

DENVER EMPLOYEES RETIREMENT PLAN

Minutes of the Retirement Board Friday, April 17, 2009 - Meeting #666

The 666th meeting of the Board of the Denver Employees Retirement Plan was held in the conference room of the Retirement Plan located at 777 Pearl Street, Denver, Colorado, on Friday, April 17, 2009. Board Members present: Mr. Irving Hook, Mr. Bonney Lopez, Mr. Tom Migaki, and Mr. Robert Strenski. Board Member absent: Ms. Cheryl Cohen-Vader. Advisory Committee Members present: Mr. Mike Aleksick, Dr. Adeniyi Kelani, and Ms. Erma Zamora. Others present: Mr. Steven Hutt, Executive Director, Ms. Fran Augenblick, Assistant Director, Mr. Mike Clark, Accounting Manager, Mr. Randy Baum, Chief Investment Officer, Ms. Stephanie Starns, Investment Analyst, Mr. Rich Harris, Finance and Compliance Officer, and Ms. Vicki Halliday, General Counsel.

1. The minutes of meeting #664 were approved by a unanimous vote of the Board Members.
2. The Board unanimously accepted Retirement List #521 and Refund List #419, Plan Operating Expenditures, and the Financial Statements for the period ending March 31, 2009.
3. Mr. Irving Hook received the Board's authorization to attend the JP Morgan 7th Annual Hedge Fund of Funds Conference, May 13-14, 2009. (He subsequently decided not to attend the conference.)

Dr. Adeniyi Kelani received the Board's authorization to attend the International Foundation 55th Annual Employee Benefits Conference, November 7-11, 2009.

Mr. Bonney Lopez received the Board's authorization to attend the International Foundation Wharton Course on Portfolio Concepts and Management, June 1-4, 2009.

Mr. Tom Migaki submitted his report on the IMN Distressed Investments Summit, March 16-18, 2009.

Ms. Erma Zamora submitted her report on the IFEBP Benefits Conference for Public Employees, March 30-31, 2009.

4. Ms. Halliday summarized the hearing officer's decision on a member's appeal of a Disability Retirement denial. The hearing was held in March, with the member representing himself. The hearing officer upheld the Plan's denial of the Disability Retirement. The member has 30 days to appeal the decision of the

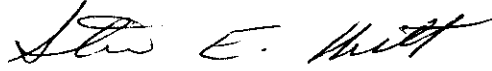
hearing officer to Denver District Court. If the decision is not appealed, it will be final. The Board requested that copies of the hearing decision be sent to them.

5. Mr. Hutt reported to the Board on the discussions at the City's "Total Compensation Committee." The Committee of City officials was formed to review the total compensation currently being provided to City employees. Mr. Hutt was included in the meetings once the subject turned to retirement issues. He stated that the only issue pertaining to DERP likely to result in a recommendation for a change is the issue of including sick and vacation payouts in the retirement benefit formula, and the possibility of altering that for new employees only. Mr. Hook raised the issue of what other sorts of changes in benefits for new employees might need to be considered and reviewed by the Plan's actuary in light of the changed financial position of the Plan.
6. Mr. Hutt updated the Board on the status of furlough days for Plan employees. Since the City has declared another furlough day, with the likelihood of having up to 4 furlough days this year for its employees, the Plan has decided to move forward and schedule its furlough days for 2009. If the City has 4 furlough days, the entire Plan staff will have 3 furlough days for 2009, and Plan management will be taking 5. A survey went out to all Plan employees, asking them to suggest and then rank potential days to use for furloughs. One DERP furlough day already occurred on March 27, and the remaining 2 are now scheduled for the day after Thanksgiving (November 27) and December 24.
7. Mr. Baum presented the Staff Investment Report. Contained in that report were updates of the asset allocation position, performance data and other related investment information. As of March 31, 2009, the market value of the Plan was \$1,406,465,366.55(p). The market value was up \$37,190,120.68(p) in March and is down \$117,942,285.45(p) since December 31, 2008.
8. The Board unanimously approved the new recommended asset allocation ranges to surround each asset class, corresponding to the specific 2009 asset allocation targets approved last month.
9. Mr. Baum presented to the Board the proposed 2009 asset allocation by manager, showing the proposed target allocation and range for each manager, consistent with the 2009 asset class allocation and the previous division of assets by manager within each asset class. The Board adopted the proposed 2009 allocations and ranges, as set in the April 2009 Staff Investment Report.
10. The Board authorized the staff and the investment consultant to begin a search for two new managers, one in emerging markets, and one in small cap international equity. The searches will begin simultaneously, but the candidates for each position will be brought to the Board at separate times. An education session for the Board on emerging markets and small cap international equity will be scheduled. Then the Investment Committee, the consultant, and the staff will work together to narrow down the candidate lists.

11. Ms. Starns and Mr. Baum presented the International Equity Manager Review for Pyramis Global Advisors and Franklin Templeton Institutional.
12. Mr. Tom Dickson, Senior Vice President, and Mr. Peter Nori, Executive Vice President, of Franklin Templeton Institutional, provided a portfolio and performance review of the international value equity portfolio they manage for the Plan.
13. The next regularly scheduled Board Meeting will be on Tuesday, May 26, 2009 at 8:30 a.m. at the Denver Employees Retirement Plan.
14. The meeting was adjourned at 12:00 p.m.



Chairman



Executive Director