

**REGULAR MEETING OF THE
MONTANA BOARD OF INVESTMENTS
DEPARTMENT OF COMMERCE**

**2401 Colonial Drive, 3rd Floor
Helena, Montana**

Thursday, May 18, 2006

AGENDA

- I. CALL TO ORDER** **8:00 a.m.**
- A. Roll Call
 - B. Approval of the February 17, 2006 Regular Meeting Minutes
 - C. Approval of the April 26, 2006 Conference Call Meeting Minutes
- II. PUBLIC COMMENT** **8:10 a.m.**
- A. Public Comment on Subject in the Board's Jurisdiction but not on the Agenda
- III. COMMITTEE REPORTS** **8:15 a.m.**
- A. Human Resource Committee Report
 - 1. Exempt Employee Salary Ranges requiring Board action
 - 2. Exempt Salary Adjustments requiring Board action
 - B. Audit Committee Report
 - C. Loan Committee Report
 - 1. Loan Requests receiving Loan Committee Action:
 - a. Commercial Loan Program: William Dean and Arlyle J. Clinkenbeard
 - b. Value-Added Loan Program: Summit Design and Manufacturing, LLC.
 - c. Infrastructure Loan Program: Great Falls International Airport Authority
 - d. INTERCAP Loan Program: City of Choteau
 - e. INTERCAP Loan Program: University System (2 loans)
- IV. EXECUTIVE DIRECTOR REPORTS – Carroll South** **9:00 a.m.**
- A. University INTERCAP Maximum Loan Size/Decision
 - B. State Fund office Building/Decision
 - C. Proposed Legislation/Decision
 - D. Pre-Authorization Energy Bonds Resolution/Decision
 - E. Exempt Employee Salary Ranges/Loan Committee Recommendation
- V. INVESTMENT REPORTS – R.V. Kuhns & Cliff Sheets, CFA, CIO** **9:30 a.m.**
- A. Capital Markets Overview (*to be provided by RVK*)
 - B. Performance Report (*to be provided by RVK*)
 - C. Asset Allocation Report
- VI. BOND PROGRAM – Louise Welsh** **10:15 a.m.**
- A. INTERCAP
 - 2. Activity Report
 - 3. Staff Approved Loans Report
- VII. MONTANA LOAN PROGRAM – Herbert J.C. Kulow** **10:30 a.m.**
- A. Commercial and Residential Portfolios Report

**MONTANA BOARD OF INVESTMENTS
DEPARTMENT OF COMMERCE**

**2401 Colonial Drive, 3rd Floor
Helena, Montana
May 18, 2006**

MINUTES

BOARD MEMBERS PRESENT:

Terry Moore, Chairman
Teresa Cohea
Karen Fagg
Maureen Fleming
John Paull
Jack Prothero
Jim Turcotte
Calvin Wilson

BOARD MEMBERS ABSENT:

Elouise Cobell

STAFF PRESENT:

Jason Brent, Investment Analyst
Robert T. Bugni, CFA, Portfolio Manager
Geri Burton, Deputy Director
Richard Cooley, CFA, Portfolio Manager
Kimberly Dallas, Program Assistant
Roberta Diaz, Accountant
Mary Edwards, Bond Program Assistant
Nancy Grabowski, Accountant
Tim House, Investment Analyst
Edward Kelly, Portfolio Manager
Teri Kolnik, Investment Analyst
Herbert Kulow, Portfolio Manager
Gayle Moon, Accounting Fiscal Manager
Rande Muffick, CFA, Portfolio Manager
Mary Noack, Accountant
Jon Putnam, Investment Analyst
John Romasko, Investment Analyst
Mari Rohrig, Accountant
Coralie Sciuchetti, Accountant
Clifford A. Sheets, CFA, Chief Investment Officer
Carroll V. South, Executive Director
Steve Strong, Investment Analyst
Louise Welsh, Bond Program Officer
Charlie Williamson, Investment Analyst

GUESTS:

Mick Robinson, Office of Commissioner of Higher Education
Mark Barry, Montana State Fund
Mike Costanti, Matney-Frantz Engineering - Bozeman
Peter Madson, R.V. Kuhns and Associates
Jim Voytko, R.V. Kuhns and Associates

CALL TO ORDER

Chairman Moore called the regular meeting of the Board of Investments (Board) to order at 8:03 a.m. in the conference room at 2401 Colonial Drive, 3rd Floor, Helena, Montana. As noted above, the meeting convened with eight members of the Board present. Member Cobell was absent.

Member Prothero motioned for approval of the February 17, 2006 minutes and the April 26, 2006 minutes; Member Turcotte seconded the motion and the motion was passed 8-0.

PUBLIC COMMENT

Chairman Moore called for Public Comment of Board-Related Items. *No Public Comment was made.*

ADMINISTRATIVE BUSINESS

Chairman Moore suggested that the August 17 & 18, 2006 meeting date be changed to August 23 & 24, 2006. This meeting would be held prior to the Big Sky Venture Capital Conference, scheduled for August 24 & 25, 2006. Staff will collect information on the conference and distribute it to the Board.

COMMITTEE REPORTS

Human Resources Committee Report

Exempt Employee Salary Ranges:

Committee Chair Maureen Fleming presented committee recommendation that new salary ranges for exempt staff positions be adopted based on two recent surveys as recommended by the Executive Director. The ranges would be phased in the first year at 75.0 percent of the survey results. Maureen Fleming moved for adoption of the recommendation and Member Cohea seconded the motion. The motion passed 8-0.

Exempt Salary Adjustments:

Committee Chair Maureen Fleming presented committee recommendation and motioned that salary adjustment be made to two exempt staff positions. The proposed increases would be one-time adjustments to get the incumbents' salaries in line with the new salary ranges proposed for the Portfolio Manager position. Member Wilson seconded the motion and the motion was passed 8-0.

Additional Reports:

Ms. Fleming also reviewed for the Board: 1) that salary administration within the context of the new exempt ranges is a separate process from that of performance evaluations. The performance evaluation is a process to measure job performance and set goals for the future. Although salary merit adjustments are related to this measure of performance, the positioning of staff within the new ranges is not automatic and will be influenced by a variety of factors; 2) The bonus system for the exempt staff is at a minimum of one-year away; 3) the Research Director position is proceeding as planned; 4) The Committee is very pleased with the work that Carroll South and Cliff Sheets have done on the performance appraisal system and the salary survey; 5) Finally, the Human Resource Committee reviewed the Charter and have no changes to make at this time.

Audit Committee Report

Legislative Audit Committee Meeting:

Committee Chair Karen Fagg reported that the Committee met with Jim Gillett and Laurie Barrett of the Legislative Audit Division (LAD). The following items were discussed:

1. Fiscal Year 2005 Audit Exit Interview – there were no recommendations made, it was a very clean audit. The LAD was very pleased with Gayle Moon and her staff. BOI Accounting staff met all deadlines as required.
2. The Fiscal Year 2006 Audit has been initiated and the auditor staff will return in early September.
 - a. Audits completed during the “odd year” are strictly on financial statements.
 - b. Audits completed during the “even year” are a more “traditional” audit. The LAD will look at the internal controls, compliance with statutes and policy.
3. The Committee reviewed the Charter and has no changes to recommend at this time.
4. The Committee reviewed the accomplishments of the Committee since it formed approximately one-year ago. The IFS Report and recommendations were used:
 - a. Establishment of an Audit Committee – complete
 - b. Adopt a Committee Charter and review the Charter annually – complete
 - c. Hire a Retainer Consultant – complete/RV Kuhns & Associates
 - d. Conduct Asset Liability Study – TRS Asset Liability Study will be presented tomorrow
 - e. To develop and adopt certain policies:
 - i. Securities Litigation Policy – adopted
 - ii. Proxy Policy – being drafted and hope to adopt by the end of the year
 - f. Hiring of an Internal Auditor
 - i. LAD and Committee would both benefit from this.
 - ii. At the next Audit Committee Meeting, time will be spent discussing the role and responsibilities of this position.
 - iii. This position will report directly to the Audit Committee, not to the Executive Director or the Chief Investment Officer

Loan Committee Report

Member Prothero, Chairperson of the Loan Committee, reported that the Committee reviewed staff recommendation to participate in the following Commercial Loan Program loan request:

Borrower:	William Dean and Arlyle J. Clinkenbeard
Lender:	First Security Bank, Missoula
Loan Program:	Participation Loan Program
Purpose of Loan:	Provide long term financing for a convenience store, casino, restaurant and gas station.
Amount of Loan:	\$2,550,000
Board Loan Amount:	\$2,040,000
Board Participation:	80%
Term of Loan:	25 Years
Interest Rate:	7.23% + 0.77% LSF = 8.00% fixed.
Loan Committee Decision:	Approval, subject to the terms and conditions in Schedule A.

Borrower:	Summit Design and Manufacturing, LLC.
Lender:	Mountain West Bank, Helena

Loan Program:	Value-Added Loan Program
Purpose of Loan:	To purchase a PS-8A milling machine, plus software, licenses and additional equipment for the machine.
Amount of Loan:	\$2,425,538
Board Loan Amount:	\$1,819,153
Board Participation:	75%
Term of Loan:	7 Years
Interest Rate:	7.14% + .50%LSF = 7.64%
Loan Committee Decision:	Approval, subject to the terms and conditions in Schedule A.

Borrower:	Great Falls International Airport Authority
Lender:	Montana Board of Investments
Loan Program:	Infrastructure Loan Program
Purpose of Loan:	To provide long-term financing for the renovation of a hangar to be used by a "heavy maintenance" aircraft company.
Amount of Loan:	\$888,425
Board Loan Amount:	\$888,425
Board Participation:	100%
Term of Loan:	20 Years
Interest Rate:	7.39%
Loan Committee Decision:	Approval, subject to the terms and conditions in Schedule A.

Member Prothero presented the following loan request receiving Loan Committee approval. The Loan Committee authorized staff to proceed with processing and closing these loans using the Board's standard Bond Program Office procedures.

Borrower:	City of Choteau
Board Loan Amount:	\$1,255,000
Term:	Interim loan.
Purpose:	In anticipation of Rural Development long term financing for water system improvements.

Member Prothero presented the following loan requests from the Board of Regents of Higher Education. The loans received Loan Committee approval, subject to the Board decision/action on the University INTERCAP Maximum Loan Size. The Loan Committee authorized staff to proceed with processing and closing these loans using the Board's standard Bond Program Office procedures.

Borrower:	Board of Regents of Higher Education
Board Loan Amount:	\$1.2 million
Term:	10 Years
Purpose:	Costs associated with renovating the existing atrium in the EPS Building at MSU.
Staff Recommendation:	Approval recommended for the \$1.2 million request based on the following conditions:
Two loans:	\$750,000 loan/10 year term/costs associated with atrium renovation (\$98,525 approx. annual debt service) \$450,000 loan/5 year term/equipment costs (\$104,788 approx debt service)
Collateral:	Board has first lien on applicable equipment.
Repayment:	Borrower agrees to pledge BTC Outreach Programs revenue as primary repayment source

and obtain appropriate authorizations to do so. To the extent the Outreach Programs' revenue is insufficient, the Borrower will, as authorized by and according to applicable provisions and limitations of law, budget and appropriate any allowable non-state revenues sufficient to pay the principal of and interest on the loan when due.

Loan Committee Decision: Approval subject to approval of University INTERCAP Maximum Loan Size recommendation/decision. Item A under Executive Director reports.

Borrower: Board of Regents of Higher Education

Board Loan Amount: \$2,297,400

Term: 10 Years

Purpose: To finance costs associated with constructing a 9,000 sq. ft. building for its Veterinary Molecular Biology research department.

Staff recommendation: Approve

Loan Committee Decision: Approval subject to approval of University INTERCAP Maximum Loan Size recommendation/decision. Item A under Executive Director reports.

Additional Business

Committee Chair Prothero reported that the Charter was reviewed and there are no changes to recommend at this time.

EXECUTIVE DIRECTOR REPORTS

University INTERCAP Maximum Loan Size/Decision:

Mr. Carroll South presented staff recommendation to approve an increase in the per project loan amount for the University System from \$1million to \$5million, and to approve the University System INTERCAP Loan Policy. The increase would: 1) allow the System to use INTERCAP as a bridge loan for larger capital construction projects pending a bond sale; 2) the System occasionally requires financing for projects between \$1.0 million and \$5.0 million that may be too small for the cost-effective issuance of bonds; and 3) some capital construction projects are funded by multi-year grants or other multi-year revenue source that could be funded by INTERCAP loans without waiting for receipt of multi-year revenues.

Member Wilson moved for approval of this recommendation as presented; Member Turcotte seconded the motion and the motion was passed 8-0.

With the approval of the University System INTERCAP Loan Policy, staff is authorized to proceed with processing and closing the two loan requests submitted by the Board of Regents of Higher Education using the Board's standard Bond Program Office procedures.

State Fund Office Building/Decision

Mr. Carroll South presented staff recommendation that the Board authorize a real estate allocation in the State Fund portfolio and authorize its staff to work with State Fund staff to develop a building plan. The amount of the allocation would be determined by the ultimate cost of the new building.

On May 5, 2006, the State Fund Board authorized its staff to begin planning for the construction of an office building in Helena. The building would consolidate the Fund's current operations and accommodate future growth; and would be held as an asset in the Fund's investment portfolio.

Opinions issued by legal counsels representing the State Fund, the Board of Investments, and the Legislature confirm that the Fund is legally empowered to hold an office building in its investment portfolio. The Board of Investments has the legal responsibility for managing the Fund's investment portfolio and it must ultimately approve a real estate component in the portfolio prior to any investment in real estate. Board of Investments only involvement would be management of the asset.

The Board expressed some concerns regarding this new building. Mark Barry addressed the concerns:

1. The size of the building. The building size being proposed is over one-third larger than needed at this time. Will State Fund need this large of a building; will State Fund continue to employ the number of people anticipated for this building. Will the employment base support the building?
 - a. *Response: Currently State Fund is located in three different office locations; State Fund has approximately two-thirds of the market in the state; State Fund has 293 FTE positions, and based on projections in 20 years, could be at 400 FTE, which is the number being used for the estimates. Cost estimate of a new building is \$23 - \$30 million dollars.*
2. Will State Fund be able to lease out space in this building while in the growing stages, and is State Fund aware that this is a credit risk that they will be responsible for?
 - a. *Response: State Fund is confident that leasing out the space will not be a concern. There are state agencies already expressing an interest in leasing office space in the building.*

Member Fleming motioned for approval that the Board authorize a real estate allocation in the State Fund portfolio up to the cost of a new building. Member Wilson seconded the motion and the motion was passed 8-0. Staff will keep the Board apprised of the progress and will present a more specific recommendation for Board approval at a future meeting.

Proposed Legislation/Decision

Mr. Carroll South presented staff recommendation of two pieces of legislation to be considered by the 2007 Legislature.

1. **In-State Investment Program:** Increase the \$50.0 million maximum allocation for the Value-Added Loan Program and the Infrastructure Loan Program to \$70.0 million and \$80.0 million respectively. Many of the larger projects developed in the state during the next three years will qualify for one of these loan types. If the allocations to these programs are not increased by the 2007 Legislature, the allocations may be exhausted prior to the convening of the 2009 Legislature.

Member Fagg motioned for approval of staff recommendation; Member Prothero seconded the motion and the motion was passed 8-0.

2. **Private Equity Legislation:** The second piece of legislation addresses the Board's Private Equity Program and the information within the Program that must be made public under the state's "right to know" laws. If publicly divulged, certain types of information related to private equity investments could cause damage to the investment fund and thus to the Board as a limited partner in that fund. Staff believes that precautions should be taken to ensure the Board is not denied access in the future because certain information that could damage the funds must be made public.

Member Fleming motioned for approval of staff recommendation; Member Turcotte seconded the motion and the motion was passed 8-0.

Clean Renewable Energy Bonds Resolution/Decision

Ms. Geri Burton presented to the Board an overview and recommendation on Clean Renewable Energy Bonds (CREBs). In 2005, the Federal Energy Policy Act authorized the issuance of tax credit bonds to finance certain renewable energy projects. CREBs offer governmental entities and electric cooperatives the ability to obtain interest free financing for these projects. To provide better access to the capital markets, staff is considering a pooled financing program that would be available to local government entities. Such pools are authorized under the Municipal Finance Consolidation Act. If staff determines it is in the State's best interest to pool these projects, a proposal would be presented to the Board at a future meeting.

Matney-Frantz Engineering, Bozeman, has worked with several local governmental entities to prepare applications for an allocation of the wind facilities component. Legislation would be required to enable Montana counties and cities the ability to issue CREBs. The Legislature's Energy and Telecommunications Interim Committee approved a motion to draft legislation allowing counties and cities the authority to issue CREBs.

Ms. Burton also recommended approval of Reimbursement Resolution No. 211. The resolution does not obligate the Board to issue these bonds but permits reimbursement of expenditures made prior to bonds being issued. The borrower must declare its intent to be reimbursed prior to payment of the expenditure and the issuer must adopt an official intent to reimburse the expenditure with bond proceeds no later than 60 days after payment of the expenditure.

Member Cohea motioned for approval of staff recommendation; Member Paull seconded the motion and the motion was passed 8-0.

CHIEF INVESTMENT OFFICER REPORTS

Asset Allocation Report

Mr. Cliff Sheets presented to the Board the Retirement System Asset Allocation Report for the period ending April 30, 2006.

Performance Report

Mr. Cliff Sheets, Mr. Pete Madsen and Mr. Jim Voytko presented to the Board the Performance Report for the quarter ending March 31, 2006.

LOAN PROGRAMS

Coal Tax Loan Program and Pension Mortgage Program Report

Mr. Herb Kulow presented to the Board this report for the period ending April 30, 2006.

BOND PROGRAM

Activity Report

The Board reviewed this report for the period ending April 30, 2006.

Staff Approved Loans Report

Ms. Louise Welsh reported that:

Borrower:	Lake County
Purpose:	To purchase eight (8) Sheriff Department vehicles.
Staff Approval Date	February 3, 2006
Board Loan Amount:	\$208,448
Term:	3 years

Borrower:	Richland County Valley View Water District (Sidney)
Purpose:	To finance costs associated with a preliminary engineering report (PER) and debt consolidation.
Staff Approval Date	February 9, 2006
Board Loan Amount:	\$14,950
Term:	6 years

Borrower:	Sweet Grass County
Purpose:	To finance a new Dynapac roller and accessories.
Staff Approval Date	February 10, 2006
Board Loan Amount:	\$100,000
Term:	5 years

Borrower:	City of Shelby
Purpose:	To finance land purchase for the landfill.
Staff Approval Date	February 27, 2006
Board Loan Amount:	\$148,000
Term:	10 years

Borrower:	City of Laurel
Purpose:	To finance costs associated with purchase and installation of enhanced 9-1-1 equipment.
Staff Approval Date	February 27, 2006
Board Loan Amount:	\$85,000
Term:	5 years

Borrower:	Stillwater County
Purpose:	To purchase a building for county office space.
Staff Approval Date	March 1, 2006
Board Loan Amount:	\$125,000
Term:	10 years

Borrower:	Frazer School District 2 & 2B
Purpose:	To finance costs associated with enlarging the existing school gymnasium complete with dressing rooms and training room in compliance with the

	building reserve levy approved May 8, 2001.
Staff Approval Date	March 9, 2006
Board Loan Amount:	\$133,000 total (\$44,000 Elem. Dist. #2, \$89,000 HS Dist. #2B)
Term:	5 years

Borrower:	Missoula County
Purpose:	To purchase Motor Pool vehicles and Central Services copiers.
Staff Approval Date	March 10, 2006
Board Loan Amount:	\$186,731
Term:	4 years

Borrower:	Town of Circle
Purpose:	To finance the costs associated with replacing wastewater lift stations and 2,000 feet of wastewater main.
Staff Approval Date	March 17, 2006
Board Loan Amount:	\$220,000
Term:	10 years

Borrower:	City of Lewistown
Purpose:	To finance the costs associated with wastewater collection improvements.
Staff Approval Date	April 3, 2006
Board Loan Amount:	\$355,000
Term:	5 years

Borrower:	Billings Elementary School District #2
Purpose:	To finance costs associated with upgrading the District's computer network infrastructure.
Staff Approval Date	April 14, 2006
Board Loan Amount:	\$362,000 total (\$242,540,000 Elem. Dist., \$119,460 HS Dist. #2B)
Term:	5 years

has been approved by staff.

INVESTMENT STRATEGY

Domestic Equities (Montcomp)

Mr. Cliff Sheets reported to the Board that four new managers have been hired (T. Rowe Price, Goldman Sachs Asset Management, Enhanced Investment Technologies (INTECH), and Western Asset Management. Each manager utilizes a different methodology in how they add value versus a passive index approach which will provide additional diversification. A total of \$500 million is planned to be transferred out of the internally-managed active portfolio in to a transition account. As a result, the internal portfolio will decline to approximately one-third of the total pool.

Montana International Equity Pool (MTIP)

The International Equity Pool Overview for the period ending March 31, 2006 was available for review by the Board. This item required no Board action.

Montana Private Equity Pool (MPEP)

Two investment briefs on Private Equity Funds were available for review by the Board. This item requires no Board action.

1. Carlyle Venture Fund III – Due diligence review as specified in the MPEP Investment Policy Statement was completed in April 2006; staff subscribed to \$25 million of Carlyle Venture Fund III.
2. Madison Dearborn Partners Fund V (MDCP V) – Due diligence review as specified in the MPEP Investment Policy Statement was completed in May 2006; staff subscribed to \$25 million of Madison Dearborn Partners Fund V (MDCP V).

Fixed Income

The Fixed Income Overview for the period ending March 31, 2006 was available for review by the Board. This item required no Board action.

ADJOURNMENT

Chairman Moore adjourned the meeting at 11:00 a.m. for lunch.

PRESENTATION

Chairman Moore introduced to the Board, staff and guests the R.V. Kuhns and Associates “Teachers’ Retirement System Asset/Liability Study” Presentation. Chairman Moore announced that this presentation will be for education purposes and no business of the Board will be discussed.

RECONVEYNE

Chairman Moore reconvened the regular meeting of the Board at 2:00 p.m.

Asset Allocation Study

The Asset Allocation Study was presented by Cliff Sheets and RV Kuhns and Associates. The purpose is to propose a framework for attaining greater diversification within the aggregate pension portfolio and recommend diversification priorities.

Mr. Cliff Sheets presented the following recommendations to the Board:

1. The Board established and endorsed a commitment to real estate as a broad new asset class for the portfolio. Mr. Sheets asked the Board specifically to authorize a minimum 5% allocation to the Real Estate Portfolio, with the objective of getting to that level of exposure by the end of 2008.
2. The Board has approved the addition of enhanced index managers within the domestic equity pool and the increase in active management for the international equity pool. Additionally, Mr. Sheets requested approval of the following additional diversification steps with respect to the existing asset class exposure:
 - a. Fixed Income: Broadening exposure to other fixed income market sectors, by considering for investment global fixed income, specifically sovereign developed and emerging market debt; high yield corporate debt; and a dedicated securitized portfolio which would utilize a range of securitized receivables.
 - b. Domestic Equities: Adding active management within the mid-cap sector and additional active management within the small-cap segment of the portfolio.

Member Fleming motioned for approval of staff recommendation as presented; Member Fagg seconded the motion and the motion was passed 8-0.

Real Estate Update

Mr. Cliff Sheets also updated the Board on the establishment of the Real Estate Pool:

- The objective is to achieve 5% invested status by the end of 2008;
- The new Real Estate Pool is being established and should be active by the end of June;
- Staff will work in a combined effort with RV Kuhns and Associates and a specialty real estate consultant to initiate the exposure;
- Staff will depend upon the expertise of a real estate specialist to obtain the knowledge and to access the opportunity of investing in the non-core arena which includes value-added and opportunity funds;
- Currently staff is in contact with Courtland Partners and working on a short-term retainer relationship.

NEXT MEETING

The next regularly scheduled meeting of the Board will be August 23 & 24, 2006 in Bozeman.

ADJOURNMENT

There being no further business, the meeting was adjourned at 3:15 p.m.

BOARD OF INVESTMENTS

APPROVE: _____
Terry Moore, Chairman

ATTEST: _____
Carroll South, Executive Director

DATE: _____

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- VIII. INVESTMENT STRATEGY (for informational purposes only) 10:45 a.m.**
- A. Montana Private Equity Pool
 - 1. Portfolio Holdings and Recent Activity
 - B. Montana Domestic Equity Pool (MDEP)
 - 1. Pool Structure Overview
 - 2. Montana Common Stock Portfolio
 - C. Montana International Equity Pool (MTIP)
 - D. Fixed Income – Bond Portfolios & Short Term Investment Pool
- IX. ADJOURNMENT for lunch 11:00 a.m.**
- X. PRESENTATION – RV Kuhns and Associates 12:00 p.m.**
Teachers’ Retirement System Asset/Liability Study
- XI. Asset Allocation Study – R.V. Kuhns and Cliff Sheets, CFA, Chief Investment Officer 2:00 p.m.**
(report to be provided)
- A. Methodology review
 - B. Diversification benefits
 - C. Prioritization of diversification objectives
 - D. Real estate strategy update

The Board of Investments makes reasonable accommodations for any known disability that may interfere with a person’s ability to participate in public meetings. Persons needing an accommodations must notify the Board (call 444-0001) or write to P.O. Box 200126, Helena, Montana 59620) no later than three days prior to the meeting to allow adequate time to make needed arrangements.