

THE PUBLIC SCHOOL RETIREMENT SYSTEM

OF

Board of Trustees

Horace Coleman, Jr.,
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C. Artris Ashley
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Joanne M. Collins
Dr. John W. Covington
Darwin Curls
Alexander P. Ellison
Caroline J. Helmkamp
Elizabeth Langle
Cheptoo Kositany-Buckner
Curtis L. Rogers
Josephine G. Williams

THE SCHOOL DISTRICT OF KANSAS CITY, MO

4600 Paseo Boulevard
KANSAS CITY, MO 64110
PHONE: (816) 472-5800 FAX: (816) 472-5909
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Thomas Mann
Executive Director

MINUTES OF MEETING

Monday, May 2, 2011

The Board of Trustees of the Public School Retirement System of the School District of Kansas City, Missouri met in REGULAR SESSION on Monday, May 2, 2011, at 4:00 p.m. in the Public School Retirement System Office conference room at 4600 The Paseo, Kansas City, MO.

MEMBERS PRESENT: Horace Coleman, Jr., Chairperson
C. Artris Ashley
Joanne M. Collins (via telephone)
Darwin Curls
Alexander P. Ellison
Caroline J. Helmkamp
Elizabeth Langle
Curtis L. Rogers
Joseph G. Williams

MEMBER ABSENT: Clarence S. Cole
Dr. John W. Covington
Cheptoo Kositany-Buckner

Staff Present: Thomas Mann, Executive Director
Willia Jean Reese
Laura Oswald

Others Present: Mark Flaherty, Esq.
Ruth Hays, Husch Blackwell Sanders LLP
Lawrence H. Marino, Segal Advisors
Rosemary Elly Guillette, Segal Advisors
Alifia Doriwala, Rock Creek Group
Kenneth G. Lay, Rock Creek Group

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There being a quorum present, the meeting was called to order at 4:35 p.m.

On motion of Mr. Ellison, seconded by Mr. Rogers, the Board voted unanimously to approve the following items on the Consent Agenda:

Approval of the minutes of the Regular Meeting held April 4, 2011.

Approval of the cash disbursements for the month of March 2011.

Approval of the report of the 2011 Budget Variance report for the quarter ended March 31, 2011.

Approval of the report of the Secretary submitting the names of members retiring since the last report including dates of retirement and retirement allowances.

Approval of the report of the Secretary submitting the names of members who have passed away since the last report.

Mr. Coleman introduced Ms. Alifia Doriwala and Mr. Kenneth B. Lay of Rock Creek Group to give the Board an update on the Rock Creek Fund.

On motion of Mr. Ellison, seconded by Mr. Curls, the Board voted unanimously to receive the report of The Rock Creek Group.

Mr. Coleman asked for the Investment Committee report.

Mr. Rogers, Co-Chairperson for the Investment Committee turned the meeting over to Mr. Mr. Marino and Ms. Guillette of Segal Advisors. They gave an overview of the quarterly performance report for the period ending March 31, 2011. Mr. Marino led a discussion on the review of the current portfolio managers and Segal's due diligence on each. Mr. Marino noted a review of the policy index for the current hedge fund manager will be performed to ensure the current index used is appropriate. Mr. Marino informed the Board that the Committee voted to interview the following three High Yield Fixed Income Managers. They are the following:

- Loomis, Sayles & Company. L.P
- Bradford & Marzec, LLC
- Neuberger Berman

On motion of Mr. Ellison, seconded by Mr. Rogers, the Board voted unanimously to receive the Investment Committee report from Segal Advisors.

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Mr. Coleman, Chairperson, requested the Board go into Executive Session at 5:25 p.m.

The Board reconvened at 5:35 p.m.

The Chair, asked for a motion. On motion of Mr. Ellison, second by Ms. Helmkamp, the Board voted unanimously to approve a 3% pay increase, retroactive to April 1, 2011, for the Executive Director.

Report of the Chairman

Mr. Coleman stressed the importance of continuing education and noted upcoming conferences including MAPERS and NCTR Trustee Workshop that some of the Trustees may want to consider attending.

Mr. Coleman asked Mr. Williams to give the Board a report on Callen College conference for New Trustee he recently attended in April.

Mr. Williams reported that the conference was very informative, but seemed at times to overly technical considering the needs of the attendees.

Report of Executive Director

Mr. Mann reported that EH Williams has been terminated. Blackrock was hired to transition and manage the assets while the search for a new high yield fixed income manager takes place. The transistion was completed on April 15, 2011.

The Business and Technology Committee meeting scheduled for Monday, May 9, 2011 has been rescheduled for Thursday, June 2, 2011.

Mr. Mann noted that House Bill 229 has passed both the House and Senate and is waiting for the Governor's signature. Mr. Mann indicated a letter has been sent to Senator Curls thanking her for her assistance in getting this legislation passed. A letter will also be sent to Mr. Chuck Hatfield, Stinson Morrison Hecker, thanking their firm on the work performed in getting this Bill passed.

Mr. Mann informed the Board that at the next meeting he would give an update on the current charter schools closures.

Meeting adjourned by common consent at 5:50 p.m.

Respectfully submitted,

Thomas Mann, Executive Secretary