

**CITY OF PONTIAC, MICHIGAN
GENERAL EMPLOYEES RETIREMENT SYSTEM
BOARD OF TRUSTEES
SEPTEMBER 26, 2012**

A regular meeting of the Board of Trustees was held on Wednesday, September 26, 2012 at the City Council Conference Room, Second Floor, City Hall, 47450 Woodward Avenue, Pontiac, Michigan 48342. The meeting was called to order at 1:37 p.m.

TRUSTEES PRESENT

Lynn Asker
Shirley Barnett
Koné Bowman
Janice Gaffney
Robert Giddings
Charlie Harrison, Chairman
John Naglick, Secretary
Sheryl Stubblefield
Patrice Waterman
Kevin Williams

OTHERS PRESENT

Cynthia Billings, Sullivan, Ward, Asher & Patton
Laurance Gray, Gray & Company
Ellen Zimmermann, Retirement Administrator
Jane Arndt, M- Administrative Assistant
Walter Moore, Retiree
Linda Watson, Retiree

TRUSTEES ABSENT

Leon Jukowski, Mayor (absent)

AGENDA CHANGES

Chairman Harrison recommended that Trustee Election item under Unfinished Business be moved to the top on the agenda.

RESOLUTION 12-071 By Williams, Supported by Bowman
Resolved, That the Board approves to move the Trustee Election issue under Unfinished Business to the top of the agenda.

Yeas: 8 – Nays: 0
Abs: 2 (Trustee Asker, Trustee Gaffney)

Chairman Harrison said at the last meeting there was discussion on whether to ratify the most recent member trustee election or to hold a new election. He feels that the issue needs to be resolved before moving forward with the meeting.

Ms. Billings indicated that she reviewed the issue and the Board has the authority to certify the election as it stands and certify the elected trustees. There were fifty deferred vested that were

eligible to vote but were not given the opportunity. She looked at the issue and the Board can vote to certify the election pursuant to the guidelines. It is open for Board discussion.

Chairman Harrison felt that the Board needs to resolve the issue. There has been a lot of discussion that members were disenfranchised by not being allowed to vote. He suggested going around the table to see where the trustees stand on the issue.

PUBLIC DISCUSSION/UNION REPRESENTATIVES

Walter Moore indicated that he is a retiree of the General Employees Retirement System. He has not had an opportunity to look at this issue. He heard that the Board is contemplating moving the Retirement Office to another city. He is against that move and feels that the Retirement Office should stay in the City of Pontiac where it was founded.

He confirmed that Trustee Gaffney won the last election by more than fifty-seven votes. He asked if the election process is set with a cutoff date. The process should be spelled out. He understands that the Retirement Office is currently short-staffed. If the Board holds a new election it may not be the same members voting and some could be deceased. He asked the Board to contemplate the process with the right of one person to have one vote. Unless there is a legal challenge the Board needs to do what is right. This issue was voted on by the Board. The Board needs to make a decision based on that.

Retiree, Linda Watson stated that she feels there should be a new election. She also indicated that she is against the move and that most of the members' livelihood came from the City and the Retirement Office should stay here. It seems that everyone is waiting to bail ship when the City needs the financial support. The Board should show their loyalty to the City.

She questioned whether Ms. Billings also represents the City of Pontiac Police & Fire Retirement System. She inquired because Sullivan Ward could not represent the Retirees' Association because of Sullivan Ward's representation for the Police & Fire System. She asked if Ms. Billings could address this issue.

Trustee Gaffney stated that Ms. Billings also represents the General VEBA which is a separate legal entity as well as the General Employees' Retirement System. She could not possibly represent both groups because there could be a conflict.

Chairman Harrison told Ms. Watson that the Board's attorney has to represent the two Pension Funds and the two VEBA's and cannot represent the Retirees' Association.

Ms. Billings stated that as legal counsel for the System they could potentially have to sue the City if they did not make their contributions to this System. Sullivan Ward also represents the two Police & Fire Funds.

Mr. Moore stated that holding a new election could mean there are new people on the ballot that were not there before. The dynamics of the election could be changed.

Chairman Harrison stated that the Administrator will make certain that only those members who are eligible will be running. This could be a difficult scenario because some members may want to get on the ballot. That would add a new dimension to the election. The Board is just trying to correct a wrong.

He asked that the trustees indicate whether they want to certify the election or hold a new election.

Trustee Bowman stated that he does not want anyone to be disenfranchised. He is in favor of holding a new election but not adding any new names to the ballot.

Trustee Barnett stated that she is in agreement with Trustee Bowman.

Trustee Williams stated that he wants to do right by the retirees. He felt that having to redo the election is embarrassing but it needs to be fixed. There should be a cutoff date. Everyone who is entitled to vote should have the opportunity. There needs to be a determination of who was eligible to vote and to run at a certain point in time.

Trustee Naglick said that he agrees with the other trustees and that clearly a new election needs to be held.

Trustee Stubblefield told the Board that an election was held and everyone who was eligible at the time was identified. She had the opportunity to speak with someone who is now vested. They had not been notified that they were eligible or that they were members of the System. Those members had not been identified at the time.

Trustee Bowman stated that Trustee Stubblefield brought up an interesting point that when the Retirement Office separated from the City everyone became vested.

Ms. Billings indicated that in August, 2011 she began that a partial termination of the System had occurred. At that time employee layoff and termination lists were reviewed to determine when the 20% reduction in the System occurred. It was determined that anyone laid off or terminated in 2011 and 2010 became vested. She reported her opinion in April, 2012. At the same meeting Ms. Zimmermann reported that an election to fill the vacant positions on the Board needed to be held. She had the list of those affected by the partial plan termination.

Ms. Zimmermann indicated that at that time the Board decided to send notice to those members affected by the partial plan termination at the same time as when their pension benefit estimate had been determined.

Trustee Bowman asked when the members were vested.

Chairman Harrison said that members were vested going back to 2010. The first election had to be rerun due to a mix up in the election ballot.

Trustee Bowman asked if everyone who was vested had been identified by the second ballot.

Chairman Harrison stated that the Board is looking for clarity. Per Ms. Billings until the Board certifies the election Ms. Asker and Ms. Gaffney are not actual trustees.

Ms. Billings confirmed that the trustees need to be certified by the Board.

Chairman Harrison asked if Ms. Asker and Ms. Gaffney would like to comment on the issue.

Ms. Asker indicated that she appreciates the opportunity. She feels that the Board has a clear opportunity to set a clear process going forward.

Chairman Harrison stated that he appreciates Ms. Asker's and Ms. Gaffney's patience during this controversy.

Ms. Gaffney said that she agrees with Trustee Stubblefield's position. There was an overlap in time. Members voted for who they wanted on the Board. There are a lot of people who will feel that their vote does not count. Many may not vote a third time.

Trustee Giddings stated that it is the primary responsibility of the Board to be fiduciaries. He felt that the Board is making a lot of financial and monetary investments in these elections. The hospital members feel that they are being put upon by the additional expenses. The Board should do right by the retirees by not wasting more money.

He indicated that none of the deferred vested members identified attended a meeting or complained about not being allowed to vote. It seems that certain members stirred up the issue because they lost.

He is quite concerned that issues discussed during closed session are being brought up by members that were not included in the closed session.

Chairman Harrison reminded the Board that issues are discussed in closed session for a reason.

Trustee Waterman stated that she indicated at the last meeting that she felt another election needed to be held so those members who were eligible had the opportunity to vote.

Chairman Harrison felt that all the trustees had valid points with all having pros and cons. The discussion went well. He said that the Board is going to look silly regardless of whether they hold a new election or not. The Board believed that everything was ready to go. Unfortunately some members were left out. The Board can speculate on what should have happened or the motives used by members who brought up the issue. The basic issue is that some members were disenfranchised. Those that were eligible at that time should be allowed to vote and no new members can be added to the ballot.

Trustee Giddings asked what will happen if some of the fifty-seven deferred vested members feel they were disenfranchised by not allowing them to run.

Chairman Harrison stated that everyone who was eligible to vote at the time of the April, 2012 meeting is being given the opportunity to vote in this election.

Ms. Zimmermann stated that the election process can go back to square one which is a two month process. The nomination process would take place in October and the election would be conducted in November. The election would not be certified until the January, 2013 meeting.

Trustee Giddings stated that he is concerned that someone will be upset down the road because they were not allowed to run.

Chairman Harrison stated that the Board needs to insure that everything required in the motion is in there.

There was discussion regarding the specific language needed in the resolution.

RESOLUTION 12-072 By Bowman, Supported by Waterman
Resolved, That the Board authorizes an election to be held for the two vacant Member Trustee positions on the Board. No new candidates will be eligible to run. However, former candidates may withdraw. All members who were active, deferred vested or retired effective, April, 25, 2012 are eligible to vote in this election.

Yeas: 8 – Nays: 0

Ms. Zimmermann stated that the only difference in this election is the fifty-six or fifty-seven deferred vested members that will be eligible to vote this time. These members were just entered in the database this month.

Trustee Waterman asked if Trustee Long and Trustee Redmond should come back to the Board.

Ms. Billings indicated that the trustees can continue until they are replaced.

Trustee Barnett asked about the election that was redone due to a ballot error. She indicated that she does not want to put the blame on anyone.

Chairman Harrison noted that no one is being blamed.

Ms. Zimmermann explained that there was an ineligible candidate on the ballot for the first Member Trustee election.

She distributed copies of the election information to the Board. She explained that the election will be expedited with these dates. She has done the estimated pension benefit calculations for the fifty-seven deferred vested members. Their information was input into the database. She assured the Board that these individuals will receive ballots.

Chairman Harrison asked that the Board approve the election schedule and that Ms. Zimmermann expedite the election as quickly as possible.

RESOLUTION 12-073 By Williams, Supported by Naglick
Resolved, That the Board approve the election schedule for the Member Trustee election.

Yeas: 8 – Nays: 0

Ms. Asker left at 2:31 p.m.

Ms. Billings asked if the Board needs to appoint a canvasser.

Ms. Zimmermann stated that a trustee was not designated as a canvasser for the previous election. She indicated that candidates came in to observe the election count.

The staff handled the counting of ballots but any trustee interested is welcome to volunteer as a canvasser.

Mr. Moore asked if there are election guidelines.

Ms. Zimmermann told Mr. Moore that election guidelines are available in the Retirement Office.

Chairman Harrison asked if the Board is concluded with this issue.

Ms. Zimmermann referred to correspondence from retiree Judy Storum regarding the certification of the election.

Chairman Harrison directed Ms. Zimmermann to provide a response to Ms. Storum's correspondence.

AGENDA CHANGES

Robbins Gellar

Ms. Zimmermann told the Board that she was contacted by the Robbins Gellar firm who has requested the opportunity to meet with the Board.

Ms. Billings stated that it is not necessary for the Board to meet with them and that this is more to do with protocol on their part.

Chairman Harrison confirmed that the Board has not met with representatives of Robbins Gellar and that it is not necessary going forward.

Quarterly Accounts Payables

Ms. Zimmermann also distributed copies of the quarterly accounts payables to be added to the consent agenda.

APPROVAL OF CONSENT AGENDA

A. Minutes of Special Meeting: August 21, 2012

General Employees Retirement System
Regular Meeting,
September 26, 2012

- B. Minutes of Regular Meeting: August 22, 2012
- C. Communications
 - 1. Correspondence from Ambassador Re: Newsletter
 - 2. Correspondence from AMBS Re: Newsletter
 - 3. Correspondence from Chubb Re: Onyx Capital Counter-Complaint
 - 4. Correspondence from First Eagle Re: August Client Statement
 - 5. Correspondence from Gray & Company Re: Mgr of Mgr Summaries of Performance
 - 6. Correspondence from GERS to Ms. Maksuta
 - 7. Correspondence from Northpointe Capital Re: August Performance Report
 - 8. Correspondence from Judy Storum Re: Certification of Election
 - 9. Correspondence from Robbins Geller Re: Request to Appear
 - 10. Conference Information:
 - a. 58th Annual Employee Benefits Conference – IFEBP – November 11-14, 2012
- D. Financial Reports
 - 1. Financial Reports – August 2012
 - 2. Capital Calls: None
 - 3. Accounts Payable – September 2012
 - 4. Quarterly Interfund Accounts Payable \$1,525.68
- E. Retirements, Refunds, Final Calculations, Re-Examinations
 - 1. Remove from the Rolls:
 - a. Edward Comfort (deceased 08-27-12)
 - b. Morris Cucksey (deceased 09-03-12)
 - c. William Heaton (deceased 09-14-12)
 - d. Della Kuder (deceased 08-17-12)
 - e. Prudence Kunse (deceased 08-31-12)
 - f. Robert McKeever (deceased 08-15-12); surv benefit of \$2,240.66/mo to Deborah McKeever
 - g. Ana Ortiz (decease 09-11-12): surv benefit of \$281.16/mo to Monserate Rodriguez
 - 2. Application for Service Retirement:
 - a. Patti J. Taylor – NOMC 18 years, 7 months Age 55
 - b. Judy Wilson 15 years, 10 months Age 60
 - 3. Final Benefit Calculations:

a. Juanita Harper	#2507	\$ 985.47
b. Hershell Powell	#2558	3,586.57
c. Merri Dorkins	#2578	2,989.17
d. Cindy Mowery	#2581	1,740.12
e. Cynthia Officer	#2584	1,929.65

RESOLUTION 12-074 By Williams, Supported by Bowman
 Resolved, That the Board approve the consent agenda for September 26, 2012 as amended.

Yeas: 8 – Nays: 0

CONSULTANTS

Re: Gray & Company

General Employees Retirement System
 Regular Meeting,
 September 26, 2012

Mr. Gray reviewed the Fund's flash report which is the monthly portfolio report for month. They also provide a quarterly performance report. He explained that at the beginning of the year they were concerned about severe volatility.

The total Plan value at the beginning of the year was \$431.8 million; as of June 30, 2012 it was \$411.2 million; as of August 31, 2012 it was \$418.9 million and as of September 21, 2012 it was \$430.5 million.

They expect continuing volatility in the market and will continue to see performance bounce around. He explained that their concerns for the market are with China, Europe, frontier nations and fiscal cliff issues.

He asked if the trustees had any other macroeconomic questions.

Chairman Harrison asked if they think the portfolio will be hit by a market correction and not just market volatility. He is concerned that some managers are over weighted to financials. Some of these financial institutions are about to fall off the cliff and some of our managers are overweight to these institutions.

Trustee Bowman left at 2:51 p.m.

Trustee Waterman asked if the Board can direct the managers to get rid of these investments.

Ms. Billings explained that directing investments could cause liability issues for the Board.

Mr. Gray told the Board that last month was a good performance month. There has been a lot of window dressing and the Board should expect some pullback in the market. The fiscal cliff domestic issue will not be over until after the election.

Europe is dealing with a lot and they are so intertwined they have to get it done. He described how Canada represents 12% of the United States' GDP versus Germany's neighboring countries which represent 40% of their GDP. Many look at Greece as trust fund babies. Their benefits need to be cut but the people do not want that. It will be painful here and abroad.

Chairman Harrison noted that the International Monetary Fund (IMF) is more involved in these issues than they want to be.

Mr. Gray stated that the IMF Chairman is a conservative thinker.

Trustee Barnett asked if Artio's performance is being addressed.

Trustee Giddings asked if the Fed's QE3 has had any impact.

Mr. Gray said that the effect is muted and it is a net-net with no long-term affect. Ben Bernanke is a student of the Great Depression and printing money is a sneaky way for him to create inflation.

Chairman Harrison indicated that the \$40 billion monthly open ended investment in bonds is not going to help.

Trustee Giddings questioned whether investors should get out of bonds.

Mr. Gray said that the thirty year bond market is over and it had an incredible run but you want to get out before interest rates go up and they will.

He indicated that Chris Kuhn has had a long chat with Artio. They have been on watch with the System for the past year. He stated that the client service person Bridget Flanagan left and if members of the team start leaving it could impact the portfolio. He asked if the Board would like them to begin an international equity manager search to replace Artio.

Trustee Stubblefield left at 2:57 p.m.

Chairman Harrison questioned whether the Board is okay with Gray & Company working on a replacement manager list.

Mr. Gray told the Board that when they perform the international equity manager search they should find a number of managers that perform better and will be a good match with First Eagle.

Total Fund performance for the month was 2.00% versus the policy index at 2.11% with year-to-date performance at 9.52% versus 9.89%.

He indicated that this report does not reflect the managers' risk in the market. They are not concerned with small variations in performance.

Trustee Giddings asked if this represents a sell off similar to that in technology before the bubble burst.

Large cap performance continues to struggle net of fees. It is a challenging place to invest.

Trustee Bowman returned at 2:59 p.m.

Mid cap manager Munder Capital's performance is steady and solid.

Small cap manager Loomis Sayles' performance was slightly weak this month. Their long-term performance has been very good.

Domestic fixed income managers Munder Capital and Ambassador are two good local managers.

High yield manager Peritus outperformed the benchmark for the current month at 11.33% versus the benchmark at 10.44%. This is an incredible growth area and the market is frothy. We may see a pullback in this market.

They do not have any month by month performance numbers for private equity. They are still confident that this will be the best performing asset class.

Trustee Stubblefield returned at 3:01 p.m.

REPORTS

Re: Chairman

Retirement Office Space

Chairman Harrison reported that the Retirement Office received a Notice to Quit from the Emergency Manager. The rent/overhead issue has been on the agenda for some time. He met with Lou Schimmell, Trustee Naglick and their legal counsel regarding the issue.

The System received a Letter of Eviction because the rent/overhead issue kept getting pushed back and the System owed rent on the office space. He told the Board that they need to vote on this agenda item.

*Ms. Zimmermann left at 3:06
Meeting break at 3:06 p.m.
Meeting resumed at 3:10 p.m.*

Trustee Naglick explained the eviction issue regarding the back rent owed by the System. He met with Chairman Harrison to discuss this issue prior to bringing it up at the Board meeting.

Chairman Harrison stated that the City is interested in the Retirement Staff moving out of that space after the System pays the bill. They need to find a decent place within the City limits. The Retirement Office has to find a new space.

Trustee Naglick explained that the City is now down to thirty-nine employees. The Emergency Manager is trying to move all departments to City Hall. They would like to move DPW into the current Retirement Office space. DPW is on polluted ground owned by Consumers Energy. Once DPW moves they are going to clean up the pollution.

Ms. Zimmermann asked if October 31, 2012 is a real deadline.

Chairman Harrison stated that there is no drop dead date.

Trustee Naglick indicated that the rent is shared with the Police & Fire System so this System owes \$24,000.00 in rent for eight months.

Chairman Harrison told the Board that they need to vote on paying the back rent.

RESOLUTION 12-075 By Barnett, Supported by Waterman
Resolved, That the Board agrees to pay the System's share of the monthly rental rate of \$3,000.00 pending receipt of invoice.

Yeas: 8 – Nays: 0

Trustee Giddings asked if the System should hold back a couple of month's rent.

Chairman Harrison asked if the Board would like to have a discussion on finding new office space.

Trustee Bowman suggested tabling the office space issue.

Trustee Giddings questioned whether a Sub Committee should be formed.

Ms. Zimmermann indicated that she is available to be on the Committee.

It was determined that Trustees Giddings along with Ms. Zimmermann would form a subcommittee to work on finding suitable office space for the Retirement Office. Trustee Bowman also volunteered to be on the committee.

Retiree Healthcare

Chairman Harrison indicated that he is personally working on something to bring to the Board regarding retiree healthcare. He is working with the City Council Finance Subcommittee. This could be of benefit to retirees of the System.

Re: Secretary – None

Re: Trustees/Committees

Personnel Sub Committee

Trustee Watermann requested that the Board move into closed session to review the findings of the Personnel Committee. She indicated that the Retirement Administrator requested that the Board meet in closed session to discuss pending personnel issues.

The Board determined that they would wait until the end of the meeting to go into closed session to discuss personnel issues as well as litigation issues.

Re: Administrator

Ms. Zimmermann distributed a copy of the 2013 medical insurance hard cap information from the State of Michigan.

General VEBA Trustee

Ms. Zimmermann reported that it has been difficult to get a quorum for the General VEBA meeting. She was waiting until after the Member Trustee election was over to replace the Trustee position to the VEBA. Tuesday Redmond was the former Trustee who sat on the General VEBA Board. She asked if the Board would like to wait until the next meeting to appoint a trustee.

Trustee Stubblefield volunteered for the Trustee position on the General VEBA Board. The trustees concurred.

Ms. Zimmermann stated that she may have to amend the rules for the General VEBA.

Wachovia Derivative Settlement Claim Notice

Ms. Zimmermann reported that Trustee Naglick and Trustee Stubblefield received a notice to file a claim from Wachovia. She explained that a group of Attorneys General filed suit. The City was notified that they have a settlement from shares they owned in Mellon Bank. If you sign the claim forms you waive the right to sue. She filed the claim using the Employer Identification Number (EIN).

Trustee Naglick stated that in 2002 the City invested in municipal derivatives. The Attorney Generals' lawsuit indicated that the City has a settlement of \$664,000.00. He is not sure if the City invested in these bonds. However, they also filed the derivative settlement.

Ms. Billings stated that it does appear that it was the City's investment based on her conversation with the Deputy Attorney General of Michigan. Both the City and the Retirement Systems have filed the claims because the Wachovia records are fuzzy. She is not saying that the Fund did not invest in these bonds. The Fund has nothing to lose by filing a claim.

RESOLUTION 12-076 By Giddings, Supported by Bowman

Resolved, That the Board ratify the Administrator's signature on the Wachovia Derivative Settlement Claim.

Yeas: 8 – Nays: 0

Re: Legal

Lile EDRO

Ms. Billings reported that the parties divorced and submitted the EDRO paperwork to Phyllis Long in December, 2011. The member retired effective July 1, 2012 and at that time she designated her son as her beneficiary.

The Retirement Office received the EDRO several months after the member retired. Because the EDRO was submitted after the member retired, she informed the party's legal counsel that a Domestic Relations Order with instructions could be used to divide Ms. Lile's benefit while she is alive. Upon the member's death the benefit will go to her designated beneficiary and not the Alternate Payee. It is the Alternate Payee's responsibility to file the information with the Retirement System and follow up.

She informed the Board that the party's legal counsel left a message that they will contest and are looking into the legal issues.

Heather Webb FOIA/Subpoena

Ms. Billings reported that the Retirement Office was subpoenaed by the City to release Ms. Webb's retirement file. She indicated that the member's retirement file is subject to FOIA but the file that was submitted to the City was redacted. Apparently, there is a venue issue and the City needs the member's address.

She contacted the member's legal counsel that the subpoena was served and indicated that the System would provide the member's address because the venue issue pivots on having the member's address. The member's legal counsel did not request to quash the subpoena.

Robbins Geller Portfolio Monitoring Report First Quarter 2012

Ms. Billings reported that this is for the trustees' information.

UNFINISHED BUSINESS

Re: Partial Plan Termination

Ms. Zimmermann referred to a draft letter advising members that they are vested due to the partial plan termination and will be eligible to draw their benefit upon attaining age sixty. The letter asked that the members keep the Retirement Office informed of any address changes. A rough estimate of their pension benefit will be attached to the letter. She also indicated that these members have been entered into the deferred database.

Re: Rent/Overhead – Refer to Chairman

Re: Larry Balowski – Refer to Legal (Closed Session)

Re: Trustee Elections – Refer to Public Discussion

Re: Owusu-Agyei (Twum)/Brown Service Credit Issue – Still Pending

Re: Disability Income Verification

Ms. Zimmermann reported that the Retirement Office is working on getting these letters out.

Re: Richard Brace Overpayment

Ms. Zimmermann reported that the Board had previously approved to recover the overpayment to Richard Brace. She indicated that there was no resolution to approve the recovery of the overpayment.

Ms. Billings indicated that Mr. Brace was not given proper notification regarding the change in his option selection.

RESOLUTION 12-077 By Barnett, Supported by Stubblefield

Resolved, That the Board approve to recover the overpayment to retiree Richard Brace.

Yeas: 8 – Nays: 0

Re: WRERA Amendment

Ms. Zimmermann reported that she forwarded the amendment to City Council to have it put on their agenda. She contacted Sherekia Hawkins to have it listed for the agenda review.

NEW BUSINESS

Re: Larry Fultz Eligibility

Ms. Zimmermann reported that Mr. Fultz’s estimate indicated that he had ten years and one month of retirement service credit. When reviewing his file to process his final benefit calculation it was determined that he had nine years and eight months of retirement service credit due to two undocumented unpaid leaves. Mr. Fultz has been retired since August, 2009. This is similar to the issue regarding another retired member.

Since the member has been retired for so long she asked if the Board would like her to request an actuarial reduction of his pension based on the actual service credit and to recover the unpaid amount.

RESOLUTION 12-078 By Barnett, Supported by Stubblefield

Resolved, That the Board authorize the Administrator to obtain a report with the actuarial reduction of Larry Fultz’s pension benefit based on the member’s actual service credit and to recover the overpaid amount.

Yeas: 8 – Nays: 0

Re: Emergency Manager Request for Funds for Retiree Healthcare

Ms. Zimmermann reported that the Emergency Manager has requested in writing that the Board consider transferring a portion of the interest earned by the System’s reserve funds to fund retiree healthcare.

The Board determined to table this item. Chairman Harrison is currently working with the Emergency Manager and the City Council’s Finance Subcommittee.

Trustee Naglick stated that the discussions with the Emergency Manager, City Council and Chairman Harrison are just beginning. There is currently nothing to report.

Trustee Giddings asked if this will impact the hospital retirees favorably.

RESOLUTION 12-079 By Stubblefield, Supported by Naglick

Resolved, That the Board approve the move to closed session to discuss personnel issues and pending litigation.

Roll Call:

Trustee Barnett – yea

Trustee Bowman – yea

Trustee Giddings - yea

Trustee Naglick - yea

Trustee Stubblefield - yea

Trustee Waterman – yea

Chairman Harrison – yea

Trustee Williams – yea

The Board moved to closed session at 3:50 p.m.

Ms. Gaffney left at 3:50 p.m.

Ms. Arndt left at 4:18 p.m.

The Board returned from closed session at 4:30 p.m.

RESOLUTION 12-080 By Barnett, Supported by Waterman
Resolved, That the Board approve the closed session minutes for August 22, 2012.

Yeas: 8 – Nays: 0

PLEASE VERIFY THE RESOLUTIONS BELOW FOR ACCURACY.

RESOLUTION 12-081 By Stubblefield, Supported by Bowman
Resolved, That the Board ratify the Chairman’s signature on the approval of .

Yeas: 8 – Nays: 0

RESOLUTION 12-082 By Stubblefield, Supported by Waterman
Resolved, That the Board ratify the Chairman’s signature on the Quest Voluntary Dismissal.

Yeas: 8 – Nays: 0

SCHEDULING OF NEXT MEETING

Regular Meeting: October 24, 2012 @ 1:30 p.m. – City Council Conference Room

ADJOURNMENT

RESOLUTION 12-083 By Waterman, Supported by Stubblefield
Resolved, That the meeting be adjourned at 4:31

Yeas: 8 – Nays: 0

I certify that the foregoing are the true and correct minutes of the meeting of the General Employees Retirement System held on September 26, 2012

Secretary, John Naglick
As recorded by Jane Arndt