



**COLORADO
PERA®**

**Colorado Public Employees' Retirement Association
Special Board Meeting Minutes**

1301 Pennsylvania Street

Denver, Colorado

April 13, 2009

9:00 a.m.

Trustees Present: Mark Anderson, Board Chair, M. Judy Chavez, Howard Crane, Richard Delk, Cary Kennedy, Maryann Motza, Susan Murphy, Lynn Turner, Carole Wright

Trustees Present

Via Conference Call: Sara Alt, Vice Chair, Susan Beeman, James Casebolt, Scott Murphy, Scott Noller

Trustees Absent: Amy Nichols

Staff Present: Adam Franklin, Karl Greve, Jennifer Kabat, Katie Kaufmanis, David Mather, David F. Maurek, Brenda Meidl, Jennifer Paquette, Karl Paulson, Gregory W. Smith, Meredith Williams

Mark Anderson, Board Chair, called the meeting to order at 9:00 a.m.

Approval of Agenda

A motion was made by Carole Wright and seconded by Maryann Motza that, *"the Agenda be approved as published."* The motion was approved.

Public Comment

There was no public comment.

Legislative Matters

Meredith Williams, Executive Director, provided a review of the current legislative activities and introduced Gregory W. Smith, General Counsel. Mr. Smith reviewed the summary of Senate Bill 09-282 concerning the merger of the Denver Public Schools Retirement System (DPSRS) with PERA, which was provided to the Trustees via electronic mail on Friday, April 13, 2009. Extensive discussion ensued and Mr. Smith responded to questions.

James Casebolt, Trustee, left the meeting at 9:20 a.m. and did not return.

Mr. Anderson then requested the Board go into Closed Executive Session to discuss pending or imminent litigation and specific legal questions addressed to General Counsel regarding Senate Bill 09-282 and the legal implications of the merger of the DPSRS with PERA, pursuant to C.R.S. §§ 24-6-402(3)(a)(II) and 24-6-402(4)(b). Mark Anderson, Chair, called for a roll call vote with the following results: Sara Alt, yes; Susan Beeman, yes, Howard Crane, yes; Richard Delk, yes; Cary Kennedy, yes; Maryann Motza, yes; Susan Murphy,



yes; Lynn Turner, yes; Carole Wright, yes; M. Judy Chavez, yes. Consent was received from all Trustees present to go into Closed Executive Session.

Cary Kennedy, Trustee, informed the Board that she would be leaving to attend a meeting at the Capitol. Ms. Kennedy urged support of the bill with acknowledgement of improving the funding position of all of PERA divisions, which would include DPSRS.

Ms. Kennedy left the meeting at 10:53 a.m. Sara Alt, Vice Chair, left the meeting at 10:56 a.m.

The Board commenced the Closed Executive Session at 10:56 a.m. In addition to the Trustees and the Executive Director, General Counsel, the Chief Financial Officer, the Chief Investment Officer and Chief Operating Officer, the Directors of Communications and Internal Audit, the Manager of Strategic Innovation, Senior Staff Attorneys and the Legal Executive Administrative Assistant remained present for the Closed Executive Session.

The Board recessed at 10:56 a.m. and reconvened at 11:07 a.m. Scott Murphy, Trustee, arrived at 11:05 a.m. Scott Noller was not present for the roll call vote for the Closed Executive Session, but was able to rejoin the meeting via conference call after the start of the Closed Executive Session.

“By my signature below, I certify that the only issues discussed by the members of the Board during the Closed Executive Session were regarding pending or imminent litigation and specific legal questions addressed to General Counsel regarding Senate Bill 09-282 and the legal implications of the merger of the DPSRS with PERA.”

Mark Anderson, Board Chair

The Board recessed at 12:21 p.m. and reconvened at 1:01 p.m. Cary Kennedy, Trustee, arrived at 1:01 p.m. The Closed Executive Session concluded at 1:21 p.m.

A motion was made by Lynn Turner and seconded by Howard Crane that, *“the Board recognize the valuable provisions of Senate Bill 09-282 relating to statewide portability for all educators and support personnel, expanded investment diversification, efficiencies in administration, improved opportunities for health care coverage, and the separate division approach that eliminates the risk of subsidy between the divisions. At the same time the Board recognizes the authority of the General Assembly to establish contribution rates and notes that the funding provisions contained in the legislation for the Denver Public Schools Division are inadequate and will lead to the actuarial deterioration of the funded status of the Division, ultimately requiring substantially increased contributions to provide for the retirement security of the members and beneficiaries of the Denver Public Schools Division. The Board also states that*



upon the passage of Senate Bill 09-282 that the PERA Board and staff will implement the bill's provisions in a prudent, productive, and professional fashion. Accordingly, the Board of Trustees endorses all aspects of the bill, with the exception of the funding provisions, which the Board opposes." Meredith Williams, Executive Director, and Mr. Anderson responded to questions. Mr. Anderson called for a roll call vote with regard to the foregoing motion with the following results: Susan Beeman, yes; Howard Crane, yes; Richard Delk, yes; Cary Kennedy, yes; Maryann Motza, yes; Scott Murphy, yes; Susan Murphy, yes; Scott Noller, yes; Lynn Turner, yes; Carole Wright, yes; M. Judy Chavez, yes. The motion was approved.

Scott Murphy, Trustee, left the meeting at 1:25 p.m. and did not return.

CAFR Discussion

Gregory W. Smith, General Counsel, requested the Board commence a Closed Executive Session to discuss specific legal questions addressed to General Counsel regarding financial reporting, pursuant to C.R.S. § 24-6-402(4)(b). Mark Anderson, Chair, requested a roll call vote with the following results: Maryann Motza, yes; Cary Kennedy, yes; Richard Delk, yes; M. Judy Chavez, yes; Susan Murphy, yes; Lynn Turner, yes; Carole Wright, yes; Scott Noller, yes; Howard Crane, yes. Susan Beeman, Trustee, was not present during the roll call vote, but joined via conference call during the Closed Executive Session.

Closed Executive Session began at 1:30 p.m. In addition to the Trustees and the Executive Director, General Counsel, the Chief Financial Officer, the Chief Investment Officer and Chief Operating Officer, the Directors of Communications and Internal Audit, the Strategic Innovation Manager, and the Legal Executive Administrative Assistant remained present for the Closed Executive Session.

The Closed Executive Session concluded at 1:56 p.m.

"By my signature below, I certify that the only issues discussed by the members of the Board during the Closed Executive Session were regarding financial reporting and specific legal questions addressed to General Counsel."

Mark Anderson, Board Chair



Other Business

With no further business to discuss Mr. Anderson adjourned the meeting at 1:56 p.m.

Board Meeting Dates

April (16) 17, 2009
May 29, 2009
June (18) 19, 2009
July (23) 24, 2009
August 2009 (Board Hearings)
September 16-18, 2009 (Planning Meeting)
October 15, 16, 2009
November (19) 20, 2009

Respectfully submitted by
Brenda E. Meidl
Executive Administrative Assistant
Office of the General Counsel

Mark Anderson, Board Chair

Meredith Williams, Executive Director