

**CITY OF PONTIAC, MICHIGAN
GENERAL EMPLOYEES RETIREMENT SYSTEM
BOARD OF TRUSTEES
APRIL 23, 2008**

A regular meeting of the Board of Trustees was held on Wednesday, April 23, 2008 at the Shrine Room, Main Floor, City Hall, 47450 Woodward Avenue, Pontiac, Michigan 48342. The meeting was called to order at 1:32 p.m.

TRUSTEES PRESENT

Koné Bowman

Ray Cochran

Mayor, Clarence Phillips (*arrived at 1:45 p.m.*)

Javier Saucedo, Vice Chair

Devin Scott

Kevin Williams (*arrived at 1:33 p.m.*)

Debra Woods

Andrea Wright

TRUSTEES ABSENT

Shirley Barnett (*excused*)

Charlie Harrison (*excused*)

OTHERS PRESENT

Laurence Gray, Gray & Company

Cynthia Billings, Sullivan, Ward, Asher & Patton, P.C.

Ellen Zimmermann, Retirement Systems Administrator

Jane Arndt, M-Administrative Assistant

Tony Dombrowski, Retiree

Ester Jimenez, Retiree/Rehire

Paulette Poehlman, Retiree/Rehire

Annie Wren, Retiree

Billie Swazer, Retiree

PUBLIC DISCUSSION

Longevity Recalculations

Billie Swazer stated that she and Annie Wren recently received a letter from the Retirement Office regarding a deduction from their retirement benefit due to a longevity overpayment included in their annual base salary. She said that their annual base salary has always included holiday pay.

Ms. Zimmermann stated that in 2003 a code was changed by the Payroll Department which resulted in an error that included lump sum holiday pay as part of the longevity calculation. She confirmed that an adjustment was made in the pension benefits for members whose final average calculation was affected by this error.

Ms. Billings suggested that a detailed explanation be sent to the member documenting the process.

Ms. Swazer asked if these deductions are being assessed to members in the Police and Fire Retirement System. She said they have been calculating longevity the same way for thirty years.

Ms. Zimmermann said that the payroll error occurred five years ago. The error has been corrected and affected members of both systems. The Retirement Office will document the details in writing and forward to the member.

Vice Chairman Saucedo confirmed that the Retirement Office will supply documentation to the member addressing her concerns.

APPROVAL OF CONSENT AGENDA

A. Minutes of Regular Meeting: February 27, 2008

B. Minutes of Special Meeting: April 8, 2008

C. Communications:

1. Correspondence from Julius Baer Re: Annual Review / Jan & Feb 2008 Portfolio Review
2. Correspondence from Capital Guardian Re: February Performance Update
3. Correspondence from Oppenheimer Capital Re: Error correction
4. Correspondence from PFRS Re: PAS Form Documentation
5. Correspondence from HR Re: PAS Form Documentation
6. Conference Information:
 - a. NYPERS Forum – IMN – April 30 – May 1, 2008
 - b. PAPERS – IMN – June 4-6, 2008
 - c. Program for Advanced Trustee Studies – NCPERS – July 22-24, 2008
 - d. Washington Legislative Update – IFEBP – May 19-21, 2008
 - e. Accounting Academy – May 5-9 August 18-22, 2008

C. Financial Reports:

1. Financial Reports – February & March 2008
2. Commission Recapture – February & March 2008
3. Securities Lending – March 2008
4. Accounts Payable:

a. ADP	\$4,984.05
b. Gray & Co.	16,208.14
c. Ikon	490.79
d. Office Depot	360.20
e. Peritus	81,801.40
f. Pontiac Coffee Break	18.20
g. Plante Moran	1,106.00
h. Rodwan Consulting	2,800.00
i. Sawgrass Asset Management	47,516.00
j. Slade's Printing	119.00
k. Sullivan, Ward, Asher & Patton	3,897.05
l. Systematic	58,681.47

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|---------------------------------|-----------|--|
| m. United Investment Managers | 76,749.32 | |
| n. Visa | 3,098.23 | |
| o. Matthew Kibler (med records) | 20.00 | |
- E. Retirements, Refunds, Final Calculations, Re-Examinations
1. Remove from the Rolls:
 - a. Marie Alldredge (deceased 03-30-08)
 - b. Janet Burgess (deceased 03-06-08)
 - c. Alice Clancy (deceased 03-12-08)
 - d. Noretta DeGrazia (deceased 03-06-08)
 - e. Dave Ewalt (deceased 03-28-08): Survivor benefit of \$902.77/mo to Cornelia Ewalt
 - f. Lucille Lundberg (deceased 03-12-08)
 - g. Charles Prince (deceased 03-24-08)
 - h. Elizabeth Ringle (deceased 03-02-08)
 - i. Queenie Stablie (deceased 03-14-08)
 - j. Thomas Vargas (deceased 03-16-08)
 2. Application for Retirement:

a. Gail Higdon – NOMC	20 years, 10 months	Age 55
b. Gloria Dudley – Teamsters 214	22 years, 1 month	Age 60
c. Barbara Johnson – NOMC	17 years, 2 months	Age 55
d. Cheryl Hariskins – PMEA	18 years, 3 months	Age 60
e. Larry Peters – Local 2002	12 years, 9 months	Age 60
f. Dennis Cole – Local 2002	28 years, 7 months	Age 54
g. Alice Carbin – NOMC	22 years, 2 months	Age 55
h. Ellen-Elizabeth Scarlett- Non Union	4 years, 6 months	Age 60 (reciprocal)
i. Juanita Jiminez – NOMC	18 years, 2 months	Age 55
j. Victoria Boase – SAEA	15 years, 2 months	Age 60
 3. Application for Deferred Retirement:

a. Jovita Corke – PPFDA	12 years, 0 months	pension starts: 2017
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 4. Application for Disability Retirement (information only)
 - a. Matthew G. Kibler
 5. Request to Change Effective Date of Retirement:
 - a. Gloria Dudley
 6. Final Pension Calculations:

a. Gail Higdon	#2411	\$650.58	
b. Billie Swazer	#2210	3,727.31	longevity re-calc
c. Annie Wren	#2223	3,809.45	longevity re-calc
d. Ollie Gracey	#2231	2,846.59	longevity re-calc
e. Robert Seay	#2346	1,835.31	longevity re-calc
f. Andres Logronio	#2402	1,161.64	
g. Robert Giddings	#2418	1,783.08	

RESOLUTION 08-016 ByWoods, Supported by Saucedo
 Resolved, That the consent agenda for February 27, 2008 be approved.

Yeas: 8 – Nays: 0

Retiree Rehires

General Employees Retirement
 Regular Meeting,
 April 23, 2008

Tony Dombrowski stated that he is concerned about the recent resolution passed by City Council. He said that after retiring from the City he went to work for Nowak & Fraus and this could affect his livelihood.

Ms. Billings explained that she was approached by Ericka Savage on behalf of the City Council to write an opinion of the resolution that was drafted. She said that the Chairmen of both Boards were aware of the request and authorized Ms. Billings to move forward, pending approval of each board. She said that the Council has signed the retainer agreement with her firm. Nothing has been finalized and she is currently researching whether it is appropriate to execute this resolution. The Board does not have control over resolutions from City Council or Union agreements by law. The Board can only enforce these directives.

Ms. Zimmermann said she was contacted by Ericka Savage asking to obtain a copy of the GERS Ordinance and with some general questions on how changes can be made for non-union members. While she was on vacation, the Council passed the ordinance amendment. She said there may be some unintentional consequences that affect retiree crossing guards and retirees who work the elections and others. In the past, an ordinance amendment would always come from or through the Retirement Office. This time it did not follow that process.

Trustee Scott asked when Ms. Billings was contacted. Ms. Billings said she was contacted one week ago regarding the resolution that was passed over three weeks ago.

Ms. Zimmermann said that she was contacted by Ray Cochran regarding this issue and her cover memo included in the agenda. In the memo she misstated that Ray Cochran contacted Ms. Savage regarding changing a benefit for non-union employees and asking whether it required an ordinance amendment. She confused another issue recorded in her planner regarding the defined contribution plan where members were not informed of their option to join either the defined contribution or the defined benefit plan. That issue also required an ordinance amendment. The memo was poorly worded and misstated Mr. Cochran's involvement.

There were questions on how this amendment applies to retiree rehires currently working for the City or indirectly through a vendor having a contract with the City.

Trustee Bowman said that it was the Council's intention to move forward with the ordinance amendment when they voted. The Mayor vetoed the ordinance amendment. The Council requested Ms. Billings's services to make sure they had a legal opinion on record.

Ms. Poehlman stated that she worked and earned her pension benefits and came back to the City at a lower pay rate to help the city. Trustee Bowman said that a member cannot be a retiree and return to work for the City. The retiree cannot have it both ways.

Mr. Dombrowski said that he made a major life decision when he retired. Had he known the City Council would pass this resolution that would impact his livelihood he may have made a different decision. He said that 98% of the work he performs at Nowak & Fraus is not City related and he can have them reassign the other 2%. However, he does not know whether that

would make a difference since it specifically states working with a company that has contractual arrangements with the City.

There was a lengthy discussion with Trustee Scott stating he was confused by Ms. Zimmermann's memo. Ms. Zimmermann explained that she confused another issue in her planner regarding non-union members and the defined contribution plan. She has confirmed that was the case. Ms. Savage contacted her asking how non-union benefits get changed. She told her that any non-union pension benefit changes will require an amendment to the ordinance. She apologized for her poorly worded memo.

Trustee Scott discussed the amendment changes to Section II in the ordinance and the recent ordinance cleanup questioning whether Council adopted these changes during the ordinance cleanup. Ms. Zimmermann explained that the ordinance amendment was passed while she was on vacation. Upon her return, Ms. Savage contacted her stating that the Council would like to request a legal opinion regarding the amendment from the Board's legal counsel because of their experience with pension systems. She contacted both Chairmen with the request and they authorized Ms. Billings to provide an opinion. She brought this issue to the Board because the ordinance amendment will affect the system.

Trustee Bowman said that Ms. Billings was retained to work on behalf of the Council. Mayor Phillips asked if the Council can request Ms. Billing's firm to work for them.

Ms. Billing said that if the Board has issue with her firm working for the Council her first obligation is to the Board. She has not released an opinion. There was discussion on why a special meeting was not held.

Mayor Phillips asked if the Chairmen can make that decision without bringing it before the Board. Trustee Scott felt that the Board should have held a meeting to discuss the issue.

Trustee Bowman again stated that Ms. Zimmermann was contacted by the Legislative Auditor to inquire whether the Board's attorney could provide a legal opinion on the ordinance amendment for the Council. Ms. Zimmermann said that it is customary for her first contact to be the Chairman; perhaps she should have also contacted the Board. She did as the Chair directed.

Ms. Billings confirmed that her firm will not enter into an agreement with the Council if the Board does not agree.

There was further discussion pertaining to the authority of the Chairman with regard to this issue. Mayor Phillips questioned that legal counsel acted on the authority of the Chairman circumventing the Board's involvement in the decision. Trustee Bowman stated that he does not see a problem with Ms. Billings's firm supplying a legal opinion. Ms. Billings and her firm were contacted after the ordinance amendment was adopted to provide a legal opinion because of their pension expertise.

Ms. Billings said the Chairman acted contingent on the Board's approval. She said that nothing has been released to date. If the Board does not approve her firm's involvement she would step back.

Ms. Zimmermann said that the Board would require a legal opinion in order to implement the ordinance amendment. Trustee Scott questioned whether a copy of the legal opinion would be forwarded to the Board from Council.

Vice Chairman Saucedo called for a motion to ratify the Chairman's authorization for SWAP to provide a legal opinion for City Council regarding the retiree/rehire ordinance amendment.

RESOLUTION 08-017 By Woods, Supported by Wright

Resolved, That the Board ratify the Chairman's approval for Ms. Billings to provide a legal opinion for City Council on the retiree/rehire ordinance amendment.

Roll Call:

Trustee Bowman – Yes

Trustee Cochran – No

Trustee Phillips - No

Vice Chairman Saucedo – Yes

Trustee Scott - No

Trustee Williams - Yes

Trustee Woods - Yes

Trustee Wright - Yes

Motion Passed

Yeas: 5 – Nays: 3

CONSULTANTS

Re: Gray & Company – 2008 Investment Performance Outlook

Mr. Gray said that during his last performance review he has tried to set expectations regarding the markets and provided a thorough analysis of the portfolio and manager performance. The marketplace is going through one of the toughest periods they have seen; however he wanted to offer assurance that type of performance will not continue over the long-term. In other words, there is a light at the end of the tunnel and it is not a train.

The current state of the real estate market has been compared to the Great Depression. He said it is not pretty and some states and regions are suffering worse than others. Further, the sub prime housing issue is not just an issue in the United States it is a global issue.

As of September 30, 2007 the total plan assets were \$489 million and at one point they crossed the \$500 million or half billion mark. The total portfolio performance numbers are approximately off 5%. The S&P is also off with up and down performance. He just wanted to properly set the expectations of the Board. Oil has reached a historic level at \$120.00 per barrel.

Trustee Bowman asked whether the emerging managers have come on board. Mr. Gray confirmed that the following emerging managers have been added to the portfolio: Union Heritage (Detroit), Atlanta Life (Atlanta), Lombardia Capital (Los Angeles), Piedmont Investment Managers (Durham, North Carolina) and Alpha Capital (Detroit). He said that the total allocation to emerging managers was \$50 million with most managers demonstrating good downside protection and providing better performance returns than most managers at large.

Trustee Bowman asked which manager is underperforming. Mr. Gray stated that Alpha Capital is not performing well relative to the peer group.

Mr. Gray addressed the high turnover in the Oppenheimer portfolio and referred to a letter from Geoff Mullen. He said he does not feel it is a concern at this point and that the trading, at least at first glance, is benefiting the plan. Their turnover is much higher than other fixed income managers but they are being nimble and their returns are up. He will evaluate the performance relative to their trading costs in order to give a clearer picture of the high turnover figure.

He reviewed the asset allocation stating 55% is invested in domestic equity and 10% invested in international equity totaling 65%. The allocation to fixed income is 25% with 5% allocated to real estate and 5% to private equity.

He spent a full week in meetings in New York with various investment managers and economists discussing the state of the market. He stated again that this will be a very difficult year due to several macro economic concerns which have been discussed. There are no definitive predictions about when to expect up performance in the equity markets.

Emerging markets continue to perform well. He suggested moving some of the domestic equity into international equity, global real estate or to timber where some of the managers are returning double digit numbers. He gave an example by which one real estate manager in New York sold rooms at a W Hotel for \$1 million per room. Global real estate is doing very well especially in places like New York, London and Jakarta, etc.

Trustee Bowman said that trustees from the City of Detroit assist with investments in the City of Detroit. They invested in the renovation of the Book Cadillac Building where suites are selling for \$1 million each. Those types of investments are good for the local economy.

He said despite what we are reading / have experienced in the real estate space, he does not want to see the trustees turn away from this asset class.

This concluded Mr. Gray's performance report.

Ms. Jimenez, Ms. Poehlman, Ms. Swazer and Ms. Wren left at 2:08 p.m.

Re: Chairman - None

Re: Secretary – None

Re: Trustees/Committees - None

Re: Administrator
Oppenheimer Turnover

Ms. Zimmermann distributed correspondence from Geoff Mullen of Oppenheimer Capital regarding the high turnover in the portfolio and an article regarding how new changes in accounting rules have hurt realty values.

ChrisKen Residential Trust

Ms. Zimmermann also distributed a copy of correspondence from ChrisKen regarding their final distribution payment of \$74,000. There could be another small payment pending a retroactive tax issue that is currently under appeal in the State of Tennessee.

Retirement Coordinator Departure

Ms. Zimmermann advised the Board that Melissa Tetmeyer's last day is April 30, 2008. She is leaving the City to pursue a career as an echo technician. Her replacement is LaJuan Craft who started this week.

She proposed to the Board that Ms. Tetmeyer come in two days per week for one month to assist with Ms. Craft's training since there were only five or six training days before her departure.

Trustee Scott questioned why this was brought before the Board. Ms. Zimmermann said that because it is an expense paid out of the retirement fund she would not move forward without the Board's approval.

Trustee Wright asked what her hourly rate would be. Ms. Zimmermann said that the hourly rate would not exceed her current rate.

Trustee Scott said that from a labor standpoint it is considered union work and Ms. Tetmeyer would no longer be a member of the union. Trustee Woods said that should not be an issue because it was a promotion for Ms. Craft. Trustee Scott said he would check with the union to make sure they do not have an issue.

Ms. Billings suggested that the Board approve the motion pending the union findings.

Trustee Bowman said that normally when an employee comes back as a temporary employee their compensation drops. Trustees Wright and Woods commented that is not always the case.

RESOLUTION 08-018 By Williams, Supported by Scott

Resolved, That the Board approve Ms. Tetmeyer to return as a temporary employee not to exceed two days per week for one month to train the new Retirement Coordinator at 90% of her current pay rate.

Yeas: 7 – Nays: 1 (Trustee Bowman)

Plan Documents

Ms. Zimmermann notified the Board that on March 10, 2008 the Human Resources Director and City Attorney requested copies of the plan documents.

PAS Forms

General Employees Retirement
Regular Meeting,
April 23, 2008

Ms. Zimmermann told the Board that Human Resources has informed the Retirement Office that they will only provide PAS Forms for permanent regular employees. They will no longer supply copies of temporary PAS Forms. A memorandum was sent by the Chairman of the Police and Fire Retirement System regarding the issue. Human Resources replied with a memorandum stating that they are reviewing the process.

GFOA Accounting Academy

Ms. Zimmermann requested if she could attend the GFOA Accounting Academy being held in Chicago on August 18-22, 2008. She is wait-listed for the session being held on May 5-9, 2008. This would be beneficial given the number of governmental changes over the past few years.

RESOLUTION 08-019 By Woods, Supported by Wright

Resolved, That the Board approve Ms. Zimmermann's attendance at the GFOA Accounting Academy being held August 18, 2008 through August 22, 2008 with the costs to be paid from the investment earnings of the Fund.

Yeas: 8 - Nays: 0

Re: Legal

CAPROC, LLC - Sale of One Michigan Avenue

Ms. Billings reported that the property at One Michigan was sold. She referred to correspondence included in the legal report. The property sold for \$9.1 million with CAPROC receiving approximately \$428,000.00 at the closing and a promissory note in the amount of \$450,000.00 at 10% interest.

The funds are to receive 60% or approximately \$256,000 of the initial closing with the Police and Fire Retirement System receiving \$143,000.00 and the General Employees Retirement System receiving \$113,000.00 with the remaining 40% going to CAPROC.

The promissory note calls for CAPROC to receive scheduled principal payments of \$120,000 with interest on May 1, 2008, August 1, 2008 and November 1, 2008 and a final payment due one year from the date the note is signed. A security interest in the Promissory Note was filed to insure that the systems collect their share of the payments.

CAPROC Annual Meeting

CAPROC's annual meeting was held on April 22, 2008. Lora Lauer attended the meeting which lasted approximately one hour. It was reported that there are prospects on selling the Florida properties. She will provide a written report of the meeting.

CAPROC Valuations

At the March, 2008 Police and Fire Retirement System meeting the property valuations for the three remaining properties was discussed. Ms. Billings referred to the attached copy of the appraisal included in the legal report. If the appraisals are accurate, the gross value of the remaining three properties is \$80 million with a net value of \$40 million after payment of the existing mortgages.

She said that her firm is recommending that the Board authorize inspections of the properties to verify valuations and tenant improvements. She said that Stuart Tompkins proposed going along with a real estate expert to inspect tenant improvements. The approximate cost to retain a real estate expert would be \$100.00 per hour.

RESOLUTION 08-020 By Wright, Supported by Bowman

Resolved, That the Board approve Stuart Tompkins from Sullivan, Ward, Asher & Patton, P.C. and an expert to complete an inspection to confirm appraisals and tenant improvements of the CAPROC owned properties in Florida.

Yeas: 8 – Nays: 0

Standard Pacific Securities Litigation

Ms. Billings reported that on December 3, 2007 the General Employees Retirement System was appointed lead plaintiff in the Standard Pacific litigation. Both parties are proceeding through the initial discovery process.

Sunterra Securities Litigation

Ms. Billings reported that on March 19, 2008 mediation was held in connection with the minimum settlement authority of \$10 million. She requested that the Board authorize Coughlin Stoia to settle for not less than the \$10 million. The litigation is proceeding through to trial.

RESOLUTION 08-021 By Bowman, Supported by Wright

Resolved, That the Board ratify the settlement proposal for a minimum of \$10 million in the Sunterra Securities Litigation.

Yeas: 8 – Nays: 0

Tetra Technologies Inc. Securities Litigation

Ms. Billings reported that the General Employees Retirement System lost \$90,000.00 and the Police and Fire Retirement System lost \$50,000.00 in Tetra Technologies, Inc. These losses occurred because the officers and directors of Tetra Technologies, Inc. issued materially false statements and did not disclose facts that led to a major drop in the price of their common stock. Due to the significant loss Coughlin Stoia is recommending that the Retirement Systems combine their losses and pursue lead plaintiff status.

RESOLUTION 08-022 By Woods, Supported by Wright

Resolved, That the Board authorize the Vice Chairman to sign the Retainer Agreement and authorize Coughlin Stoia to pursue lead plaintiff status in the Tetra Technologies, Inc. Securities Litigation.

Yeas: 8 – Nays: 0

Schering-Plough Corporation Securities Litigation

Ms. Billings reported that the General Employees Retirement System lost approximately \$350,000.00 in the Schering-Plough Corporation litigation. Schering-Plough manipulated drug testing results for their two leading cholesterol drugs Vyturin and Zetia. They withheld adverse information related to the safety and efficacy of those drugs during the class period causing the stock to be artificially inflated. In January, 2008 they revealed critical information that Vyturin was not as safe or effective as previously stated.

Coughlin Stoia is recommending that the system apply for lead plaintiff status due to the significant loss. This action needed to be filed prior to the system's meeting, so the Secretary signed the Retainer and Certification Agreement on behalf of the Board. Ms. Billing requested that the Board ratify the Chairman's signature on the Retainer and Certification Agreement.

RESOLUTION 08-023 By Cochran, Supported by Woods

Resolved, That the Board ratify the Chairman's signature on the Retainer and Certification Agreement in the Schering-Plough Corporation Securities Litigation.

Yeas: 8 – Nays: 0

Agreement with Loomis Sayles

Ms. Billings reported that Loomis Sayles has made an amendment to their fee schedule that was in need of updating. The account is currently being billed in arrears but the fee schedules states that it is to be billed at the beginning of the quarter. They are changing the date from the end of the month to the first of the month.

Trustee Bowman asked if this changes the percentage of the amount billed. Mr. Gray said that it would not change the fee and he has never seen a fee schedule that was not billed on the first day. It is normal to pay in advance of the quarter. Ms. Billings said she could find no legal issue with the amendment.

IFEBP Article Titled Securities Litigation: Are Fiduciaries Leaving Money on the Table?

Ms. Billings provided the attached article for the trustees' information. She said that the article published by the IFEBP is a primer on securities litigation. She stated that the Board is complying 100% with their fiduciary responsibilities by pursuing securities litigation to protect employee benefit plan assets.

Retiree Health Care

Ms. Billings reported that the Police and Fire Retirement System has raised the issue regarding the City moving assets from the pension fund to pay for retiree health care. She is preparing a legal opinion to address the issue.

FOIA

Ms. Zimmermann asked that Ms. Billings explain the latest FOIA request. Ms. Billings explained that Ms. Zimmermann received a FOIA request from a research firm out of Chicago. They requested information regarding the custodian. The purpose of the statute was to provide residents of Michigan with information regarding their government. An argument could be made that the system does not have to comply with an out-of-state request. However, she felt that

given the fact that the information requested in the FOIA was not exempt from disclosure, it would not be worth the legal fees if challenged.

That concluded Ms. Billing's legal report.

Union Representatives – None

Trustee Phillips left at 2:52 p.m.

UNFINISHED BUSINESS

Re: Employee Trustee Election Results

Ms. Zimmermann welcomed Trustee Woods back to the Board. She said that Trustee Woods ran unopposed for the employee-trustee position.

RESOLUTION 08-024 By Bowman, Supported by Williams

Whereas, a vacancy will occur on the General Employees' Retirement System Board of Trustees when the Employee-Trustee term expires on march 31, 2008; and

Whereas, all members of the system have been given the opportunity to file nominating petitions for the vacant trustee term; and

Whereas, only one nominating petition has been filed for this vacancy;

Now, Therefore, Be it resolved, that the Board of Trustees hereby declares that Debra Woods, an employee of the City of Pontiac, having met all requirements to serve as Employee-Trustee, is officially elected to the office of Employee-Trustee for a term beginning April 1, 2008 and expiring on June 30, 2012.

Yeas: 7 – Nays: 0

Re: Retiree Trustee Election Results

Ms. Zimmermann welcomed Trustee Barnett back to the Board. She stated that Vice Chairman Saucedo was the official canvasser and certified the vote tally for the retiree trustee election. She requested that the Board receive and file the canvasser certification of the vote tally for the retiree trustee election.

RESOLUTION 08-025 By Wright, Supported by Bowman

Resolved, That the Board receive and file the Official Canvasser Certification of Votes for the Retiree Trustee Election.

Yeas: 7 – Nays: 0

Re: Hospital Deferred Trustee

Ms. Zimmermann said that at the last meeting she notified the Board that James Seibert had been elected as the Deferred Trustee to replace Robert Giddings. She explained that Mr. Seibert came into the Retirement Office after being sworn in and obtained a trustee handbook and she provided a brief overview of trustee duties. When he was leaving, it was discovered that he is in pay status and receiving a benefit from the system, therefore, he is not eligible to be the Deferred Trustee. The hospital was notified of the issue. She would like to table this agenda item to the next meeting.

RESOLUTION 08-026 By Woods, Supported by Scott

Resolved, That the Board table the Hospital Deferred Trustee agenda item to the May, 2008 meeting.

Yeas: 7 – Nays: 0

Re: Citizen Trustee Williams Reappointment

Ms. Zimmermann welcomed Trustee Williams back to the Board and asked that the Board receive and file the City Council Resolution reappointing Kevin Williams as Citizen Trustee.

RESOLUTION 08-027 By Woods, Supported by Wright

Resolved, That the Board receive and file the City Council Resolution reappointing Kevin Williams as Citizen Trustee.

Yeas: 7 – Nays: 0

NEW BUSINESS

Re: Kenneth Smith Disability

Ms. Zimmermann explained that Kenneth Smith has been scheduled for two disability re-exams and has not shown up at either appointment. He called after the first missed appointment to say he was in the hospital and unable to make the appointment. Ms. Tetmeyer scheduled a second appointment and Mr. Smith did not show up for that appointment either. His wife called two weeks after the missed appointment stating that her husband was incarcerated at the time.

Ms. Zimmermann stated that copies of the correspondence (including policies and the ordinance section) sent to Mr. Smith are included in the agenda packet. The correspondence was sent to the member via regular and certified mail.

At this time Mr. Smith has not complied with the requirements for re-examination. She asked that the Board provide direction regarding this member.

Trustee Woods said that if the member is not complying with the requirements and has been properly notified the Board should stop his pension benefit until he complies.

RESOLUTION 08-028 By Woods, Supported by Williams

Resolved, That the Board approve the suspension of Kenneth Smith's disability benefit until the member has complied with the re-examination requirements.

Yeas: 7 – Nays: 0

Re: Employee Trustee Travel

Trustee Wright stated that she is having an issue with the Mayor not approving her travel to attend educational conferences. She sent Chairman Harrison an email regarding the issue with no reply, as well as speaking with her supervisor, Trustee Cochran.

She feels that the Employee Trustees on the Board are being singled out and cannot do the things the other trustees can do. She has not been given a reason why she cannot attend the conference.

Trustee Cochran said based on the criticism received regarding the Hawaii trip and the City of Detroit, the Mayor feels out-of-state travel especially to exotic locations is not appropriate. Trustee Wright said that the Mayor has approved out-of-state education seminars for other employees and she would understand if this policy applied to all employees.

She would have liked to resolve the issue today but the Mayor left the meeting. Trustee Woods said she is no longer fighting the issue. She won a grievance regarding this same issue and the Mayor is not honoring it.

SCHEDULING OF NEXT MEETING

Regular Meeting: May 28, 2008 at 1:30 p.m. in the Shrine Room of City Hall.

ADJOURNMENT

RESOLUTION 08-029 By Wright, Supported Scott

Resolved, That the meeting be adjourned at 3:12 p.m.

Yeas: 7 – Nays: 0

I certify that the foregoing are the true and correct minutes of the meeting of the General Employees Retirement System held on April 23, 2008.

Raymond Cochran, Secretary
As recorded by Jane Arndt