

**PUBLIC SCHOOL RETIREMENT SYSTEM
OF THE CITY OF ST. LOUIS**

MINUTES OF THE BOARD OF TRUSTEES REGULAR MEETING

April 19, 2010

I. ROLL CALL AND ANNOUNCEMENT OF A QUORUM

The April meeting of the Board of Trustees of the Public School Retirement System of the City of St. Louis (PSRSSTL) was called to order at 4:30 p.m., Monday, April 19, 2010. The meeting was conducted in the 2nd floor boardroom of the PSRSSTL office building located at 3641 Olive Street, St. Louis, Missouri. Helen Lynch, Chairperson of the Board of Trustees, was the presiding officer.

Roll Call was taken and Trustees Joseph Clark, Byron Clemens, Katie Lamb, Helen Lynch, Katha McKinney, Sarah Sise and Stephen Warmack were present. The Board of Trustees had a quorum at the meeting. Trustees Christina Bennett, Mona Lawton and Thaha Menkara joined the meeting in progress. Trustee Rick Sullivan was absent.

Executive Director, Andrew Clark, Accounting Specialist, Terry Mayes, Insurance Benefits Specialist, John Henderson, PSRSSTL Attorney, Jeff Hartnett, PSRSSTL Actuary, Gary Bayer, PSRSSTL Auditor, Thomas Helm, PSRSSTL Health Insurance Consultant, Patrick Haraden, PSRSSTL Investment Consultant, Doris Ewing and a variety of interested parties were also in attendance.

II. APPROVAL OF MINUTES FROM LAST MEETING

Byron Clemens made a motion, seconded by Katha McKinney, to approve the minutes of the Board of Trustees Regular Meeting of February 22, 2010.

By voice vote, motion carried.

III. READING OF COMMUNICATIONS TO THE BOARD OF TRUSTEES

None

IV. PRESENTATIONS BY INTERESTED PARTIES

Retiree Erma Nevels expressed her concern over the lack of a cost-of-living-adjustment (COLA) for retirees and the PSRSSTL office building.

V. CONSENT AGENDA

Joe Clark made a motion, seconded by Katha McKinney, to approve the Retirements and Benefits of February and March 2010.

By voice vote, motion carried.

Joe Clark made a motion, seconded by Katha McKinney, to approve the Refunds and Bills of February and March 2010.

By voice vote, motion carried.

VI. UNFINISHED BUSINESS

None

VII. REPORT OF THE CHAIRPERSON

The Chairperson assigned Trustee Christina Bennett as co-chair of the Benefits Committee along with Trustee Katie Lamb. The Chairperson congratulated Trustees Katha McKinney and Thaha Menkara on their appointments to the various committees with the National Council on Teacher Retirement (NCTR) and the National Association of Securities Professionals (NASP). The Chairperson discussed the importance of continuing education with the Trustees emphasizing the opportunity for the Trustees to attend upcoming seminars and conventions sponsored by the Missouri Association of Public Employee Retirement Systems (MAPERS), NCTR and NASP.

The Chairperson asked Trustee Katha McKinney to report on a recent meeting of the NCTR Education Committee meeting held in Indianapolis, IN. Ms. McKinney gave a report and informed the Trustees that all expenses were covered by NCTR.

There was further discussion on the importance of Trustee education.

VIII. REPORT OF THE EXECUTIVE DIRECTOR

The Executive Director introduced the Auditor, Thomas Helm, of Huber, Ring, Helm & Co., to present the retirement system's most current audited financial statements. The Auditor introduced another representative from his firm, Mike Basler. The Auditor and Mr. Basler presented the audited financial statements for December 31, 2009 and December 31, 2008, by reviewing and highlighting important information in the pages of the report mailed with the board packet and projected onto a screen in the boardroom for the audience. The Auditor and Mr. Basler also discussed several audit findings with the Trustees. The Auditor answered all questions satisfactorily. The Auditor concluded by thanking staff for a smooth and efficient audit process compared to the last couple of years. The Trustees thanked the Auditor for the presentation.

The Executive Director introduced the Insurance Benefits Specialist and the Health Insurance Consultant, Patrick Haraden, whom made a presentation on the retirement system's current health insurance plans, the annual renewal and planning process, the outlook for the health insurance industry in approaching years, and the timeline for the retirement system's 2011 insurance plan renewals. All questions were answered to the satisfaction of the Board of Trustees.

The Executive Director reported on the retirement system's fiduciary liability insurance renewal through Arthur J. Gallagher Risk Management Services, Inc. from a Memorandum to the Board of Trustees. The Executive Director recommended that the Board of Trustees accept the renewal as presented.

Byron Clemens made a motion, seconded by Katha McKinney, to accept the renewal of the fiduciary liability insurance with Travelers as presented by the Executive Director.

By voice vote, motion carried.

IX. REPORT OF THE INVESTMENT CONSULTANT

The Investment Consultant made a brief report on investment markets, PSRSSTL investment performance in 2009 and into 2010, NEPC 2010 general actions for clients and the 2010 work plan for PSRSSTL.

Ms. Ewing announced her upcoming retirement and assured the Trustees of a smooth transition to a new Investment Consultant representative. The Trustees thanked Ms. Ewing and congratulated her on her upcoming retirement.

X. REPORT OF THE ACTUARY

The Actuary informed the Trustees of the recent acquisition of the J.P. Morgan Compensation & Benefits Strategies Division by AON Consulting. There was extended discussion on the acquisition between the Trustees and the Actuary.

The Actuary informed the Trustees that the presentation of the PSRSSTL 2010 Actuarial Valuation Report should be made at the June meeting of the Board of Trustees.

XI. REPORTS OF COMMITTEES OF THE BOARD OF TRUSTEES

The Chairperson asked for reports from the Chairs of the various committees of the Board of Trustees.

Benefits Committee

None

Trustee Business Committee

None

Investment Committee

Joe Clark, Chair of the Investment Committee, briefly reported on the meeting of March 23, 2010, stating that the Investment Consultant had covered the meeting topics in her report. The Chair reminded the Trustees of an upcoming meeting on April 22, where money manager Smith Whiley will be making a presentation and the Investment Consultant will be providing training on various types of investments proposed at the meeting on March 23.

Legislative, Rules & Regulations Committee

Byron Clemens, Chair of the Legislative, Rules & Regulations Committee, reported on pending Missouri legislation that could affect the retirement system.

Professional Contracts Committee

None

XII. NEW BUSINESS

Trustee Christina Bennett requested several upcoming seminars and classes be put on the agenda through the fall. There was discussion and the items were referred to the Trustee Business Committee.

XIII. REPORT OF THE ATTORNEY

The Attorney commented on the pending Missouri legislation referred to by the Chair of the Legislative, Rules and Regulations Committee. Both the Chair and the Attorney assured the Trustees that the legislation is being monitored.

Katha McKinney made a motion, seconded by Christina Bennett, to move into Executive Session to discuss legal matters with the Attorney.

By voice vote, motion carried, and the meeting closed at approximately 6:30 p.m.

Byron Clemens made a motion, seconded by Joe Clark, to move out of Executive Session and accept the motions approved in closed session which are to apply for an IRS determination letter and to release an RFP for Actuarial Consulting Services.

By voice vote, motion carried, and the meeting opened at approximately 6:45 p.m.

XIV. ADJOURNMENT

Katha McKinney made a motion, seconded by Stephen Warmack, to adjourn the meeting.

By voice vote, motion carried, and the meeting adjourned at 6:45 p.m.

Attachments:

- Retirements, Refunds & Bills Paid February and March 2010
- Report of the Executive Director, April 19, 2010
- December 31, 2009 and 2008 Financial Statements
- Memo to the Board of Trustees from the Executive Director, April 19, 2010