



KANSAS CITY PUBLIC SCHOOL RETIREMENT SYSTEM

**4600 The Paseo Blvd.
Kansas City, MO 64110
816.472.5800
www.kcpsrs.org**

MINUTES OF MEETING

Monday, September 14, 2015

The Board of Trustees of the Public School Retirement System of the School District of Kansas City, Missouri met in REGULAR SESSION on Monday, September 14, 2015 at 4:00 p.m. in the Retirement System office conference room at 4600 The Paseo, Kansas City, MO.

Members Present:	Horace Coleman, Jr., Chairperson Richard O. Brown Joanne M. Collins Alexander P. Ellison Carl Evans Cheptoo Kositany-Buckner (via telephone) Curtis L. Rogers Linda E. Watkins
Members Absent:	Caroline J. Helmkamp Princeton Grayson
Staff Present:	Christine Gierer, Executive Director Shannon McClain Laura J. Oswald Joseph Schaefer
Others Present:	Mark Flaherty, Esq. Ruth Hays, Esq., Husch Blackwell Sanders, LLP Rosemary Guillette, Segal Rogerscasey William Daly, BlackRock Real Estate Patricia Hunter, BlackRock Real Estate John F. Faust, JP Morgan Real Estate Hal J. Hunt, CBIZ MHM, LLC Missi Ryherd, CBIZ MHM, LLC

There being a quorum present, the meeting was called to order at 4:06 p.m.

Horace Coleman, Jr., Chairperson presiding:

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

Approval of the minutes of the Regular Board meeting of the Board of Trustees held Monday, June 8, 2015.

Approval of the minutes of the Investment Committee meeting held Monday, June 8, 2015.

Approval of the minutes of the Audit Committee meeting held Monday, June 8, 2015.

Approval of the minutes of the Ad Hoc Committee meeting held Friday, June 12, 2015.

Approval of the minutes of the Ad Hoc Committee meeting held Thursday, July 2, 2015.

Approval of the minutes of the Special Board meeting held Friday, July 31, 2015.

Approval of the minutes of the Special Board meeting held Thursday, August 6, 2015.

Approval of cash disbursements for the months of May, June and July 2015.

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

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 pension fund, building and technology for the quarter ending June 30, 2015.

Mr. Coleman requested a motion to elect Ms. Christine Gierer, Executive Director, as Assistant Treasurer and Secretary.

On motion of Mr. Rogers, seconded by Mr. Brown, the Board voted to unanimously to approve Ms. Gierer as Assistant Treasurer and Secretary.

Mr. Coleman requested motions to approve the recommendation of the Medical Board that Jacqueline Brown, Sherry Musick, and Janice Taylor continue on disability retirement.

On motion of Joanne Collins, seconded by Curtis Rogers, the Board voted to approve Jacqueline Brown continue on disability retirement.

On motion of Curtis Rogers, seconded by Joanne Collins, the Board voted to approve Sherry Musick continue on disability retirement.

On motion of Alex Ellison, seconded by Richard Brown, the Board voted to approve Janice Taylor continue on disability retirement.

Mr. Coleman requested the report of BlackRock Real Estate.

On motion of Alex Ellison, seconded by Curtis Rogers, the Board voted to approve the report of BlackRock Real Estate.

Mr. Coleman requested the report of JP Morgan Real Estate.

On motion of Alex Ellison, seconded by Curtis Rogers, the Board voted to approve the report of JP Morgan Real Estate.

Mr. Coleman requested the report of CBIZ MHM, LLC.

Mr. Hunt noted this is the first year implementing GASB 68 and gave an overview of the requirements and summarized the GASB 68 Audit Report. Mr. Flaherty informed the Board the System agreed to pay for the cost of the audit this year but requested Mr. Hunt to review how other Pension Systems are handling this expense for future audits.

On motion of Alex Ellison, seconded by Curtis Rogers, the Board voted to approve the report of CBIZ MHM, LLC.

Mr. Coleman requested the report of Segal Rogerscasey.

Ms. Guillette gave a general overview of the investment markets noting the second quarter 2015 had positive returns for most markets with the KCPSRS portfolio showing a return of 2.55% performing slightly below the benchmark of 2.63%. 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, five and ten year periods. In reviewing each fund manager's performance, most met or exceeded their benchmark for the year.

On motion of Curtis Rogers, seconded by Joanne Collins, the Board voted to approve the report of Segal Rogerscasey.

Report of the Chairperson

Mr. Coleman shared that the Governor vetoed House Bill 629 and opened discussion as to what impact a charter school Trustee would have on the Board.

Mr. Brown stated that if the charter schools desire representation, then they should have it. Mr. Rogers added that he has no objection if a charter school representative would run for election as long as they live within the school district boarders.

On motion of Ms. Collins, seconded by Mr. Evans the Board voted to outreach to the Kansas City Public School District Charter Schools and appoint a Charter School member for the current open active seat who term expires in 2016.

The Board requested Ms. Gierer and Mr. Flaherty for contacts regarding potential appointees for a charter school representative.

Mr. Coleman noted Husch Blackwell will be having a board educational program to be held November 12, 2015. He encouraged all Board members to attend.

Mr. Coleman, Jr., Chairperson, requested the Board go into Closed Session.

On motion of Mr. Rogers, seconded by Mr. Ellison, the Board voted to move to closed session.

The purpose of the meeting was to review the status of the offer to purchase the current Retirement System Headquarters.

On motion of Mr. Rogers, seconded by Mr. Ellison the Board voted to end the Closed Session.

On motion of Mr. Ellison, seconded by Ms. Collins, the Board voted Mr. Flaherty authority to accept the contract if the current terms listed are changed. The removal of the condition being contingent on the sale of the buyer's current building and the inclusion of time, at least 4 months for the Retirement System to stay in the building after the date of closing.

Report of the Executive Director

Ms. Gierer informed the Board that she will contact Ms. Helmkamp regarding the Emma Webster and Paseo Alumni Fund for Needy Teachers.

The meeting was adjourned by common consent at 6:42 pm.

Respectfully submitted,

Christine Gierer, Executive Director