

DENVER EMPLOYEES RETIREMENT PLAN

Minutes of the Retirement Board Friday, March 20, 2009 - Meeting #664

The 664th 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, March 20, 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: Dr. Adeniyi Kelani, and Ms. Erma Zamora. Advisory Committee Member absent: Mr. Mike Aleksick. Others present: Mr. Steven Hutt, Executive Director, Ms. Roni Kirchhevel, Assistant Director, Ms. Fran Augenblick, Assistant Director, Mr. Mike Clark, Accounting Manager, Mr. Randy Baum, Chief Investment Officer, Mr. Rich Harris, Finance and Compliance Officer, and Ms. Vicki Halliday, General Counsel.

1. The minutes of meetings #662 and #663 were approved by a unanimous vote of the Board Members.
2. The Board unanimously accepted Retirement List #520 and Refund List #418, Plan Operating Expenditures, and the Financial Statements for the period ending February 28, 2009.
3. Mr. Irving Hook submitted his report on the Sit Investment Associates 27th Annual Client Workshop, February 12-15, 2009.

Mr. Bonney Lopez submitted his report on the Sit Investment Associates 27th Annual Client Workshop, February 12-15, 2009.

4. Ms. Augenblick reported to the Board on the status of the 2008 Audit, and reviewed the minutes of the Audit Committee Meeting held February 24, 2009. Auditors from BKD have been onsite for two weeks, and the audit process ran smoothly. Draft audited financial statements for the Plan should be ready to review by April 1, 2009, with the finalized version scheduled for delivery by April 18, 2009. Mr. Lopez suggested that the Board review the audit before it is finalized, with an opportunity to meet with the auditors for questions, if necessary. This was met with interest, and the senior Accounting staff will present an in-depth review of the draft statements on Tuesday, April 14, 2009 at a Special Board Meeting.
5. Ms. Halliday presented an update on the securities fraud litigation involving Able Labs. A mediation session took place on March 12, 2009 primarily to negotiate with the company's liability insurance carriers. A settlement was reached by all parties. The Board voted unanimously to accept the proposed settlement.

Ms. Halliday also presented an update on the potential securities fraud litigation involving Siemens. A “derivative action” was contemplated against Siemens, for reform of corporate governance practices as opposed to financial restitution. Under the relevant German law, Barrack, Rodos & Bacine filed demands for specific reforms, with which Siemens has now complied. Therefore a formal derivative action will not need to be initiated. The law firm will continue to monitor the implementation of the reforms. The Board requested that Ms. Halliday provide a summary for them of the specific reforms agreed to.

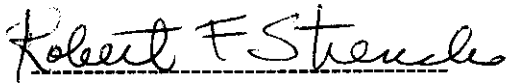
6. Mr. Migaki presented a report on the IMN Distressed Investments Summit, that he attended March 16-18, 2009. He highly recommended the conference to the Board for future attendance.
7. Mr. Baum presented the Staff Investment Report. Contained in that report were updates of the asset allocation position, performance data and other related investment information. As of February 28, 2009, the market value of the Plan was \$1,384,083,862.54(p). The market value was down \$76,168,475.46(p) in February and is down \$140,323,789.46(p) since December 31, 2008.
8. Mr. Baum continued the educational work regarding hedge funds by presenting an overview of hedge fund strategies and hedge fund style descriptions.
9. Mr. Baum presented the Asset Allocation developed by Summit Strategies for 2009, offering a comprehensive explanation of the proposed allocation and recommending its adoption.

The Board adopted the recommended Asset Allocation for 2009, as shown below:

	2009 Target
US Large Cap	28.0%
US Small Cap	6.5%
International Large	15.0%
International Small	2.5%
Emerging Markets	2.5%
Private Investments	7.5%
Core Fixed Income	21.5%
High Yield	5.0%
TIPs	1.5%
Real Estate	10.0%
TOTAL	100.0%

10. Mr. Baum provided the Board with an education session on Benchmarks used in the securities industry, comparing and contrasting the most commonly used benchmarks.
11. The Board met in executive session, pursuant to Section 24-6-402(4)(f) of the Colorado Revised Statutes, to discuss a personnel matter.

"I, Robert Strenski, as Chairman of the executive session, attest that these written minutes accurately reflect the substance of the discussion held during the executive session."

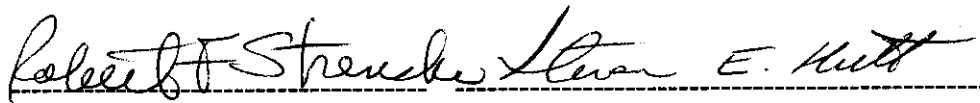


Robert Strenski, Chairman

12. Following the executive session, the Board returned to open session. The Board adopted this policy by unanimous vote:

That DERP shall adopt a program of furlough days in 2009 similar to and consistent with the furlough program being adopted by the City. The Executive Director shall determine the terms, conditions, and dates of the furlough program and inform the Board of his implementation decisions.

13. A special Board Meeting will be held on Tuesday, April 14, 2009 at 9:00 a.m. at the Denver Employees Retirement Plan.
14. The next regularly scheduled Board Meeting will be on Friday, April 17, 2009 at 8:30 a.m. at the Denver Employees Retirement Plan.
15. The meeting was adjourned at 1:45 p.m.



Chairman

Executive Director