

REGULAR BOARD OF TRUSTEES MEETING MINUTES

Tuesday, January 30, 2007

Don Bennett called the meeting to order at 10:04 a.m. Other Board members present included Kevin Boehnlein, Karen Davis, Cari Whicker and Chuck Schalliol.

TRF staff present included Cristy Wheeler, Bob Newland, Tom Abbett, Crystal Lawson, Phil Barnes, Amy Maynard, Matt Myers, Bethaney Matlock, Dave Yeater, and Dan Diebolt. Also in attendance were Ralph Ayres of IRTA, Tony Armstrong of the Budget Agency and Marilynn Edwards of ISTA.

An executive session was held and no formal action was taken.

The Agenda was presented.

Chuck Schalliol moved to approve the agenda. Kevin Boehnlein seconded the motion. The motion carried.

The minutes of the November 28, 2006 meeting were presented.

Kevin Boehnlein moved to approve the minutes. Chuck Schalliol seconded the motion. The motion carried.

Dan Diebolt presented a summary of retiree payments for the months of January and February 2007. For confidentiality reasons no personal information was included with their monthly packets; however, it was handed out to the Board members at this meeting. Tom Davidson will verify before the next meeting with the State Board of Accounts whether individual member information needs to be presented to the Board monthly. The Board asked Dan Diebolt to verify the average pension payout information and report back to them.

Kevin Boehnlein moved to approve the payments. Chuck Schalliol seconded the motion. The motion carried.

Tom Abbett presented the expenditures for November and December 2006 and the budget expenses as of December 31, 2006.

Cristy Wheeler began the Director's report by handing out the 2006 Actuarial Valuation report from Gabriel, Roeder & Smith. Cristy Wheeler summarized the Key Valuation Results from page one of the handout.

Cristy Wheeler discussed the employer rate recommendation for the next fiscal year. In her recent meeting with superintendents it was mentioned that the schools set their budget on a calendar year basis. There are only three schools that set their budget on a fiscal year basis. To better accommodate the majority of schools, staff proposes to set the employer rate for 18 months (July 1, 2007 through December 31, 2008) to get back on a school cycle. The recommended employer rate is 7.25%.

Chuck Schalliol moved to approve the employer rate recommendation. Kevin Boehnlein seconded the motion. The motion carried.

Cristy Wheeler began to discuss the Administrative Code revisions and then decided to table the discussions, because of Tom Davidson's absence, until the next Board meeting.

Chuck Schalliol recommended electing Kevin Boehnlein as the Board's new Vice President.

Chuck Schalliol moved to approve the election. Karen Davis seconded the motion. The motion carried.

Matt Myers distributed a timeline for the 2007 System Plan. This timeline is aggressive, with a target implementation date of February 2008. Matt Myers updated the Board on TRF Interactive security. In March 2007 we are planning to change from three log-ins to two log-ins due to member feedback.

Cristy Wheeler discussed the potential litigation case regarding Mrs. Hawes. Cristy Wheeler recommended settling this claim in the amount of \$681.89 due to cost and time already spent, and any future costs that would be incurred.

Chuck Schalliol moved to pay \$681.89 to Mrs. Hawes. Kevin Boehnlein seconded the motion. The motion carried.

At the request of Don Bennett, Cristy Wheeler presented a resolution for delegating authority to the Executive Director to settle claims up to \$10,000.

Chuck Schalliol moved to approve the resolution. Kevin Boehnlein seconded the motion. The motion carried.

Don Bennett granted a five minute recess to the Board. The meeting resumed at 11:02 a.m.

Cristy Wheeler and Bob Newland updated the Board on the status of the Indiana Investment Fund agreement.

Bob Newland discussed investment planning, decision making and reporting for investments. The Board asked the investment division to conduct a full report annually with them, as well as the periodic reports in the proposed schedule.

Cristy Wheeler opened the monthly highlights with an invitation to the Board to schedule meetings with affiliated school corporations. Kevin Boehnlein discussed how informative these meetings were in his region and encouraged the Board to take advantage of this opportunity. Cristy presented the Board with TRF's 2007 goals and metrics.

Cristy Wheeler noted her testimony in House of Ways and Means Committee went well. Also, TRF received a clean report from the State Board of Accounts. Cristy Wheeler introduced Ralph Ayers from the ISTA office as Steve Moberly's replacement.

Cristy Wheeler discussed some organizational changes that will affect the Board members. Amy Maynard has been promoted to Senior Communications Specialist as there was a definite need for a full time communications representative for TRF. With this change, we will have a new Executive Assistant, Becky Carter, who will begin on February 12, 2007 and will be the Board's contact for Board matters and questions. Bethaney Matlock, Legal Administrator, will take minutes for future Board meetings and it was noted that contact information for Becky and Bethaney will be forwarded to the Board for future reference.

Cristy Wheeler provided a legislative update indicating there are several proposed bills that if passed will directly affect TRF. Some of the proposed bills are COLA, Sudan Divestment, Military Service Credit and an Increased Benefit Multiplier.

The February meeting was set for February 27, 2007 at 10:00 a.m. The March meeting was tentatively scheduled for March 27, 2007.

There being no additional business, Chuck Schalliol moved to adjourn the meeting. Cari Whicker seconded the motion. The meeting adjourned at 11:45 a.m.