

MINUTES OF THE HOUSE COMMITTEE ON PENSIONS, INVESTMENTS AND BENEFITS

The meeting was called to order by REPRESENTATIVE VERNON WILLIAMS at  
Chairperson

9:00 a.m. a.m./p.m. on Wednesday, January 28, 1987 in room 527-S of the Capitol.

All members were present except:

Representatives Duncan, Wisdom and Dyck—excused.

Committee staff present:

Richard Ryan  
Alan Conroy  
Gordon Self  
Rosalie Black

Conferees appearing before the committee:

Marshall Crowther, Executive Secretary, KPERS

The meeting was called to order by Representative Williams, Chairman, for a fiscal year's review of KPERS presented by Marshall Crowther, Executive Secretary of KPERS.

Administrative procedures of the Kansas Public Employees, Kansas Police and Fire and the Judges Retirement Systems; the hiring and review of professional investment managers; KPERS real estate management and investment; divestiture of KPERS investments in the government of South Africa; KPERS investments in Kansas; and responsibilities of the Board of Trustees to the KPERS fund were outlined by Mr. Crowther.

Due to the good experience of the investment fund, Mr. Crowther indicated the Legislature has been willing to provide additional enhanced benefits to KPERS members without additional contributions from those members.

He reminded the committee that U.S.D.'s do not make employer contributions for KPERS school and non-school members. Contributions for school and non-school members are taken from the state general fund.

In discussing the requirements of the KPERS Board of Trustees, Mr. Crowther said the Board meets monthly although it is required only to meet on a quarterly basis. Also, the Board is required by statute to meet for portfolio review of the professional investment managers annually but they meet more frequently.

Referring to the \$59 million investment in various properties

CONTINUATION SHEET

MINUTES OF THE HOUSE COMMITTEE ON PENSIONS, INVESTMENTS AND BENEFITS,  
room 527-S, Statehouse, at 9:00 a.m./p.m. on January 28, 1987

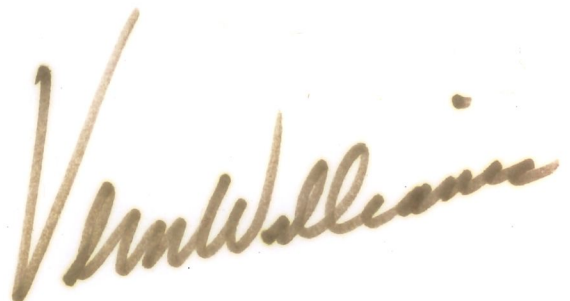
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across the state, Mr. Crowther indicated investments included the Capitol Tower Office Building, Forbes Industrial Park, both in Topeka, and the Kansas City Gift Mart in Johnson County. Mr. Crowther added the Board of Trustees determined it has a fiduciary responsibility to invest in Kansas property when it is prudent to do so keeping in mind the priority of the Board is to protect the fund and have the best possible return to the fund.

The Board of Trustees for KPERS adopted policy in September, 1985, regarding divestiture of South African investments. At that time, the Board stated that if corporations are not signatory companies of the Sullivan Principles, the corporations are not appropriate investments for KPERS funds. Out of the number of states involved with divestiture of South African investments, Kansas is the only one to do so without mandate by some sort of outside influence.

Mr. Crowther agreed to return to the committee when there would be more time for questions by members.

The meeting adjourned at 9:58 a.m.



no attachments

Please PRINT Name, Address, the organization you represent, and the Number of the Bill in which you are interested. Thank you.

1-28-87

NAME	ADDRESS	ORGANIZATION	BILL NO.
Craig Grant	Topeka	IT-NEA	
Basil Cooley	Topeka	KRTA	
Harold Pitts	Topeka	TARTA	
Ken Koger	Topeka	KPERS	
Ron Bleidissel	Topeka	KPERS	
Jack Hawn	Topeka	KPERS	
Marshall Coombs	Lawrence	KPERS	
Kathryn Dymit	Wichita	Public Schools	
Steve Jack	Topeka	Dept. of Commerce	
Dale Hamilton	Lawrence	KS NOW	
Ben Rammer	Topeka	KIN	
John Hanna	Topeka	Assoc. Press.	