

**PUBLIC SCHOOL RETIREMENT SYSTEM
OF THE CITY OF ST. LOUIS**
MINUTES OF THE BOARD OF TRUSTEES REGULAR MEETING
October 15, 2007

I. ROLL CALL AND ANNOUNCEMENT OF A QUORUM

The October meeting of the Board of Trustees of the Public School Retirement System of the City of St. Louis (PSRSSTL) was called to order at 4:50 p.m., Monday, October 15, 2007. The meeting was conducted in the 2nd floor boardroom of the PSRSSTL office building located at 3641 Olive Street, St. Louis, Missouri 63108. Paulette McKinney, Chairperson of the Board of Trustees, was the presiding officer.

Roll Call was taken and Trustees Christina Bennett, Joseph Clark, Katie Lamb, Helen Lynch, Katha McKinney and Paulette McKinney were present. The Board of Trustees had a quorum at the meeting. Trustees Marlene Davis, Veronica O'Brien and Cynthia Warren were absent.

Executive Director, Andrew Clark, PSRSSTL Attorney, Jeff Hartnett, PSRSSTL Actuary, Jim Rubie, and a large number of interested parties were also in attendance.

II. APPROVAL OF MINUTES FROM LAST MEETING

Helen Lynch made a motion, seconded by Katha McKinney, to approve the minutes of the Board of Trustees Regular Meeting of August 20, 2007.

A roll call vote was taken.

Christina Bennett	Yes	Joseph Clark	Yes	Katie Lamb	Yes
Helen Lynch	Yes	Katha McKinney	Yes	Paulette McKinney	Yes

With six yes votes, motion carried.

Helen Lynch made a motion, seconded by Katha McKinney, to approve the minutes of the Special Telephonic Board of Trustees Meeting of August 10, 2007, and the Special Telephonic Board of Trustees Meeting of September 24, 2007. Christina Bennett left the room so there was a delay in the roll call vote, and there was discussion on whether or not the meeting should be suspended. Christina Bennett returned and the meeting continued.

A roll call vote was taken.

Christina Bennett	Yes	Joseph Clark	Yes	Katie Lamb	Yes
Helen Lynch	Yes	Katha McKinney	Yes	Paulette McKinney	Yes

With six yes votes, motion carried.

III. SEATING OF NEW BOARD MEMBERS

The Chairperson recognized the newest Trustee, Helen Lynch, and welcomed her to the Board of Trustees. Trustee Lynch thanked the Board of Trustees and those who voted for her.

IV. READING OF COMMUNICATIONS TO THE BOARD OF TRUSTEES

None

V. PRESENTATIONS BY INTERESTED PARTIES

PSRSSTL retiree Karen Franz-Cohen read a letter to the Board of Trustees concerning the customer service she received during the retirement process. PSRSSTL retiree Al Katzenberger read a letter to the Board of Trustees concerning the recent Retired Teacher Trustee election. PSRSSTL retiree Jacqueline Dyer also read a letter to the Board of Trustees concerning the recent Retired Teacher Trustee election. Retiree C. Rowe-Uddin read from a document and asked the Board of Trustees about a COLA. The Executive Director will see that the interested parties receive responses.

VI. CONSENT AGENDA

Helen Lynch made a motion, seconded by Christina Bennett, to approve the Retirements and Benefits of August and September 2007.

A roll call vote was taken.

Christina Bennett	Yes	Joseph Clark	Yes	Katie Lamb	Yes
Helen Lynch	Yes	Katha McKinney	Yes	Paulette McKinney	Yes

With six yes votes, motion carried.

Christina Bennett made a motion, seconded by Katha McKinney, to approve the Refunds and Bills of August and September 2007.

A roll call vote was taken.

Christina Bennett	Yes	Joseph Clark	Yes	Katie Lamb	Yes
Helen Lynch	Yes	Katha McKinney	Yes	Paulette McKinney	Yes

With six yes votes, motion carried.

VII. UNFINISHED BUSINESS

None

VIII. REPORT OF THE CHAIRPERSON

None

IX. REPORT OF THE EXECUTIVE DIRECTOR

The Executive Director reported that four disability retirees had not complied with the annual verification of medical status and income. The Executive Director asked the Chairperson to entertain a motion to suspend the retirement benefits for the four disability retirees until they comply with the annual reporting requirements.

Helen Lynch made a motion, seconded by Christina Bennett, to suspend retirement benefits for the four disability retirees until they comply with the annual reporting requirements after sending a certified letter to them and waiting 10 days for a response. There was extended discussion and an amendment made to the motion.

A roll call vote was taken.

Christina Bennett	Yes	Joseph Clark	Yes	Katie Lamb	Yes
Helen Lynch	Yes	Katha McKinney	Abstain	Paulette McKinney	Yes

With five yes votes, and one abstention, motion failed.

The Executive Director will see that certified letters are sent to the disability retirees and act accordingly based on the rules and regulations with regard to the reporting requirements.

The Executive Director referred to a memo to the Board of Trustees dated October 15, 2007, and reported on the results of the Auditing Services RFP and recommended that the Board of Trustees retain the services of Huber Ring Helm & Co. for auditing and election commissioner services. There was discussion by the Trustees on the RFP process and documents.

Christina Bennett made a motion, seconded by Helen Lynch, to retain auditing and election commissioner services from Huber Ring Helm & Co. for a three-year period beginning December 1, 2007 and ending November 30, 2010, with options to renew annually, according to the specifications in the RFP and proposal.

A roll call vote was taken.

Christina Bennett	Yes	Joseph Clark	Yes	Katie Lamb	Yes
Helen Lynch	Yes	Katha McKinney	Yes	Paulette McKinney	Yes

With six yes votes, motion carried.

The Executive Director reported on the status of the hiring process for the Accounting Specialist and the status of the current Trustee elections. The Executive Director concluded the report by stating that Trustees Christina Bennett, Katha McKinney, Cynthia Warren, and the Executive Director attended the Annual NCTR Convention in Scottsdale, AZ during the week of October 8, 2007. Trustee Bennett made some comments about the convention. The Chairperson asked the Executive Director to contact the SLPS Board of Education concerning the upcoming opening on the Board of Trustees for the seat held by Marlene Davis.

X. REPORT OF THE INVESTMENT CONSULTANT

None

XI. REPORT OF THE ACTUARY

The Actuary reported on the annual Actuarial Valuation Report as of January 1, 2007, by reviewing an Executive Summary of the report. The main focus of the Actuary's report was the method of calculating liabilities and contributions based on the actuarial assumptions adopted by the Board of Trustees. The Actuary explained that the valuation was based on participant data and the audited assets of the Retirement System as of January 1, 2007.

The Actuary explained the main purpose of the report as the determination of the required annual employer contributions from the Board of Education, the Retirement System, the Charter Schools and Harriet-Stowe State College. There was discussion on the increase in the number of Charter Schools, the affect on contributions and the accuracy of the contributions. The Actuary continued his report by discussing employer contributions with and without a COLA. He discussed the affects of Senate Bill 406 on decisions for a COLA for the retirees by the retirement system. The Actuary suggested that he and the Attorney look at SB406 and report back to the Board of Trustees concerning the affects of SB406 on a COLA for the retirees. There was discussion on liabilities and the affect on assets of the retirement system by granting a COLA. The Actuary recommended that the Board of Trustees adopt the Executive Summary of the Actuarial Valuation Report as of January 1, 2007, without a COLA.

Helen Lynch made a motion, seconded by Katha McKinney, to accept the Actuary's recommendation approving the 2008 contribution rates for all participating employers without the COLA pending approval of the COLA by the end of the year. Trustee Lynch asked the Attorney about the affects of SB406 on the retirement system. The Attorney stated that it was an extensive piece of legislation and briefly summarized part of the bill.

A roll call vote was taken.

Christina Bennett	Yes	Joseph Clark	Yes	Katie Lamb	Yes
Helen Lynch	Yes	Katha McKinney	Yes	Paulette McKinney	Yes

With six yes votes, motion carried.

Helen Lynch made a motion, seconded by Katha McKinney, to require that the Actuary and Attorney report back to the Board of Trustees on the particulars of SB406 within two weeks.

A roll call vote was taken.

Christina Bennett	Yes	Joseph Clark	Yes	Katie Lamb	Yes
Helen Lynch	Yes	Katha McKinney	Yes	Paulette McKinney	Yes

With six yes votes, motion carried.

The Actuary stated that the particulars on GASB 43 should be referred to the Benefits Committee.

XII. 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

Christina Bennett, Chair of the Benefits Committee, made a motion, seconded by Helen Lynch, to accept the recommendation made by the Insurance Benefits Specialist and the Health Insurance Consultant to adopt the insurance renewals as presented in the Benefits Committee Meeting of October 15, 2007. Trustee Clark discussed his concerns with accepting the recommendation without the insurance rates from SLPS. The motion was withdrawn pending the receipt of the rates from SLPS. The recommendation will be reconsidered at a future Board of Trustees meeting.

Budget Committee

None

Investment Committee

The Executive Director gave a brief summary on the recommendation made by the Investment Committee at the meeting on September 20, 2007, to hire two firms as the Mezzanine fund manager and the Secondary fund manager. The Executive Director informed the Board of Trustees that the recommendation was approved by the full board in a special meeting on September 24, 2007. The Executive Director informed the Board of Trustees of the upcoming Investment Committee meeting on October 18, 2007, where an update on Permal, Lighthouse and Smith-Whiley will be provided by the Investment Consultant.

Personnel & Professional Committee

None

Rules & Regulations Committee

None

Trustee Travel Commission

Katha McKinney, Chair of the Trustee Travel Commission, reported on travel and events that took place at recent NCTR meetings and conventions.

XIII. NEW BUSINESS

Trustee Clark asked about the status of leasing the first floor. The Executive Director reported that there are no prospects.

XIV. REPORT OF THE ATTORNEY

None

XV. ADJOURNMENT

Katha McKinney made a motion, seconded by Helen Lynch, to adjourn the meeting.

By voice vote, motion carried and the meeting adjourned at 6:20 p.m.

Attachments:

- Letter from Karen Franz-Cohen dated October 1, 2007, with response
- Letter from Al Katzenberger dated October 15, 2007, with response
- Letter from Jacqueline Dyer dated October 15, 2007, with response
- Retirements, Refunds & Bills Paid August and September 2007
- Memo to the Board of Trustees from the Executive Director dated October 15, 2007
- Executive Summary of 2007 Actuarial Valuation Report