



701 East Broadway, Columbia, Missouri 65201

Department Source: Finance

To: City Council

From: City Manager & Staff

Council Meeting Date: February 2, 2026

Re: Subscription agreement with KKR Private Equity Conglomerate LLC for the Police and Fire Pension

Impacted Ward: Citywide

Executive Summary

This is a resolution authorizing the City Manager, or delegate, to sign a contract for investment services with KKR Private Equity Conglomerate LLC for the Police and Fire Pension Plan and to invest in securities offered by such LLC.

Discussion

At the September 12, 2025 Police & Fire Retirement Board meeting, the Board approved a motion to include KKR Private Equity Conglomerate LLC as an alternative investment option for the pension funds. This action followed a meeting with the firm and a review of the opportunity in consultation with the Board's financial advisors.

At the December 12, 2025 Police & Fire Retirement Board meeting, the Board discussed issues that were in the news about KKR and their business dealings. KKR responded with changes that they have made to combat issues many had with their form of business.

- Investing in an Ownership Culture - Ownership has been a tenet of private equity since its beginnings but historically has been reserved only for management. KKR made a change to allow every team member (employee) to have a stake in the business which has led to stronger alignment, increased engagement, and allowing everyone to participate in the value created.
- Out of this framework came the creation of Ownership Works, a nonprofit organization started by KKR that partners with companies and investors to provide all employees with the opportunity to build wealth at work. KKR feels that "Providing all employees with a stake in the value they help create is not just better business and smarter investing, it's also the right thing to do."

As an investment tool, KKR provides investment solutions and consultative advice to corporations who are considering the benefits and challenges associated with de-risking defined benefit plans. They offer access to multiple alternative asset classes such as private equity, infrastructure, real estate, and credit.

The Police & Fire Retirement Board feels that KKR helps to diversify their holdings, and gives the opportunity to enhance their return on investments which ultimately leads to a properly funded pension. The Board voted to approve the contract with KKR.



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This contract needs Council approval because the investment type is outside the scope of the current investment policy adopted by the Council, and thus requires a vote of the Council. This type of asset would fall under the "Alternatives" category in which the City has a minimum allocation of 0%, a target of 5%, and maximum allocation of 20% of the entire portfolio. This investment option would help the pension to achieve its alternatives target of 5%.

Fiscal Impact

Short-Term Impact: Diversification of pension assets

Long-Term Impact: Additional return on investments

Strategic & Comprehensive Plan Impact

Strategic Plan Impacts:

Primary Impact: Not Applicable, Secondary Impact: Not Applicable, Tertiary Impact: Not Applicable

Comprehensive Plan Impacts:

Primary Impact: Not Applicable, Secondary Impact: Not applicable, Tertiary Impact: Not Applicable

Legislative History

Date	Action
12/1/2025	R164-25 Authorizing investment of police and fire pension funds in securities managed by KKR Private Equity Conglomerate LLC; authorizing execution of any agreements as are necessary for completion of those investments.

Suggested Council Action

Approve the contract with KKR Private Equity Conglomerate LLC for the Police and Fire Pension Plan