

THE PUBLIC SCHOOL RETIREMENT SYSTEM

----- OF -----
THE SCHOOL DISTRICT OF KANSAS CITY, MO

Board of Trustees

Horace Coleman, Jr.
Chairperson
C. Artris Ashley
Clarence S. Cole
Joanne M. Collins
Darwin Curls
Alexander P. Ellison
Cynthia L. Hackney
Caroline J. Helmkamp
Cheptoo Kositany-Buckner
Curtis L. Rogers
Joseph G. Williams

4600 Paseo Boulevard
KANSAS CITY, MO 64110
PHONE: (816) 472-5800 FAX: (816) 472-5909
www.kcpsrs.org

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Thomas Mann
Executive Director

MINUTES OF MEETING

Monday, January 9, 2012

The Board of Trustees of the Public School Retirement System of the School District of Kansas City, Missouri met in REGULAR SESSION on Monday, January 9, 2012, 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
Clarence S. Cole
Joanne M. Collins
Darwin Curls
Alexander P. Ellison
Cynthia L. Hackney
Caroline J. Helmkamp
Cheptoo Kositany-Buckner
Curtis L. Rogers
Joseph G. Williams

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

Others Present: Mark Flaherty, Esq.
Rosemary Guillette, Segal Advisors
Solomon Peters, Mondrian Investment Partners
Justin A. Richards, Mondrian Investment Partners
Thomas J. Rosalanko, GMO
Thomas G. Smith, GMO
Elizabeth Langle, Retiree

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There being a quorum present, the meeting was called to order at 4:00 P.M.

Horace Coleman Jr., Chairperson, presiding.

On motion of Ms. Helmkamp, seconded by Ms. Collins, Ms. Kositany-Buckner and Mr. Curls abstaining, the Board voted to approve the following items on the consent agenda:

Approval of the minutes of the Regular Board of Trustees meeting held December 5, 2011.

Approval of the minutes of the Investment Committee meeting held on Monday, December 5, 2011.

Approval of the minutes of the Legislative and Benefits Committee meeting held on Monday, December 5, 2011.

Approval of the cash disbursements for the month of November, 2011.

Approval of the report of the Secretary, submitting names of members retiring since 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.

The Board adjourned sine die.

The Board acknowledged the seating of the newly elected and appointed trustees:

1. School Board appointed Trustee, Clarence S.Cole.
2. Elected Active Trustee, Cynthia L. Hackney.

On motion of Mr. Ellison, seconded by Mr. Rogers, Ms. Kositany-Buckner abstaining, the Board voted to approve the appointment of Mr. Thomas Mann as temporary Chairperson.

Thomas Mann, presiding.

Mr. Mann called for nominations for Board Chairperson.

Mr. Ellison moved to nominate Mr. Horace Coleman Jr., for Chairperson. Mr. Cole seconded the nomination. On motion of Mr. Cole, seconded by Mr. Ellison, Ms. Kositany-Buckner, abstaining, the nominations were closed with consent of the Board.

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Mr. Mann called for the vote to elect the sole nominee, Horace Coleman Jr., Chairperson. On motion of Mr. Ellison, seconded by Mr. Cole, Ms. Kositany-Buckner abstaining, and Mr. Ashley voting no, the Board elected Mr. Coleman Jr., as Chairperson.

Horace Coleman, Jr., presiding.

The Chairperson asked for the nominations for Vice–Chairperson.

Mr. Williams moved to nominate Mr. Alexander P. Ellison, for Vice-Chairperson. Mr. Cole seconded the nomination. On motion of Mr. Curls, seconded by Mr. Cole, Ms. Kositany-Buckner and Mr. Ellison abstaining, the Board elected Mr. Ellison as Vice-Chairperson.

The Chairperson asked for the nominations for Treasurer.

Ms. Helmkamp moved to nominate Ms. Joanne M. Collins, for Treasurer. Mr. Ellison seconded the nomination. On motion of Mr. Ellison, seconded by Ms. Helmkamp, Ms. Kositany-Buckner abstaining, the Board elected Ms. Collins as Treasurer.

The Chairperson asked for the nominations for Assistant Treasurer.

Mr. Rogers moved to nominate Mr. Thomas Mann, for Assistant Treasurer. Ms. Collins seconded the nomination. On motion of Mr. Rogers, seconded by Mr. Ellison, Ms. Kositany-Buckner abstaining, the Board elected Mr. Thomas Mann as Assistant Treasurer.

The Chairperson asked for the nominations for Board Secretary.

Mr. Rogers moved to nominate Mr. Thomas Mann, for Board Secretary. Mr. Ellison seconded the nomination. On motion of Mr. Rogers, seconded by Mr. Ellison, Ms. Kositany-Buckner abstaining, the Board elected Mr. Thomas Mann as Board Secretary.

On motion of Ms. Collins, seconded by Ms. Helmkamp, Ms. Kositany-Buckner abstaining, the Board voted to reappoint the Medical Board:

Dr. Thomas McKeel
Dr. Danny K. Stanton
Dr. Elliot Franks

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On motion of Mr. Rogers, seconded by Mr. Ellison, Ms. Kositany-Buckner abstaining, the Board voted to approve the recommendation of the Medical Board that Robert Ash be placed on disability retirement to become effective the first date of the month following the date of his/her signed application arrived in the Retirement Office, or the first day of the month following the last day of paid compensation from the School District, which ever is the later date.

Ms. Collins asked the Board to table the recommendation of the Medical Board for David Allen's continuation of disability retirement until he has been evaluated by a medical doctor specializing in his illness.

On motion of Ms. Collins, seconded by Ms. Helmkamp, Ms. Kositany-Buckner abstaining, the Board voted to approve the recommendation of the Medical Board that Janice R. Taylor be continued on disability retirement.

On motion of Mr. Ellison, seconded by Mr. Cole, Ms. Kositany-Buckner abstaining, the Board voted to approve to credit the interest rate of 2.02% to eligible Members' accounts for the calendar year 2011.

On motion of Mr. Ellison, seconded by Mr. Rogers, Ms. Kositany-Buckner abstaining, the Board voted to approve the report of Grantham, Mayo, Van Otterloo & Co., LLC.

On motion of Mr. Ellison, seconded by Ms. Helmkamp, Ms. Kositany-Buckner abstaining, the Board voted to approve the report of Mondrian Investment Partners Limited.

Mr. Coleman requested the Investment Committee Report.

Mr. Rogers turned the presentation over to Rosemary Guillette of Segal Advisors to summarize their presentation at the committee meeting.

Ms. Guillette gave a brief overview of the content of the meeting concerning the educational component on Global Tactical Asset Allocation and Inflation. She then reviewed with the Board the proposed management consolidation and implementation schedule.

On motion of Mr. Rogers, seconded by Mr. Curls, Ms. Kositany-Buckner abstaining, the Board voted to approve the management consolidation portion of the proposed implementation schedule moving the international portfolios of Capital Guardian and GMO to Fisher Investments and moving the Denver Investments core fixed income and the Atlantic Asset core fixed income portfolios to the Rhumblin Core Bond Pooled Index Fund.

Ms. Guillette noted in February she will present to the Committee a long list of both, emerging market equity and GTAA investment managers to determine finalists to be interviewed.

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Report of the Chairperson

Mr. Coleman presented Ms. Elizabeth Langle with a resolution from the Board and a commemorative vase thanking her for her two terms of dedicated service as a member of the Board of Trustees.

Mr. Coleman asked for the Trustee Disclosure Forms for the quarter to be completed.

Mr. Coleman welcomed the newly elected trustee, Ms. Hackney, and informed her of the numerous educational opportunities available to new trustees.

Report of the Executive Director

Mr. Mann informed the Board of the upcoming meeting with Senator Callahan, indicating Mr. Flaherty, and Ruth Hays, along with Tricia Workman of Stinson Morrison Hecker would join him. They plan to discuss how the Retirement System will be affected by the current bill sponsored by Senator Callahan, and will suggest changes that could be applied to the bill to protect the financial health of the System.

Mr. Mann asked for a formal motion on the Cost of Living Adjustment (COLA), given the recommendation of the actuary. On motion of Mr. Ashley, seconded by Ms. Helmkamp, Ms. Kositany-Buckner abstaining, the Board voted that no cost of living adjustment be given to retired members for the year 2012.

Ms. Kositany-Buckner suggested the Board schedule a Strategic Planning session given the funding issues and those that are being discussed concerning the District. Mr. Flaherty recommended Saturday, January 21st or Saturday, January 28th after their meeting with Senator Callahan on January 18, 2012.

Mr. Rogers informed the Board that the Policy and Evaluation Committee will meet on Tuesday, January 24, 2012 at 3:00 p.m.

On motion of Mr. Ellison, seconded by Mr. Curls, Ms. Kositany-Buckner and Mr. Ashley abstaining, the Board voted to authorize the firm of Labaton Sucharow to participate on the Board's behalf in a securities litigation action against Abbot Laboratories.

On motion of Mr. Rogers, seconded by Mr. Coleman Jr., the meeting was adjourned at 6:00 p.m.

Respectfully submitted,

Thomas Mann, Executive Secretary