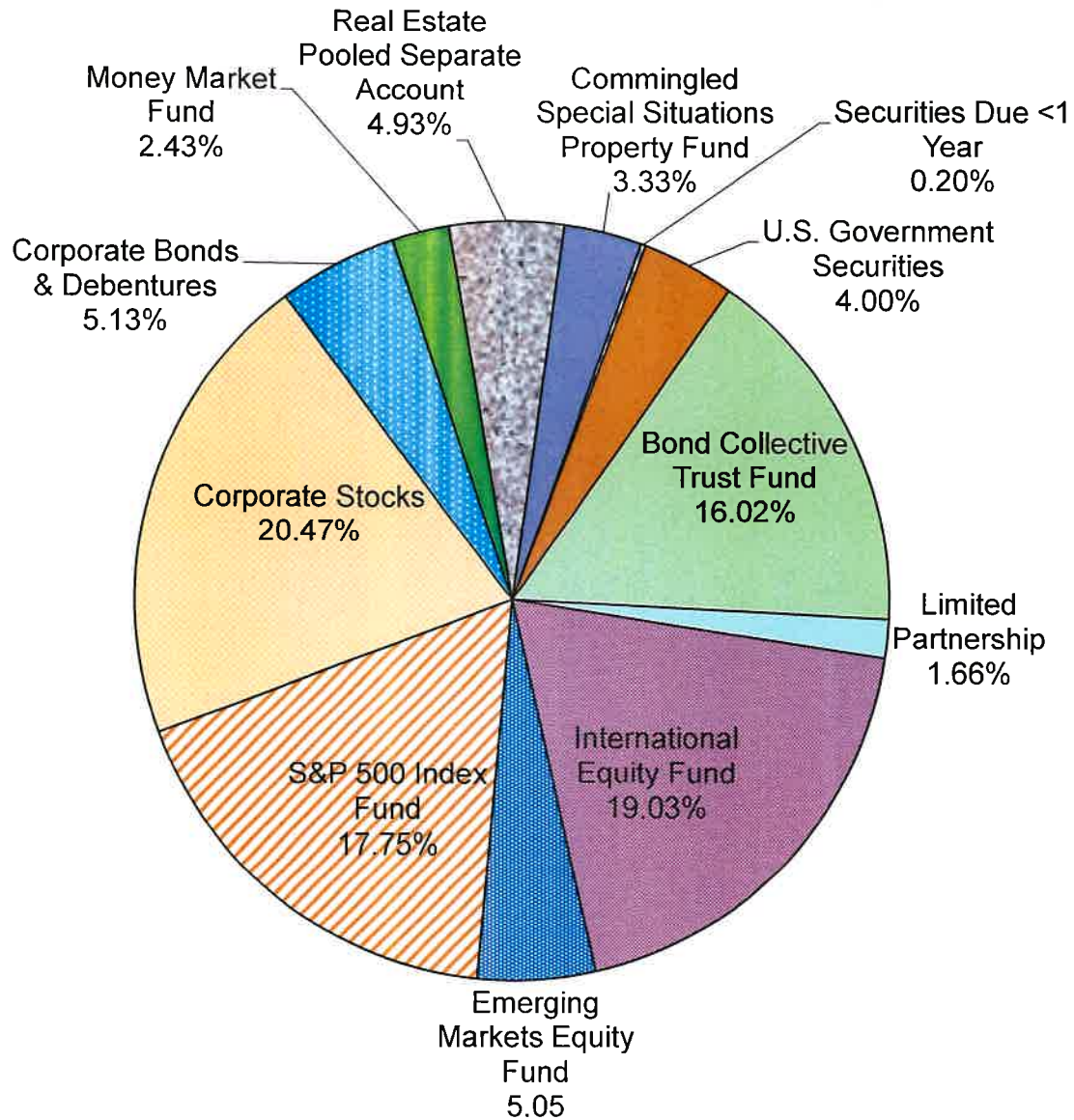


	Annualized Return		
	One Year	Three Years	Five Years
Total Plan Results	6.38%	5.61%	5.66%
Policy Index*	8.73%	6.36%	5.88%
Large Cap Equity	19.14%	13.97%	11.30%
S&P 500*	19.59%	14.60%	12.31%
Small/Mid Cap Equity	14.77%	14.13%	10.35%
Russell 2500*	13.58%	12.29%	6.55%
International Equity	12.24%	6.83%	4.02%
MSCI EAFE	19.41%	9.48%	4.90%
Emerging Markets	6.16%	-0.03%	2.18%
MSCI Emerging Markets*	2.22%	2.72%	1.32%
Total Equity Composite	13.40%	9.45%	7.36%
S&P 500*	19.59%	14.60%	12.31%
Fixed Income	1.02%	-2.14%	1.88%
Bloomberg US Aggregate*	-0.94%	-3.96%	0.77%
Real Estate	-13.33%	6.91%	6.43%
NFI ODCE Net*	-10.74%	7.04%	5.56%

\* Benchmark

Returns provided by the Investment Consultants to Jackson County, Missouri.  
Return calculations are gross of fee, time-weighted rates of return.

**Jackson County, Missouri  
Revised Pension Plan  
Investment Allocation  
June 30, 2024**



**Jackson County, Missouri**  
**Revised Pension Plan**  
**List of Largest Assets Held**  
**June 30, 2024**

<b>Assets:</b>	<b>Fair Value</b>	<b>CUSIP</b>	<b>Units</b>
Ninety One International Equity Fund	69,322,243	46090A903	400,036
Northern Trust S&P 500 Index Fund	64,672,500	66580A908	3,242
Loomis Sayles Core Plus Trust	58,357,534	MA1353030	3,515,514
Allspring Emerging Markets Equity Fund	18,417,432	94973A921	1,110,973
Principal U.S. Property Fund	17,946,294	RE1053280	280,667
JPMorgan Special Situations Property Fund	12,122,845	46623A917	1,335,627
Mondrian International Small Cap Equity Fund, Limited Partnership	6,050,379	55312A906	169,199
GS Fin Sq Gov #465 (Money Market)	8,864,492	38141W273	8,864,492

<b>Top Ten Bonds:</b>	<b>Fair Value</b>	<b>CUSIP</b>	<b>Par</b>	<b>Coupon</b>	<b>Due</b>
US Treasury Bond	931,450	912810TT5	1,000,000	4.125%	8/15/2053
US Treasury Bond	850,900	912810TN8	1,000,000	3.625%	2/15/2053
US Treasury Note	783,369	91282CFC0	850,000	2.625%	7/31/2029
Federal Home Home Ln Mtg Corp Partn CTF	731,436	3132DPWZ7	930,367	2.000%	2/1/2052
Federal Home Home Ln Mtg Corp Partn CTF	727,238	3132EOSB9	885,860	2.500%	4/1/2052
US Treasury Bond	676,920	912810TS7	750,000	3.875%	5/15/2043
Federal Home Home Ln Mtg Corp Partn CTF	646,912	3132DWBY8	822,175	2.000%	7/1/2051
US Treasury Note	629,595	91282CCB5	750,000	1.625%	5/15/2031
US Treasury Bond	625,070	912810SF6	825,000	3.000%	2/15/2049
US Treasury Note	601,266	91282CKS9	600,000	4.875%	5/31/2026

<b>Top Ten Stocks:</b>	<b>Fair Value</b>	<b>CUSIP</b>	<b>Shares</b>	<b>Ticker</b>
Carlisle Cos Inc Com	2,593,749	142339100	6,401	CSL
Berkley W R Corp Com	2,511,338	084423102	31,959	WRB
Godaddy Inc Cl A	2,017,692	380237107	14,442	GDDY
Caci Intl Inc Cl A	1,960,963	127190304	4,559	CACI
Markel Corp Inc	1,745,831	570535104	1,108	MKL
Brown & Brown Inc Com	1,737,326	115236101	19,431	BRO
Booz Allen Hamilton Hldg Corp Cl A	1,711,060	099502106	11,118	BAH
Morningstar Inc Com	1,686,049	617700109	5,699	MORN
Caseys Gen Stores Inc Com	1,519,753	147528103	3,983	CASY
Aptargroup Inc Com	1,423,167	038336103	10,107	ATR

Note: Due to space limitations and printing costs, a detailed listing of the investment holdings could not be provided in this annual report; however, the detailed reports are available for review at Jackson County.

**Jackson County, Missouri**  
**Revised Pension Plan**  
**Schedule of Brokerage Commissions Paid**  
**June 30, 2024**

Brokerage Firm	Commissions Paid	Trade Activity	Shares/ Par Value	Commission Per Share
Abel Noser	\$ 29.25	42,336.26	650	0.0450
B. Riley & Co. LLC	12.00	20,494.41	300	0.0400
Barclays Capital Le	235.45	641,468.28	9,063	0.0260
Berenberg Capital Markets LLC	13.60	34,189.14	340	0.0400
Bernstein Institutional Services LLC	331.99	1,986,701.32	15,165	0.0219
BMO Capital Markets	71.86	90,046.45	2,113	0.0340
BNY/ESI SD Advweb	12.00	1,505.37	300	0.0400
Capital Institutional Services Inc	2.92	2,795.68	146	0.0200
Cf Global Trading, LLC	2,481.25	6,150,978.78	101,909	0.0243
Citigroup Global Markets Inc	128.39	626,716.01	5,538	0.0232
Citigroup Global Markets Inc (CC)	89.20	162,712.78	2,230	0.0400
Cowen and Company, LLC	12.00	15,421.80	300	0.0400
D A Davidson & Co	24.00	59,557.30	600	0.0400
Dain Rauscher Incorporated	194.59	695,671.88	12,500	0.0156
Deutsche Bank Securities Inc	51.96	56,786.57	1,300	0.0400
Deutsche BK/Alex Brown & Sons	15.95	20,051.60	400	0.0399
Electronic Brokerage Systems LLC	0.12	14,241.33	23	0.0052
First Clearing LLC	36.00	37,466.15	900	0.0400
Goldman Sachs & Co	13.16	43,577.08	329	0.0400
Goldman Sachs & Co/Courtesy Accts	2.79	7,409.37	62	0.0450
Guggenheim Capital Markets LLC	1.20	10,169.48	30	0.0400
HSBC Brokerage (USA) Inc.	120.00	20,593.75	3,000	0.0400
Instinet	6.00	30,379.08	150	0.0400
Isi Group Inc	128.16	302,921.63	3,579	0.0358
J P Morgan Clearing Corp.	868.30	2,589,810.06	22,998	0.0378
Janney Montgomery Scott inc	2.80	10,916.99	70	0.0400
Jefferies & Co	305.99	1,152,964.26	10,833	0.0282
Jonestrading Institutional Svcs	4.20	16,422.82	275	0.0153
JP Morgan Clearing Corp	165.39	682,090.52	5,735	0.0288
Keefe Bruyette & Woods Inc	29.04	58,338.68	726	0.0400
Keybanc Capital Markets Inc	7.40	85,152.27	185	0.0400
Leerink Swann And Company	25.16	58,572.04	629	0.0400
PAGE TOTAL	\$ 5,422.12	\$ 15,728,459.14	\$ 202,378	

**Jackson County, Missouri**  
**Revised Pension Plan**  
**Schedule of Brokerage Commissions Paid**  
**June 30, 2024**

Brokerage Firm	Commissions Paid	Trade Activity	Shares/ Par Value	Commission Per Share
Liquidnet Inc	52.89	244,570.58	3,688	
Loop Capital Markets	4.00	3,331.91	100	0.0400
Luminex Trading and Analytics LLC	30.57	554,790.92	5,789	0.0053
Macquarie Securities (USA) Inc	5.60	15,069.96	140	0.0400
Merrill Lynch Pierce Fenner & Smith	155.16	677,241.64	9,247	0.0168
Mizuho Securities Usa Inc	12.00	21,752.05	300	0.0400
Morgan Stanley & Co	222.84	823,488.18	9,200	0.0242
Morgan Stanley & Co Inc/BNY	62.40	93,680.07	1,560	0.0400
Northcoast Research Partners LLC	4.00	2,121.07	100	0.0400
Oppenheimer & Co Inc	0.12	1,853.57	6	0.0200
Pershing LLC	3.08	8,889.83	77	0.0400
Piper Sandler	48.00	38,907.32	1,200	0.0400
R W Baird & Co	1,923.95	4,964,207.60	46,532	0.0413
Raymond James & Associates	109.52	275,613.96	2,738	0.0400
RBC Cap Mkts (Royal Bank of Canada)	20.82	123,270.62	783	0.0266
Redburn (USA) LLC	105.94	60,063.21	2,697	0.0393
Roth Capital Partners LLC	12.00	29,933.17	300	0.0400
Sanford C Bernstein & Co	1,647.48	5,269,061.53	47,773	0.0345
Stephens Inc	2.84	3,812.61	71	0.0400
Stifel Nicolaus & Co	43.32	124,573.68	1,238	0.0350
Stuart Frankel & Co Inc	6.02	13,202.67	301	0.0200
Suntrust Capital Markets Inc	3.00	32,878.10	150	0.0200
Telsey Advisory Group	1.92	28,409.35	48	0.0400
The Benchmark Company, LLC	22.80	43,938.00	570	0.0400
Truist Securities, Inc	9.82	32,261.94	491	0.0200
UBS Warburg LLC	92.76	202,160.30	3,894	0.0238
Virtu America	9.90	50,288.41	495	0.0200
Wachovia Securities Capital Markets	936.23	571,927.75	22,999	0.0407
Wells Fargo Securities, LLC	91.48	408,627.85	2,570	0.0356
William Blair & Company LLC	8.52	42,738.83	213	0.0400
Williams Capital Group LP	11.08	22,240.75	554	0.0200
PAGE TOTAL	5,660.06	14,784,907.43	165,824	
TOTAL	\$ 11,082.18	30,513,366.57	368,202	

Commissions paid have reduced the net investment income reported on page 21.

**Jackson County, Missouri**  
**Revised Pension Plan**  
**Investment Summary**  
**June 30, 2024**

	June 30, 2023				June 30, 2024		
	Cost	Fair Value (Book)	Purchases	Sales & Redemptions	Cost	Fair Value (Book)	% of Total Fair Value
U.S. Government Securities	\$ 12,975,098	11,969,440	15,310,941	(13,576,438)	14,709,601	14,573,092	4.00%
Bond Collective Trust Fund	39,297,378	52,741,276	4,000,000	-	43,297,378	58,357,534	16.02%
Limited Partnership	2,697,596	5,882,545	-	(22,691)	2,674,905	6,050,379	1.66%
International Equity Fund	28,274,672	47,099,270	13,500,000	-	41,774,672	69,322,243	19.03%
Long-Short Equity Fund	23,000,000	32,400,866	-	(23,000,000)	-	-	0.00%
Emerging Markets Equity Fund	12,210,090	17,221,931	-	-	12,210,090	18,417,432	5.05%
S&P 500 Index Fund	32,126,186	54,417,753	-	(1,474,015)	30,652,171	64,672,500	17.75%
Corporate Stocks:							
Common Stocks	15,467,591	18,065,498	6,081,243	(4,722,106)	16,826,728	21,476,314	5.89%
Regional Stocks	25,463,078	35,617,040	15,224,941	(2,618,787)	38,069,232	53,114,612	14.58%
Total Corporate Stocks	40,930,669	53,682,538	21,306,184	(7,340,893)	54,895,960	74,590,926	20.47%
Corporate Bonds & Debentures	16,235,948	15,120,958	6,054,976	(2,828,886)	19,462,038	18,684,463	5.12%
Municipal Bonds	104,388	99,491	-	(104,388)	-	-	0.00%
Securities Due <1 Year	3,042,503	2,849,411	756,921	(3,042,503)	756,921	749,704	0.21%
Money Market Fund	9,618,034	9,618,034	98,176,383	(98,929,925)	8,864,492	8,864,492	2.43%
Real Estate Pooled Separate Account	7,444,972	20,979,676	-	(454,110)	6,990,862	17,946,294	4.93%
Commingled Special Situations Property Fund	12,628,298	16,963,400	-	(748,121)	11,880,177	12,122,845	3.33%
Total	\$ 240,585,832	341,046,589	159,105,405	(151,521,970)	248,169,267	364,351,904	100.00%

Note: Due to space limitations and printing costs, a detailed listing of the investment holdings and transactions could not be provided in this annual report; however, the detailed reports are available for review as an appendix to this report at Jackson County.



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Jackson County, Missouri  
Revised Pension Plan

Actuarial Section



*Via Electronic Mail*

November 13, 2024

Board of Trustees  
Jackson County, Missouri Revised Pension Plan  
Jackson County Courthouse  
415 East 12<sup>th</sup> Street  
Kansas City, Missouri 64106

*Re: 2024 Certification of Actuarial Valuation*

Dear Members of the Board,

We certify that the information presented herein is accurate and shows fairly the actuarial position of the Jackson County, Missouri Revised Pension Plan.

In preparing our valuations and the schedules for the Annual Comprehensive Financial Report (ACFR), we relied on information (some oral and some written) supplied by Jackson County staff. This information includes, but is not limited to, the plan provisions, employee data, and financial information. We performed an informal examination of the obvious characteristics of the data for reasonableness and consistency in accordance with Actuarial Standard of Practice No. 23, *Data Quality*.

Actuarial valuations to determine the funding requirements of the Plan are performed annually. The most recent Actuarial Valuation was done as of July 1, 2024.

The Plan's current funding objective is to determine annual employer contributions which, over time, will gradually increase in dollar amounts and gradually decrease as a percent of payroll, if all actuarial assumptions are met and the annually determined amount is contributed. The actuarially determined employer contribution has been determined to provide for (1) the normal cost developed as a level percentage of payroll, plus (2) a level dollar amortization of the unfunded actuarial liability over layered 20-year closed periods, plus (3) a provision for administrative expenses.

The following schedules shown in this Actuarial Section have been prepared by the Jackson County Finance Department using information within our July 1, 2024 actuarial valuation report.

- Summary of Actuarial Assumptions and Methods
- Schedule of Active Member Valuation Data
- Schedule of Retirees and Beneficiaries
- Schedule of Funded Liabilities by Type
- Analysis of Financial Experience
- Summary of Plan Provisions
- Schedule of Active Members by Attained Age and Service

We also provided information which appears in the Financial Section of the ACFR as follows:

- Change in Net Pension Liability
- Sensitivity of Net Pension Liability to Changes in Discount Rate
- Schedule of Changes in Net Pension Liability and Related Ratios
- Schedule of Employer Contributions

Any figures shown for years prior to 2016 were prepared by the prior actuary.

The actuarial assumptions have been approved by the Board of Trustees based upon our experience study covering plan experience during the period July 1, 2016 to June 30, 2021. The assumptions and methods used for funding purposes follow the guidance of the Actuarial Standards of Practice.

This report and its contents have been prepared in accordance with generally recognized and accepted actuarial principles and practices which are consistent with our understanding of the Code of Professional Conduct and applicable Actuarial Standards of Practice set out by the Actuarial Standards Board as well as applicable laws and regulations. Furthermore, as credentialed actuaries, we meet the Qualification Standards of the American Academy of Actuaries to render the opinion contained in this report. This report does not address any contractual or legal issues. We are not attorneys, and our firm does not provide any legal services or advice.

The nature of our relationship with the Jackson County, Missouri Revised Pension Plan is to provide actuarial services. Cheiron is independent from Jackson County and from the Board of Trustees and there is nothing in our relationship which would impair the objectivity of our work.

This letter was prepared exclusively for the Jackson County, Missouri Revised Pension Plan for the purpose described herein. This report is not intended to benefit any third party, and Cheiron assumes no duty or liability to any other such party.

Sincerely,  
Cheiron



Jacqueline R. King, FSA, EA, MAAA  
Consulting Actuary



Patrick T. Nelson, FSA, EA, MAAA, CERA  
Consulting Actuary



**Jackson County, Missouri**  
**Revised Pension Plan**  
**Summary of Actuarial Assumptions**  
**June 30, 2024**

This section of the report presents the actuarial assumptions and methods used in the valuation, a summary of plan provisions, and participant data upon which the valuation of June 30, 2023, was based. The actuarial assumptions were selected by the Pension Plan Board of Trustees. The actuarial assumptions used for funding purposes are consistent with those used for financial reporting purposes.

**Actuarial Assumptions**

Valuation Date: July 1, 2024 and 2023

Interest: 6.75% per annum for the regular valuation in determining the range of contributions and also purposes of calculating the value of vested benefits and accrued benefits under the ongoing plan approach (as required by the Financial Accounting Standards Board). (Adopted in 2017)

Amortization method: 20-year layered, level dollar (Adopted in 2017)  
(20-year closed amortization for 2013 COLA change)

Mortality:

2022  
Healthy Non-Annuitants: 2010 Public General Amount-Weighted Mortality Table for Healthy Employees projected using Scale MP-2021 on a generational basis. (Adopted in 2022)

Healthy Annuitants: 2010 Public General Amount-Weighted Below-Median Mortality Table for Healthy Retirees (multiplied by 1.038 for males and 1.190 for females), projected using Scale MP-2021 on a generational basis. (Adopted in 2022)

Disabled: 2010 Public General Amount-Weighted Mortality Table for Disabled Retirees, projected using Scale MP-2021 on a generational basis. (Adopted in 2022)



**Jackson County, Missouri**  
**Revised Pension Plan**  
**Summary of Actuarial Assumptions**  
**June 30, 2024**

**Actuarial Assumptions** (continued)

Retirement Age:

	<u>Age Plus Service Less than 80 Points</u>	<u>Age Plus Service Equals 80 Points</u>	<u>Age Plus Service Greater than 80 Points</u>
Age			
55	5%	17.5%	15.0%
56	5	17.5	10
57	5	17.5	10
58	5	17.5	10
59	5	17.5	10
60	7.5	17.5	10
61	10	17.5	10
62	10	17.5	15
63	10	17.5	15
64	10	17.5	15
65	30	32.5	32.5
66	30	32.5	32.5
67	25	25	25
68	15	20	20
69	15	20	20
70 & over	100	100	100

(Adopted in 2022)

Retirement Age for Inactive      61  
Vested Members:

**Jackson County, Missouri  
Revised Pension Plan  
Summary of Actuarial Assumptions  
June 30, 2024**

**Actuarial Assumptions** (continued)

Turnover:

July 1, 2022	
Years of Service	Rate of Turnover
0	22.5%
1	22.5
2	20
3	17.5
4	13.5
5	13.5
6	10
7	10
8	10
9	10
10	7.5
11	7.5
12	7.5
13	6
14	5
15	5
16	5
17	5
18	5
19	5
20 or more	3

(Adopted in 2022)



**Jackson County, Missouri**  
**Revised Pension Plan**  
**Summary of Actuarial Assumptions**  
**June 30, 2024**

**Actuarial Assumptions** (continued)

Rates of Disablement:

<u>Age</u>	<u>2022 Rates of Disablement</u>
20	0.025%
25	0.025
30	0.050
35	0.075
40	0.100
45	0.200
50	0.300
55	0.300
60	0.300
65	0.300

(Adopted in 2022)

Salary Increases:

<u>Years of service</u>	<u>Salary Increase</u>	<u>Years of service</u>	<u>Salary Increase</u>
0	6.00%	15	3.95%
1	5.85	16	3.85
2	5.70	17	3.75
3	5.55	18	3.65
4	5.40	19	3.55
5	5.25	20	3.45
6	5.10	21	3.40
7	4.95	22	3.35
8	4.80	23	3.30
9	4.65	24	3.25
10	4.50	25	3.20
11	4.35	26	3.15
12	4.25	27	3.10
13	4.15	28	3.05
14	4.05	29+	3.00

**Jackson County, Missouri**  
**Revised Pension Plan**  
**Summary of Actuarial Assumptions**  
**June 30, 2024**

**Actuarial Assumptions** (continued)

Inflation: 2.5%

Administrative Expenses: \$285,000 and \$300,000 for 2024 and 2023, respectively, are added to the normal cost of the Plan for expected administrative expenses, which is based upon the actual administrative expenses paid during the prior plan year rounded to the nearest \$5,000 (Adopted in 2017)

Cost of Living: 1.75%

**Asset Valuation Method** (Adopted 2015)

For the purpose of determining contribution rates and amounts, an actuarial value of assets is used that dampens the volatility in the market value of assets, resulting in a smoother pattern of contribution rates.

The actuarial value of assets is calculated by recognizing 20% of the difference in each of the prior four years of actual investment returns compared to the expected return on the market value of assets. An adjustment is made so that the final actuarial value of assets is at least 80%, but not more than 120% of the market value of assets.

**Actuarial Cost Method**

The Entry Age actuarial cost method was used for active employees, whereby the normal cost is computed as the level annual percentage of pay required to fund the retirement benefits between each member's date of hire and assumed retirement. The actuarial liability is the difference between the present value of future benefits and the present value of future normal costs. Or, equivalently, it is the accumulation of normal costs for all periods prior to the valuation date. The normal cost and actuarial liability are calculated on an individual basis. The sum of the individual amounts is the normal cost and actuarial liability for the Plan. The actuarial liability for the Plan represents the target amount of assets the Plan should have as of the valuation date according to the actuarial cost method.

**Jackson County, Missouri  
Revised Pension Plan  
Summary of Actuarial Assumptions  
June 30, 2024**

**Actuarial Assumptions** (continued)

**Service Cost**

Service cost and the allocation of actuarial present values between service rendered before and after the valuation date were determined using an individual entry age actuarial cost method having the following characteristics:

- The annual service costs for each individual active member, payable from date of hire to date of retirement, are sufficient to accumulate the value of the member's benefit at the time of retirement.
- Each annual service cost is a constant percentage of the member's year-by-year projected covered pay.

**Financing of Unfunded Actuarial Accrued Liability**

The excess of accrued liabilities over the funding value of assets was amortized as a level percent of payroll over 15, 20, and 30 years. All three periods are recognized as reasonable.

**Jackson County, Missouri**  
**Revised Pension Plan**  
**Schedule of Active Member Valuation Data**  
**Ten Years Ended June 30, 2024**

Valuation Data	Participating Employers	Active Members	Annual Payroll	Annual Average Pay	% Increase (Decrease) in Average Pay
2015	5	1,297	61,267,909	47,238	0.5%
2016	5	1,265	60,503,534	47,829	1.3%
2017	5	1,291	60,510,891	46,871	-2.0%
2018	5	1,246	66,315,839	53,223	13.6%
2019	5	1,258	64,516,217	51,285	-3.6%
2020	5	1,263	66,459,289	52,620	2.6%
2021	5	1,245	66,818,179	53,669	2.0%
2022	5	1,180	71,084,998	60,242	12.2%
2023	5	1,142	71,949,487	63,003	4.6%
2024	5	1,151	74,533,503	64,755	2.8%

Active members include regular active members and postponed members.

**Schedule of Retirees and Beneficiaries**  
**Added to and Removed From Rolls**  
**Ten Years Ended June 30, 2024**

Added to Rolls		Removed from Rolls		Roll - End of Year		% Increase in Annual Allowances	Average Annual Allowances
Year	No.	Annual Allowances	No.	Annual Allowances	No.	Annual Allowances	
2015	89	937,510	22	161,250	1,167	10,718,228	10.1%
2016	95	1,076,499	26	240,607	1,236	11,485,901	7.2%
2017	94	1,363,839	23	168,947	1,307	12,863,190	12.0%
2018	81	1,084,332	38	295,977	1,350	13,809,027	7.4%
2019	69	878,451	30	203,418	1,389	14,609,914	5.8%
2020	97	1,207,863	41	271,450	1,445	15,406,957	5.5%
2021	88	996,201	49	389,185	1,484	16,363,692	6.2%
2022	106	1,272,779	37	327,596	1,553	17,779,443	8.7%
2023	85	1,186,929	37	258,485	1,601	19,259,974	8.3%
2024	84	1,067,431	47	451,847	1,638	19,830,008	3.0%

**Jackson County, Missouri**  
**Revised Pension Plan**  
**Short-Term Solvency Test**  
**Ten Years Ended June 30, 2024**

Actuarial Accrued Liabilities for:					
Fiscal Year	Current Retirees and Beneficiaries	Active and Inactive Members, Employer Financed Portion	Valuation Assets	Percentage of Actuarial Liabilities Covered by Net Assets Available	
	(1)	(2)		(1)	(2)
2015	130,241,292	170,782,388	244,566,704	100.0%	66.9%
2016	167,489,000	147,533,000	255,800,000	100.0%	59.9%
2017	184,498,000	142,894,000	269,223,000	100.0%	59.3%
2018	197,785,000	137,794,000	283,837,000	100.0%	62.4%
2019	206,342,000	139,697,000	298,074,000	100.0%	65.7%
2020	217,595,000	140,387,000	311,516,000	100.0%	66.9%
2021	226,407,000	148,577,000	339,694,000	100.0%	76.2%
2022	231,066,000	144,842,000	354,725,000	100.0%	85.4%
2023	247,153,000	148,490,000	365,101,000	100.0%	79.4%
2024	258,587,000	153,547,000	377,251,000	100.0%	77.3%

**Schedule of Funding Progress**  
**Ten Years Ended June 30, 2024**

Fiscal Year	Actuarial Value of Assets	Actuarial Accrued Liability	Unfunded Actuarial Accrued Liability	Funded Ratio	Covered-Employee Payroll	Actuarial Accrued Liability as a % of Covered-Employee Payroll
2015	244,566,704	301,023,680	56,456,976	81.2%	61,267,909	92.1%
2016	255,800,290	315,021,758	59,221,468	81.2%	60,503,534	97.9%
2017	269,222,703	327,392,074	58,169,371	82.2%	60,510,891	96.1%
2018	283,836,837	335,578,550	51,741,713	84.6%	66,315,839	78.0%
2019	298,073,502	346,039,431	47,965,929	86.1%	64,516,217	74.3%
2020	311,515,839	357,982,341	46,466,502	87.0%	66,459,289	69.9%
2021	339,693,791	374,983,233	35,289,442	90.6%	66,818,179	52.8%
2022	354,724,703	375,907,555	21,182,852	94.4%	71,084,998	29.8%
2023	365,100,896	395,642,881	30,541,985	92.3%	74,533,503	41.0%
2024	377,250,713	412,134,459	34,883,746	91.5%	77,907,285	44.8%

See Schedule of Employer Contributions on page 46.

**Jackson County, Missouri**  
**Revised Pension Plan**  
**Analysis of Financial Experience**  
**Five Years Ended June 30, 2024**

Gains (Losses) in Actuarial Accrued Liabilities during years ended 2019-2023 resulting from differences between assumed experience and actual experience.

Type of Activity	2024	2023	2022	2021	2020
Retirement	\$ (346,752)	\$ (1,041,041)	\$ (988,068)	172,194	\$ 594,546
Disability Retirement	(115,791)	15,495	(58,135)	8,535	9,229
Death Before Retirement	(208,074)	(156,704)	(489,880)	(140,431)	(1,096,873)
Turnover	47,293	45,822	(621,385)	(1,344,100)	(1,092,709)
Pay Increases	(1,109,421)	(3,632,062)	(1,839,180)	(4,977,528)	773,712
Investment Income	(5,609,713)	(7,799,784)	(2,087,362)	11,200,166	(1,683,289)
Death After Retirement	(140,366)	(702,166)	1,207,733	1,804,862	(851,275)
Continuing Payees	(2,580,906)	(2,430,464)	(2,199,527)	(273,277)	1,187,137
New Entrants	(2,024,296)	(1,464,520)	(1,096,224)	(1,536,593)	(1,220,810)
Benefit payments	1,653,264	1,458,878	1,574,956	1,321,601	2,356,937
Non-recurring items (1)	-	-	15,748,524	-	-
Other	(8,419)	(202,672)	(79,443)	(147,457)	(701,389)
Composite Gain (Loss)					
During Year	<u>\$ (10,443,181)</u>	<u>\$ (15,909,218)</u>	<u>\$ 9,072,009</u>	<u>6,087,972</u>	<u>\$ (1,724,784)</u>

(1) Assumption changes

**Jackson County, Missouri  
Revised Pension Plan  
Summary of Plan Provisions**

The plan is a multiple-employer plan consisting of employees from Jackson County, Missouri, the Little Blue Valley Sewer District, the Kansas City Board of Election Commissioners, the Jackson County Law Library, and the Jackson County Sports Complex Authority.

<u>Effective Date</u>	Originally effective April 1, 1967; as amended through June 1, 1981, as restated effective August 1, 1985, and as amended July 13, 1988; June 29, 1990; July 31, 1990; February 21, 1991; August 29, 1991; June 17, 1992; September 1, 1992; December 28, 1992; April 4, 1994; September 29, 1994; November 13, 1994; November 23, 1994; December 12, 1994; January 1, 1995; January 9, 1996; March 13, 1997; October 30, 1997; December 16, 1997; July 1, 1999; January 1, 2002; November 5, 2003; August 5, 2004; April 5, 2005; August 1, 2006; August 23, 2006; February 17, 2009; November 1, 2010; February 23, 2011; September 10, 2012; January 22, 2013; August 4, 2014; December 8, 2014; June 1, 2015; January 25, 2016; December 11, 2018; December 14, 2018; September 29, 2020; May 23, 2022; January 5, 2023; and December 11, 2023.
<u>Eligibility</u>	On January 1 with 12 months credited service.
<u>Employee</u>	For purposes of the plan, an employee is one who has been elected or appointed to a county office, or who is regularly employed full-time by the County or other participating employers. However, certain job classifications are not covered by the plan.
<u>Service and Credited Service</u>	Service is equal to years and months of continuous employment. Credited service is equal to Service, except that only $\frac{3}{4}$ of the years and months prior to January 1, 1967, are included in credited service. A vested member of the Plan may opt to purchase individual years of Military Service up to four (4) years of service, one year for each year of military service. Such option must be exercised or declared within twelve (12) months of vesting.
<u>Average Monthly Earnings</u>	The highest 36 consecutive month average of monthly earnings. Monthly earnings are defined as regular monthly cash compensation, including overtime, but excluding fees, commissions, expense reimbursements, and other forms of extra ordinary compensation.
<u>Accrued Benefit</u>	The benefit the employee has earned based on average monthly earnings and credited service to date.
<u>Normal Form</u>	The normal form of payment is a lifetime annuity with five years certain. For members terminating and retiring after July 31, 1990, benefits may be adjusted by up to 3.0% per year for cost-of-living changes.



**Jackson County, Missouri  
Revised Pension Plan  
Summary of Plan Provisions**

**Summary of Plan Provisions** (continued)

**Normal Retirement  
Elected Officials**

Age 65 or age 55 where the participant's years of age and credited service total eighty years. Pension equals 4.167% of the average monthly earnings for each year of first twelve years of credited service plus 5% of average monthly earnings times years of credited service from year 12 to year 16. Employee contributes 4% of salary, for up to sixteen years of service.

**Late Retirement**

At actual retirement, the employee receives a monthly benefit based on credited service and average monthly earnings at the late retirement date.

**Funding Policy**

The Jackson County Legislature is responsible for establishing the funding policy for the Plan. Section 1550, Jackson County Code, indicates each special purpose revenue fund shall contribute at the contribution rate specified in the Fund's annual actuarial report, while the General Fund shall contribute at a rate of not less than 9%.

**Jackson County, Missouri  
Revised Pension Plan  
Summary of Plan Provisions**

**Schedule of Active Members by Attained Age and Service  
June 30, 2024**

Age	Completed Years of Service									Total
	0-4	5-9	10-14	15-19	20-24	25-29	30-34	35-39	40+	
<25	5	-	-	-	-	-	-	-	-	5
25-29	54	22	-	-	-	-	-	-	-	76
30-34	51	58	8	1	-	-	-	-	-	118
35-39	49	39	29	4	1	-	-	-	-	122
40-44	41	45	25	16	8	-	-	-	-	135
45-49	26	42	15	16	19	9	-	-	-	127
50-54	21	27	18	13	28	24	6	1	-	138
55-59	33	46	29	12	19	18	11	6	1	175
60-64	27	26	25	18	19	14	8	16	7	160
65-69	8	9	13	4	9	5	4	4	9	65
70+	4	10	4	1	2	4	1	1	3	30
Totals	<u>319</u>	<u>324</u>	<u>166</u>	<u>85</u>	<u>105</u>	<u>74</u>	<u>30</u>	<u>28</u>	<u>20</u>	<u>1,151</u>

	Summary		
	Male	Female	All
Average Age	48.5	49.4	48.9
Average Service Years	12.1	12.3	12.2
Number in Group	597	554	1,151

Jackson County, Missouri  
Revised Pension Plan

Statistical Section



# Jackson County, Missouri Revised Pension Plan Statistical Section

This part of the 2024 Jackson County Revised Pension Plan Annual Comprehensive Financial Report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information say about the plan's overall financial health.

## **Contents**

### **Financial Trends and Revenue Capacity ..... 72-74**

These schedules contain trend information to help the reader understand how the plan's financial performance and well-being have changed over time and to assess the plan's investment income and contributions.

### **Operating Information ..... 75-77**

These schedules offer operating indicators to help the reader understand the environment in which the plan's financial activities take place.

**Jackson County, Missouri**  
**Revised Pension Plan**  
**Schedule of Changes in Fiduciary Net Position**  
**Last Ten Fiscal Years**  
**(In Thousands)**

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
<b>Additions:</b>										
Employee Contributions	24	22	24	23	26	29	29	29	27	36
Employer Contributions	8,480	8,965	9,585	9,886	9,384	10,319	11,954	11,501	12,737	13,034
Investment Income (loss) (net of expenses)	8,894	(520)	30,135	22,625	18,234	11,318	69,882	(40,817)	18,685	31,745
Total Additions to Fiduciary Net Position	17,398	8,467	39,744	32,534	27,644	21,666	81,865	(29,287)	31,449	44,815
<b>Deductions:</b>										
Benefits paid directly to participants	10,135	11,068	11,991	13,169	14,106	14,957	15,682	16,838	18,047	19,447
Administrative Expenses	185	214	178	250	219	225	221	316	300	286
Total Deductions from Fiduciary Net Position	10,320	11,282	12,169	13,419	14,325	15,182	15,903	17,154	18,347	19,733
Change in Fiduciary Net Position	7,078	(2,815)	27,575	19,115	13,319	6,484	65,962	(46,441)	13,102	25,082

**Jackson County, Missouri**  
**Revised Pension Plan**  
**Six Years Ended June 30, 2024**

Year Ended	Employer/ Employee Contributions	Employer/Employee Contributions as Percent of Annual Covered Payroll	Investment Income (Loss)	Total
2019	9,409,327	14.6%	18,234,113	27,643,440
2020	10,347,553	15.6%	11,318,002	21,665,555
2021	11,983,580	17.9%	69,881,599	81,865,179
2022	11,530,442	16.2%	(40,816,815)	(29,286,373)
2023	12,763,980	17.7%	18,685,332	31,449,312
2024	13,069,670	17.5%	31,745,009	44,814,679

Year Ended	Aggregate Benefit Payments	Administrative Expenses	Total
2019	14,106,502	218,728	14,325,230
2020	14,956,657	224,753	15,181,410
2021	15,682,065	220,928	15,902,993
2022	16,838,482	316,295	17,154,777
2023	18,046,865	299,719	18,346,584
2024	19,446,729	286,499	19,733,228

**Schedule of Principal Participating Employers**

Participating Employers	June 30, 2024		June 30, 2015	
	Covered Employees	Percentage of Total	Covered Employees	Percentage of Total
Jackson County, MO	2,158	96.0%	2,327	96.4%
Little Blue Valley Sewer District	61	2.7%	61	2.5%
Kansas City Board of Election Commissioners	25	1.1%	20	0.8%
Jackson County Sports Complex Authority	3	0.1%	3	0.1%
Jackson County Law Library	2	0.1%	3	0.1%
<b>Total</b>	<b>2,249</b>	<b>100%</b>	<b>2,414</b>	<b>100%</b>

**Jackson County, Missouri**  
**Revised Pension Plan**  
**Schedule of Benefit Expenses by Type**  
**Ten Years Ended June 30, 2024**

Year Ending	Age & Service Benefits		Death in Service Benefits	Disability Benefits	Total
	Retirants	Survivors			
2015	8,731,577	1,003,855	48,142	351,169	10,134,743
2016	9,674,164	984,972	8,816	400,413	11,068,365
2017	10,531,180	1,061,895	-	397,605	11,990,680
2018	11,633,152	1,134,328	10,000	391,672	13,169,152
2019	12,486,909	1,258,210	-	361,383	14,106,502
2020	13,249,915	1,303,681	-	403,061	14,956,657
2021	14,030,211	1,269,631	8,000	374,223	15,682,065
2022	15,108,609	1,363,366	-	366,507	16,838,482
2023	16,262,402	1,395,852	16,000	372,611	18,046,865
2024	17,625,017	1,442,050	16,000	363,663	19,446,729

Source: Data provided by the Jackson County Human Resources Department.



**Jackson County, Missouri**  
**Revised Pension Plan**  
**Schedule of Retired Members by Type of Benefit**  
**June 30, 2024**

Amount of Monthly Benefit	Number of Retirants	Type of Benefit*						
		1	2	3	4	5	6	7
\$1 - 250	444	132	133	114	8	0	55	2
251 - 500	309	106	97	62	0	0	36	8
501 - 750	172	63	45	41	0	0	14	9
751 - 1,000	94	26	31	24	0	0	7	6
1,001 - 1,250	123	48	28	27	0	0	11	9
1,251 - 1,500	92	36	19	20	0	0	15	2
1,501 - 1,750	76	29	19	25	0	0	2	1
1,751 - 2,000	68	24	20	21	0	0	2	1
Over 2,000	260	87	66	91	0	0	16	0
Total	1,638	551	458	425	8	0	158	38

\* Type of Benefit:

- 1) Annuity for Life - 5 Year Certain
- 2) Annuity for Life - 10 Year Certain
- 3) Joint Annuity for Life - 100% Sole Survivor
- 4) Annuity for Life
- 5) Joint Annuity for Life - 50% Sole Survivor
- 6) Survivor
- 7) Disability

Source: Data provided by the Jackson County Human Resources Department.

**Jackson County, Missouri**  
**Revised Pension Plan**  
**Schedule of Average Benefit Payments**  
**Ten Years Ended June 30, 2024**

Retirement Effective Dates	Years Credited Service					
	<10	10-15	15-20	20-25	25-30	30+
Period 7/1/14 to 6/30/15:						
Average Monthly Benefit	\$ 197.23	350.10	659.19	989.18	1,373.98	2,207.25
Average Final Salary	2,423.69	2,482.95	2,953.26	3,255.43	3,441.60	4,216.14
Number of Active Retirants	343	243	189	137	99	156
Period 7/1/15 to 6/30/16:						
Average Monthly Benefit	\$ 213.95	354.93	675.78	1,035.20	1,395.13	2,180.11
Average Final Salary	2,541.70	2,569.93	3,028.56	3,373.27	3,499.67	4,294.34
Number of Active Retirants	365	256	199	151	103	162
Period 7/1/16 to 6/30/17:						
Average Monthly Benefit	\$ 219.74	369.56	694.41	1,064.22	1,467.34	2,252.39
Average Final Salary	2,542.83	2,583.85	3,089.54	3,431.69	3,586.71	4,329.80
Number of Active Retirants	379	268	207	157	112	184
Period 7/1/17 to 6/30/18:						
Average Monthly Benefit	\$ 226.71	380.45	713.80	1,085.24	1,462.83	2,337.11
Average Final Salary	2,574.90	2,646.54	3,141.20	3,467.10	3,613.16	4,362.55
Number of Active Retirants	402	263	209	161	115	200
Period 7/1/18 to 6/30/19:						
Average Monthly Benefit	\$ 224.66	404.20	725.27	1,127.28	1,523.50	2,374.94
Average Final Salary	2,584.05	2,719.63	3,140.77	3,518.42	3,773.76	4,389.63
Number of Active Retirants	411	271	213	168	121	205
Period 7/1/19 to 6/30/20:						
Average Monthly Benefit	\$ 238.20	403.32	728.95	1,117.04	1,561.79	2,357.58
Average Final Salary	2,627.99	2,771.56	3,183.06	3,571.95	3,864.78	4,404.76
Number of Active Retirants	429	281	215	177	119	224
Period 7/1/20 to 6/30/21:						
Average Monthly Benefit	\$ 236.84	450.79	741.48	1,206.05	1,598.35	2,418.04
Average Final Salary	2,636.74	2,949.05	3,247.24	3,690.69	3,860.32	4,450.93
Number of Active Retirants	444	293	216	181	120	230
Period 7/1/21 to 6/30/22:						
Average Monthly Benefit	\$ 239.63	465.50	777.89	1,253.99	1,653.34	2,570.64
Average Final Salary	2,629.37	2,959.72	3,314.38	3,757.53	3,914.71	4,552.94
Number of Active Retirants	477	297	221	192	125	241
Period 7/1/22 to 6/30/23:						
Average Monthly Benefit	\$ 244.63	476.97	836.68	1,323.35	1,762.09	2,681.07
Average Final Salary	2,659.64	3,023.69	3,407.50	3,873.96	4,067.11	4,680.68
Number of Active Retirants	497	299	225	199	126	255
Period 7/1/23 to 6/30/24:						
Average Monthly Benefit	\$ 251.59	483.68	840.08	1,290.37	1,779.37	2,689.50
Average Final Salary	2,712.84	3,094.43	3,585.90	3,886.62	4,240.41	4,747.20
Number of Active Retirants	521	303	226	201	130	257

Source: Data provided by the Jackson County Human Resources Department.

**Jackson County, Missouri**  
**Revised Pension Plan**  
**Schedule of Benefits Payable**  
**June 30, 2024**

Type of Benefit	Number	Annual Funded Benefit	Average Annual Benefit
Service Retirement:			
5 Year Certain Life	551	\$ 6,835,537	\$ 12,406
10 Year Certain Life	458	5,129,360	11,199
100% Joint and Survivor	425	6,049,442	14,234
Normal Annuity	8	9,957	1,245
50% Joint and Survivor	-	-	-
Survivor Beneficiary	158	1,442,050	9,127
Total Service Retirement	1,600	19,466,345	12,166
Disability Retirement	38	363,663	9,570
Grand Total	1,638	\$ 19,830,008	\$ 12,106

Source: Data provided by the Jackson County Human Resources Department.