

**REGULAR MEETING**  
**BOARD OF TRUSTEES**  
**OF**  
**THE PUBLIC SCHOOL RETIREMENT SYSTEM OF MISSOURI**  
**AND**  
**THE PUBLIC EDUCATION EMPLOYEE RETIREMENT SYSTEM OF MISSOURI**

**February 26, 2010**

**MEMBERS PRESENT**

Tina Zubeck, Chair  
Wayne Wheeler  
Yvonne Heath  
Scott Hunt  
Aaron Zalis  
Services

**MEMBERS ABSENT**

Don Cupps

**OTHERS PRESENT**

M. Steve Yoakum, Executive Director  
Craig Husting, AED, Investments  
Dearld Snider, AED, Operations  
Alan Thompson, General Counsel  
Ronda Peterson, Dir.-Member  
  
Lori Woratzeck, Chief Finan. Officer  
Tom Smith, Dir. of Info. Technology  
Jeff Russler, Dir. Employer Services  
Janet Harris, Internal Auditor  
Maria Walden, Legislative Dir.  
Mary Hiatte, Executive Assistant

**U.S. Equity Update**

Mr. John Tuck and Mr. Travis Allen, Investment Officers, updated the Board on the U.S. Equity portfolio. Mr. Tuck specifically discussed the current asset allocation versus the target allocation. He also reviewed the objectives, allowed strategies, guidelines and December 31, 2009 performance for the large cap U.S. Equity portfolio as well as the alpha overlay program. Mr. Allen discussed the performance of the small cap U.S. Equity portfolio as well as the objectives, allowed strategies, current allocation and guidelines.

**Meeting  
Convened**

The meeting of the Board of Trustees convened at 9:30 a.m. in the retirement system offices in Jefferson City, Missouri. In attendance were Tina Zubeck, Yvonne Heath, Scott Hunt, Wayne Wheeler and Aaron Zalis, Board Members. Also present were M. Steve Yoakum, Executive Director; Dearld Snider, Assistant Executive Director, Operations; Alan Thompson, General Counsel; Craig Husting, Assistant Executive Director, Investments; Ronda Peterson, Director of Member Services; Lori Woratzeck, Chief Financial Officer; Tom Smith, Director of Information Technology; Jeff Russler, Director of Employer Services; Janet Harris, Internal Auditor; Maria Walden, Legislative Director; various other PSRS/PEERS staff members; and Mary Hiatte, Executive Assistant.

**Approval of  
Minutes**

Mr. Wheeler moved that the minutes from the December 14, 2009, meeting be approved. Dr. Zalis seconded the motion. Voting “Aye”—Zubeck, Wheeler,

PSRS4237  
PEERS2490

Heath, Hunt and Zalis; “Nay”—None. The motion carried unanimously.

**Order of  
Business**

The order of business was approved with no changes.

**Investments**

**Activities Memo**

Mr. Craig Husting and Mr. Michael Hall reviewed the December 31 investment performance report as well as the investment activities memo. Mr. Husting also updated the Board on the actual vs. policy asset allocation as well as a number of other issues including securities lending, the watch list, the custody search, real estate, private equity, and the tentative investment calendar.

**Anti-Terrorism  
Policy**

The staff reviewed the current anti-terrorism policy adopted by the Board in June 2005 and last reviewed by the Board in February 2009. The staff and general counsel recommended no changes to the policy at this time.

**Management Report**

**Meeting Dates**

The Board set the following meeting dates for the remainder of the calendar year: April 12, June 21-22, August 30, October 25 and December 13.

**Legislative  
Update**

Ms. Maria Walden and Mr. Jim Moody reported briefly on the status of legislation which has been introduced affecting PSRS/PEERS and other Missouri public pension systems.

**Member  
Services**

Ms. Ronda Peterson gave a mid-year member services update. Her report included statistics regarding member services’ activities for the period July through December 2009 as well as a review of their goals for 2009-10.

**Pension  
System**

Mr. Dearld Snider reviewed the timeline as well as the RFP process used for hiring a vendor to replace the pension system. He indicated that six bids had been received and that the staff is recommending that the project be offered to Sagitec. Several individuals were present from Sagitec and presented an overview of their firm. In addition, Mr. Snider recommended that L.R. Wechsler be retained to provide oversight on the project. Following discussion, Mrs. Heath moved that the staff be authorized to proceed with the project as outlined. Mr. Hunt seconded the motion. Voting “Aye”—Zubeck, Wheeler, Heath, Hunt and Zalis; “Nay”—None. The motion carried unanimously.

PSRS4238  
PEERS2491

**Budget  
Adjustment**  
PSRS4239  
PEERS2492

Mr. Hunt moved that the budget be adjusted for the pension project as recommended by staff. Dr. Zalis seconded the motion. Voting “Aye”—Zubeck, Wheeler, Heath, Hunt and Zalis; “Nay”—None. The motion carried unanimously.

**Public**

Ms. Susan McClintic introduced herself to the Board and indicated that she

**Comment** was running for the vacant PSRS Board position. She indicated that she was looking forward to learning more about the system and the Board.

**Closed Session** Mrs. Heath moved that the meeting continue in closed session to hear the legal report, a member appeal, and to review personnel matters in accordance with section 610.021 (1), (3) and (13), RSMo. Mr. Wheeler seconded the motion. Voting “Aye”—Zubeck, Heath, Hunt, Wheeler and Zalis; “Nay”—None. The motion carried unanimously.

PSRS4240  
PEERS2493

Motion No. PSRS4241 and PSRS4242 were made in closed session.  
Motion No. PEERS2494 through PEERS2496 were made in closed session.

**Adjournment** The meeting adjourned at the end of closed session.