

## **DENVER EMPLOYEES RETIREMENT PLAN**

### **Minutes of the Retirement Board Friday, October 19, 2007 - Meeting #639**

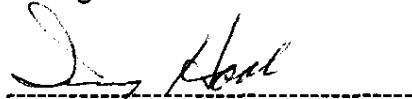
The 639<sup>th</sup> meeting of the Board of the Denver Employees Retirement Plan was held in the conference room of the Retirement Plan located at 777 Pearl Street, Denver, Colorado, on Friday, October 19, 2007. Board Members present: Mr. Irving Hook, Mr. Bonney Lopez, Mr. Tom Migaki, Ms. Kathy Selman, and Mr. Robert Strenski. Advisory Committee Members present: Ms. Erma Zamora. Advisory Committee Members absent: Mr. Mike Aleksick and Dr. Adeniyi Kelani. Others present: Mr. Steven Hutt, Executive Director, Ms. Roni Kirchhevel, Assistant Director, Ms. Fran Augenblick, Assistant Director, Ms. Janney Sims, Investment Portfolio Manager, Ms. Stephanie Starns, Investment Analyst/Asst. Portfolio Manager, Mr. Mike Clark, Accounting Manager, Mr. Rich Harris, Manager of Fiduciary Compliance and Ms. Vicki Halliday, General Counsel.

1. The minutes of meeting #638 were approved by a unanimous vote of the Board Members after adding Ms. Janney Sims and Ms. Stephanie Starns to, and removing Mr. Mike Clark from, the list of attendees.
2. The Board unanimously accepted Retirement List #503 and Refund List #401, Plan Operating Expenditures, and the Financial Statements for the period ending September 30, 2007.
3. Mr. Steven Hutt presented an update on the Denver Health 2007 Supplemental Contribution. An agreement was received in writing, via email, stating that Denver Health will pay the full contribution due (\$928,539) by year end.
4. Mr. Hutt presented an update on the conversion to Anthem Blue Cross Blue Shield. After the Board Resolution was passed to authorize a Premium Reimbursement to in-state members age 65 and older to accommodate for medical providers who will not accept group insurance offered by the Plan, eligible members were informed via mail of this new option, accompanied by cautionary language about selecting individual insurance coverage. Mr. Hutt also reported that the Open Enrollment meeting held at the Botanic Gardens in early October received approximately 400 attendees, overwhelming the facility, and that over 900 applications for Anthem had been turned-in to date. Open Enrollment ends October 31, 2007.
5. Mr. Hutt presented the statistics on new Retirements versus Deaths, compiled as the result of a conversation he had with members regarding

Cost of Living Adjustments (COLA's) and the increase over time in the net number of retirees receiving a monthly benefit from the Plan. The numbers show that in the past three years, the number of new retirees (1,325) has exceeded the number of newly-deceased members (436) by a net 889 individuals. This makes future granting of a COLA simply more expensive than when the last one was granted effective January 1, 2002.

6. The Board met in executive session, pursuant to Section 24-6-402(4)(b) of the Colorado Revised Statutes, to receive an update from General Counsel on securities litigation matters that the Plan is currently involved in.

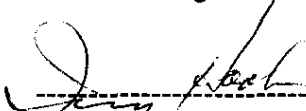
"I, Irving Hook, as Chairman of the executive session, attest that these written minutes accurately reflect the substance of the discussion held during the executive session."

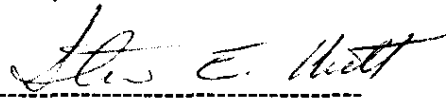


Irving Hook, Chairman

7. Following the executive session, the Board returned to open session. The Board voted unanimously to approve the settlement in the Qwest opt-out case according to the terms presented by General Counsel and further authorizing the Executive Director to sign any required settlement documents after the particulars of the language of the settlement are satisfactorily negotiated with Qwest.
8. Ms. Fran Augenblick presented the proposed Budget for 2008. Mr. Hutt and Ms. Augenblick answered questions about the budget. A Budget Committee was formed comprised of Mr. Irving Hook, Mr. Bonney Lopez, and Ms. Erma Zamora, to meet on October 30, 2007 to discuss the proposed budget and to review the Executive Director's performance and recommend a 2008 salary for him. The budget will be brought back to the Board for a vote at the November meeting.
9. Ms. Stephanie Starns 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 September 30, 2007, the market value of the Plan was \$2,136,168,959.25(p). The market value was up \$49,645,957.36(p) in September and up \$145,448,739.93(p) since December 31, 2006.

10. Ms. Janney Sims presented an Overview of the Plan's Alternative Investments, including summarizing a meeting with Mary Kelley of Sovereign earlier in the month.
11. Ms. Molly Veneziano, Partner, and Ms. Jana Monier, Partner, of Adams Street Partners, provided a portfolio and performance review of the private equity portfolio they manage for the Plan.
12. Ms. Laureen Costa, Portfolio Manager for JP Morgan Private Equity, provided a portfolio and performance review of the private equity portfolio they manage for the Plan.
13. Mr. Patrick Hickey and Mr. Randy Wade, of TCW Energy Group, provided a portfolio and performance review of the energy company portfolio they manage for the Plan.
14. The next regularly scheduled Board Meeting will be on Friday, November 16, 2007 at 8:30 a.m. at the Denver Employees Retirement Plan.
15. The Board's Annual Educational and Strategy Session will be held on Monday, October 22, 2007 at 8:15 a.m. at The DoubleTree Hotel, 3203 Quebec Street, Denver, CO 80207.
16. The meeting was adjourned at 1:45 p.m.

  
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Chairman

  
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Executive Director