

## MINUTES

### Regular Meeting Board of Trustees

October 21, 2002

*The Board of Trustees of the Arkansas Teacher Retirement System met on Monday, October 21, 2002, at 1:30 p.m. The meeting was held in the ATRS Board Room, Arkansas Teacher Retirement Building, 1400 West Third Street, Little Rock, Arkansas.*

#### Members of the Board Present:

Linda Parsons, Chair  
Charles Vondran, Vice Chair  
Winfred Clardy  
Hazel Coleman  
Charles Dyer  
Dr. Paul Fair  
John Fortenberry  
Ann Harbison  
Mary Harris  
Betty McGuire

#### Members of the Board Absent:

Jimmie Lou Fisher  
Frank White  
Gus Wingfield

#### Members of the Staff Present:

Wayne Greathouse, Interim Executive Director  
Michael Ray, Interim Deputy Director  
Tammy Medlock, Administrative Assistant  
Hugh Roberts, Retirement Fund Investment Supervisor

#### Others Present:

Bruno Bertocci, UBS Global (formerly, Brinson)  
Wesley Brown, Arkansas News Bureau  
Steve Cummings, Ennis Knupp + Associates  
Leslie Denison, Regions  
Tom Ferstl, Affiliated Real Estate Appraisers of Arkansas  
Cythnia Frick, Alliance Capital  
Mariko Gordon, Daruma  
Alfred Harrison, Alliance Capital  
Robert Horton, Salomon Smith Barney  
Jennifer Hunt, Loomis Sayles  
P.J. Kelly, Ennis Knupp + Associates  
David Malone, University of Arkansas Foundation

**Others Present (Cont'd):**

Jack McGowan, Putnam Investments  
James McGuire, Guest of Betty McGuire  
Michael Millhouse, Loomis Sayles  
Joseph Rice, Alliance Capital  
DeWitt Smith, Cooper Realty Investments  
Steve Wilde, UBS Global  
Mike Wickline, Arkansas Democrat-Gazette

**I. Roll Call**

The minutes were recorded by Tammy Medlock of the Teacher Retirement staff.

**II. Adoption of Agenda**

Ms. Parsons indicated Mr. Smith with Cooper Realty Investments would be added to the agenda following adoption of the minutes. Mrs. Coleman made a motion to adopt the agenda as amended. The motion carried.

**III. Adoption of Minutes – August 12-13, 2002; August 26, 2002**

Ms. Parsons noted a misspelling of her name in Item II of the August 26, 2002 minutes (*page 17 of the brochure*). She also indicated the minutes should reflect the motion carried unanimously. Mr. Fortenberry noted in the Minutes of August 13, 2002 (*page 12 of the brochure*) the travel resolution referenced in item XVII (F), should reflect 2002, rather than 2003. Mr. Vondran made a motion to adopt the minutes as corrected and the motion carried.

**IV. Cooper Realty Investments Capital Call – DeWitt Smith**

Mr. Dyer made a motion to advance \$3.4 million for the proposed capital call. The motion did not carry. Ms. Harbison made a motion to revisit the issue at the following day's meeting of the board. The motion carried.

**V. Consultant's Performance Evaluation Report – Steve Cummings, P.J. Kelly – Ennis Knupp + Associates**

Mr. Cummings distributed a press release issued by Ennis Knupp in reference to their termination by San Bernardino Employees' Retirement Association (*Attachment A*). Ms. Parsons encouraged Mr. Cummings to discuss with the interim director about what information is pertinent and necessary to share with all board members.

Mr. Kelly reviewed the preliminary update for the performance of the ATRS portfolio for the period ending September 2002 (*Attachment B*).

## **VI. Investment Program Reports**

- A. Alliance Capital Management – Alfred Harrison, Cynthia Frick, Joseph Rice
- B. Daruma Asset Management – Mariko Gordon
- C. UBS Global Asset Management – Steve Wilde, Bruno Bertocci
- D. Loomis Sayles & Company – Michael Millhouse, Jennifer Hunt

*The meeting recessed at 5:45 p.m.*