

REGULAR BOARD OF TRUSTEES MEETING MINUTES

Tuesday, September 25, 2007

Don Bennett called the meeting to order at 10:04a.m. Other Board members present included Dave Adams, Karen Davis, Cyndi Walsh, Cari Whicker, and Ryan Kitchell.

TRF staff present included Cristy Wheeler, Bob Newland, Tom Abbett, Crystal Lawson, Phil Barnes, Steffanie Rhinesmith, Tom Davidson, Becky Carter, Bethaney Matlock Wolf, Joy Smith, Julia Pogue, Keith Hall and Shelley Horner. Others present were Marilyn Edwards, Kevin Dolsen, Jim McKee and Ken Brunke.

The agenda was presented. Karen Davis moved to approve the agenda. Dave Adams seconded the motion. The motion carried.

The minutes of the August 28, 2007 meeting were presented. Cari Whicker moved to approve the minutes. Cyndi Walsh seconded the motion. The motion carried.

Shelley Horner presented a monthly summary of payments for October 1, 2007. Ryan Kitchell moved to approve the monthly summary of payments and Dave Adams seconded the motion. The motion carried.

Tom Abbett presented the expenditures and actual expenses for August 2007.

Steffanie Rhinesmith presented the 130/30 and enhanced manager hiring recommendations hand-out. The investments staff recommended hiring three additional managers: J.P. Morgan Asset Management, Analytic Investors, and Quantitative Management Associates. Steffanie then recommended terminating large cap manager, ICAP, due to organizational changes and a reduction in active large cap assets. After an open forum of questions from the Board, Ryan Kitchell moved to approve the staff's recommendations and Dave Adams seconded the motion. The motion carried. Staff then recommended and the Board agreed to have investment manager, PIMCO, come to a Board meeting to give a presentation on portable alpha and their investment strategies, because TRF staff is interested in expanding their mandate with them.

Phil Barnes updated the Board on the real estate plan. He invited the Board to attend the pan regional fund interviews that will be taking place in the near future.

Tom Davidson discussed the amendment to the Investment Procurement Policy. Tom recommended adopting section (k) to the procurement policy. Cyndi Walsh moved to approve Tom's recommendation and Cari Whicker seconded the motion. The motion carried.

Bob Newland reviewed the Q2 investment returns as requested by the Board.

Don Bennett granted a five minute recess to the Board. The meeting resumed at 11:30a.m.

Jim McKee from Callan & Associates gave a Hedge fund presentation to the Board.

Don Bennett granted a five minute recess to the Board for lunch. The meeting resumed at 12:53p.m.

Don Bennett introduced the Board's officer election discussion. Ryan Kitchell recommended Dave Adams to serve as President; Ryan Kitchell moved to approve the recommendation and Cari Whicker seconded the motion. The motion carried. Ryan Kitchell recommended Don Bennett to serve as Vice-President; Ryan Kitchell moved to approve the recommendation and Cyndi Walsh seconded the motion. The motion carried.

Karen Davis recommended Cari Whicker to serve as Secretary; Karen Davis moved to approve the recommendation and Ryan Kitchell seconded the motion. The motion carried.

Keith Hall presented his charter recommendations for the Internal Audit Department. Keith proposed that the Board approve the internal audit department charter. Dave Adams moved to approve his recommendation and Cari Whicker seconded the motion. The motion carried.

The October Board meeting was set for October 30, 2007 at 10:00a.m. Cyndi Walsh stated she may not be in attendance for October's meeting. The November meeting was tentatively scheduled for November 27, 2007.

Tom Davidson reviewed the ethical standards hand-out and stated that ethics training will be provided to the Board in the near future.

There being no additional business, Ryan Kitchell moved to adjourn the meeting. Dave Adams seconded the motion. The meeting adjourned at 1:02 p.m.