

There being a quorum present, the meeting was called to order at 4:05 p.m. Horace Coleman, Jr., Chairperson presiding:

On motion of Mr. Ellison, seconded by Ms. Collins, the Board voted to approve the following items on the consent agenda:

Approval of the minutes of the Regular Meeting of the Board of Trustees held Monday, October 6, 2014.

Approval of cash disbursements for the month of September 2014.

Approval of the report of the Secretary submitting 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.

Approval of the Budget Variance Report for the pension fund, the building budget, and the technology budget for the quarter ending September 30, 2014.

On motion of Mr. Ellison, seconded by Mr. Rogers, the Board voted to approve the report of Loomis Sayles.

On motion of Mr. Ellison, seconded by Ms. Helmkamp, the Board voted to approve the report of Rhumblin Advisers.

Mr. Coleman requested Ms. Guillette report on the investment performance of the portfolio as of 9/30/14.

Ms. Guillette gave a general overview of the investment markets noting most asset classes for the third quarter 2014 showed negative returns but year to date returns remained positive. She indicated we are experiencing a volatile market and the losses incurred during September had gains in the month of October. She noted through the third quarter 2014, KCPSRS portfolio shows a year to date return of 2.56%, slightly under the benchmark.

Ms. Guillette reviewed the total retirement fund composite and then each fund manager's performance, and compared the returns of the managers to each relevant benchmark for the quarter, and the latest one, three, and five year periods. In reviewing the fund managers' performances, most met or exceeded their benchmarks for the latest one, three and five year periods. She noted the underperformance for the latest one and three year periods by a couple of managers and indicated the Segal Rogerscasey team is contacting the managers to discuss their performance.

Ms. Guillette referenced the detail of the current asset allocation of the portfolio and indicated the asset class balances were all within policy ranges.

On motion of Mr. Rogers, seconded by Mr. Ellison, the Board voted to approve the report of Segal Rogerscasey.

On motion of Mr. Ellison, seconded by Mr. Williams, the Board voted to approve the first reading of the 2015 Administrative and Professional Services Budget.

On motion of Mr. Rogers, seconded by Ms. Collins, the Board voted to approve the first reading of the 2015 Building Budget.

On motion of Mr. Ellison, seconded by Ms. Helmkamp, the Board voted to approve the first reading of the 2015 Technology Budget.

Mr. Mann noted the second reading of the 2015 Budgets will occur at the December 1, 2014 Board meeting.

Report of the Chairperson

Mr. Coleman reported on the NCTR Annual Conference recently held in Indianapolis, IN. Among the topics discussed during the conference were the carefully coordinated, multi-million dollar campaigns attacking public pensions. Mr. Coleman commented on the need to keep communicating the importance of defined benefit plans being one of the most successful models for delivering a stable, sustainable, lifetime retirement income. Ms. Kositany-Buckner suggested Mr. Mann prepare communication highlighting the advantages of defined benefit plans to help with our message to the members of the retirement system.

Mr. Coleman suggested, to keep up with current developments in Washington, trustees read the newsletters written by Leigh Snell, NCTR's Director of Federal Relations. He said they are the best way to keep informed of any issues affecting defined benefit plans. Mr. Mann said he will forward the newsletters to the board members as they become available. Mr. Coleman noted that the NCTR Trustee Workshop for July 2015 will be held at Harvard University and encouraged board members to attend.

Report of the Executive Director

Mr. Mann reviewed the Charter Schools' contribution report with the board.

Mr. Mann informed the board members that Husch Blackwell is providing an educational program that complies with the continuing education requirements of the statutes established in HB 1882. The program will be held on Wednesday, January 21st at their Plaza location and board members will be able to get credit for the entire six hour annual requirement at this event. Mr. Mann will email information about the program to the board members.

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Mr. Mann reported that the Trustees Election Ballots will be mailed out on Tuesday, November 4th and the results will be available for the December 1st meeting.

The meeting was adjourned by common consent at 5:55 p.m.

Respectfully submitted,

Thomas Mann, Executive Secretary