

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

**MINUTES OF THE  
SPECIAL TELEPHONIC BOARD OF TRUSTEES MEETING  
November 25, 2008**

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Paulette McKinney, Chairperson of the Board of Trustees, called the Special Telephonic Board of Trustees Meeting to order at approximately 4:35 p.m. The meeting took place telephonically in the boardroom on the 2<sup>nd</sup> floor of the PSRSSTL office building located at 3641 Olive Street, St. Louis, Missouri.

Roll Call was taken and Trustees Joe Clark, Byron Clemens, Katie Lamb, Helen Lynch, Katha McKinney and Paulette McKinney were in attendance for the meeting. A quorum was present. Trustees Christina Bennett, Thaha Menkara, Veronica O'Brien, Rick Sullivan and Cynthia Warren were absent.

Executive Director, Andrew Clark, CBRE Leasing Agent, John Warren, and NEPC Investment Consultant, Doris Ewing, were also present for the meeting.

The Chairperson stated the purpose of the meeting as consideration of the recommendations made by the Investment Committee and the lease agreement for the office space available in the PSRSSTL office building.

Joe Clark, Chair of the Investment Committee, recapped the meeting of November 21, 2008, including the recommendations made by the Committee.

Byron Clemens made a motion, seconded by Helen Lynch, to accept the recommendation made by the Investment Committee to hire Loomis Sayles & Company as the high yield fixed income money manager to replace HSBC. There was limited discussion on the two investment strategies offered by the money manager.

A roll call vote was taken.

Joe Clark	Yes	Byron Clemens	Yes	Katie Lamb	Yes
Helen Lynch	Yes	Katha McKinney	Yes	Paulette McKinney	Yes

With six yes votes, motion carried.

Byron Clemens made a motion, seconded by Helen Lynch, to accept the recommendation made by the Investment Committee to have NEPC investigate both products offered by Loomis Sayles & Company and the fee schedule.

There was discussion between the Investment Consultant and the Trustees with regard to the full discretion high yield strategy presented by Loomis Sayles & Company at the Investment Committee Meeting and the money manager's conservative high yield strategy. The Investment Consultant clarified that the money manager will be implementing its full discretion high yield strategy as presented. There was discussion on the fee schedule and clarification made that the Investment Consultant will try to negotiate a fee of 47 basis points or less as part of the investigation.

A roll call vote was taken.

Joe Clark	Yes	Byron Clemens	Yes	Katie Lamb	Yes
Helen Lynch	Yes	Katha McKinney	Yes	Paulette McKinney	Yes

With six yes votes, motion carried.

The Executive Director and the Leasing Agent presented the terms of the lease agreement being negotiated with the Veterans Administration. There was limited discussion on the cost of the build-out and the rent structure.

Joe Clark made a motion, seconded by Byron Clemens, to authorize the Executive Director to execute the lease agreement with the Veterans Administration as negotiated, including an expenditure of approximately \$125,000 for initial tenant improvements.

A roll call vote was taken.

Joe Clark	Yes	Byron Clemens	Yes	Katie Lamb	Yes
Helen Lynch	Yes	Katha McKinney	Yes	Paulette McKinney	Yes

With six yes votes, motion carried.

Joe Clark made a motion, seconded by Byron Clemens, to adjourn the meeting. By voice the meeting adjourned at 5:03 p.m.