

**CITY OF PONTIAC, MICHIGAN
GENERAL EMPLOYEES RETIREMENT SYSTEM
BOARD OF TRUSTEES
APRIL 27, 2016**

A regular meeting of the Board of Trustees was held on Wednesday, April 27, 2016 at the Pontiac General Employees' Retirement System Office located at 2201 Auburn Road, Suite B, Auburn Hills, Michigan 48326. The meeting was called to order at 10:05 a.m.

TRUSTEES PRESENT

Sheldon Albritton
Jane Arndt
Janice Gaffney
Robert Giddings, Chairman
Walter Moore, Vice Chair
Nevrus Nazarko
Billie Swazer
Deirdre Waterman, Mayor
Patrice Waterman, Council President
Kevin Williams

TRUSTEES ABSENT

Koné Bowman (*excused*)

OTHERS PRESENT

Cynthia Billings, Sullivan Ward Asher & Patton
Matt Henzi, Sullivan Ward Asher & Patton
Deborah Munson, Interim Executive Director
Heath Merlak, Nyhart
Danielle Winegardner, Nyhart
Clarissa Cayton-Grigsby
Claudia Filler, City Retiree
Peggy Hardiman, Hospital Retiree
Larry Marshall, City Retiree
Carol McCrary, Hospital Retiree
Kathi McNally, Hospital Retiree
Twila Setla, Hospital Retiree
Linda Watson, City Retiree
Debra Woods, City Retiree

Chairman Giddings opened the meeting at 10:04 a.m.

Chairman Giddings welcomed Trustee Swazer to the Board. He welcomed Trustee Williams back to the Board.

Trustee Moore indicated that on March 31, 2016 the Transition Advisory Board confirmed Trustee Bowman's appointment to the Board. At that time, the TAB made it clear that Trustee Bowman's appointment was prospective and not retroactive. Based on this information, it appears there currently is no Board leadership. He would like to amend the agenda and make a motion to elect a Chair and Vice Chair.

Trustee Albritton supported the motion.

Chairman Giddings asked if that also means that former Chairman Charlie Harrison was not in good standing with the Board. He stated that the motion was out of order. He told the Board that there

should be a legal opinion based on the serious nature of the issue including vendor contracts and any other matters that would need to be addressed.

Trustee Moore stated that the Board needs leadership. He also stated the TAB has confused a lot of things. With Trustee Bowman the TAB indicated his appointment was not retroactive, so he was not a properly constituted member of the Board from April 1, 2014 through March 31, 2016. His motion only deals with the leadership aspect of the issue.

Trustee Deirdre Waterman stated that it is unfortunate that the meeting is starting this way. She understands that there has been a question of eligibility between the TAB and the City Council along with a number of other issues. She did not believe that the TAB intended this type of issue. The Board should speak to the TAB with regard to their intentions.

She asked if the Board understood how this would affect all votes taken during that period of time. This could put the Board in a legal quandary with votes being challenged as well as a number of decisions that could be put in jeopardy. She stands with the Chair that the issue is out of order. She questioned whether this is the parliamentary way to remove an action.

Trustee Moore indicated that the Mayor does not determine what happens and that it is up to the body.

Trustee Nazarko asked whether this motion was included on the agenda since it would be a major change.

Trustee Moore indicated that once roll call is taken of the duly constituted members of this Board the motion could be made regarding the leadership of the Board.

Chairman Giddings indicated that he is ruling that the motion is out of order and that Trustees serve until they are removed from the Board.

Trustee Moore indicated that he is simply trying to play by the rules with regard to the TAB's authority, even though there are a number of political issues with regard to the Emergency Manager Law.

Trustee Deirdre Waterman stated it is the Trustees' fiduciary duty to the retirees to move forward with the business of the System. The Chairman has ruled that the motion is out of order. She indicated the Chairman has the authority to move forward.

Trustees Williams and Patrice Waterman asked that legal counsel provide guidance on this issue.

Chairman Giddings indicated some Trustees on the Board have concerns about the current legal counsel.

Matt Henzi stated that if the Chairman fails to recognize the call for a motion or rules it out of order after the second and third point of order the motion can be voted on.

Trustee Deirdre Waterman questioned Mr. Henzi's opinion on how to handle motions deemed out of order by the Chairman.

Mr. Henzi read various passages out of Robert Rules of Order.

Chairman Giddings disagreed with the motion and indicated that the Board has not clarified the TAB's logic or language with regard to Trustee Bowman's appointment.

Trustee Arndt felt that Trustee Moore was making this personal.

Trustee Nazarko indicated that by default this would keep out the new Officers as well as any votes made by Trustees Bowman and Harrison.

Trustee Moore again noted that the discussion at the TAB meeting was that Trustee Bowman's appointment was not retroactive. There is currently a duly constituted Board for the first time since April, 2014 so any vote taken will be determined by the full Board.

Trustee Deirdre Waterman stated she had heard about Trustee Moore wanting to be the Chairman. She feels this is a personal conflict between Trustee Moore and Chairman Giddings. Some of the Trustees are just trying to move the business of the Board forward. She finds what is going on quite troubling. A lot of things have come to light under the guidance of the new Chairman. For example, the handling of the Peritus transition which resulted in a \$3.8 million loss. There have been a number of similar issues brought to the Board. She questioned what it would mean if the vote for Chairman and Vice Chairman is challenged. It would mean that the Board will have to look at all the other issues with regard to the business of the Board.

Trustee Swazer indicated that she was present at the TAB meeting where it was announced the TAB would be transitioning out of the City. They talked about Trustee Bowman's appointment. The TAB's position was that Trustees Bowman and Harrison were not eligible to sit on the Board for period beginning April 1, 2014 through March 31, 2016. This issue was also discussed at City Council meetings. She asked that Mr. Henzi speak to the issues.

Trustee Patrice Waterman indicated there are various other repercussions that could affect the Board. She referred to Trustee Deirdre Waterman's points that other issues could be questioned. She recommended holding a special meeting to go over the all the items. There are a number of things the Board will have to sit down and address.

Trustee Nazarko indicated he supported Trustee Patrice Waterman's assessment. He is concerned that the issue raised by Trustee Moore could negate a lot of Board action not just the leadership of the Board. He recommended that the Board move forward. It is not important to select a new Chairman. It is important to make sure that the Board follows a proper legal process. At a special meeting they could look at all the issues. Clearly the Board leadership is not the most important issue.

Chairman Giddings stated that no Trustee should be able to make the determination that Trustees Bowman and Harrison were not eligible. He believes that the motion is out of order.

Trustee Moore indicated that this Board employs Sullivan Ward as its legal counsel and it is demeaning how they have been treated. If the Board wants a legal opinion Sullivan Ward should be able to provide that opinion.

Ms. Billings provided a clarification of what was indicated at the TAB Meeting held on March 31, 2016. The minutes read that the TAB clarified the prospective nature of their approval of Kone Bowman's appointment to the GERS Board. She continued reading, "Kone Bowman was not properly seated prior to their approval of his appointment and so our approval was not - and I want to emphasize - was not retroactive."

Trustee Nazarko questioned why Trustee Moore is only looking at the Chair and Vice Chair motions and not all the other votes.

Trustee Moore stated that having leadership is important. He stated that this is political nonsense and called for a vote.

Trustee Nazarko questioned whether the Board and the new Trustees are prepared to negate decisions that were already made by the Board. The Board should look at the issue diligently and let legal review and present their findings. The Board currently has leadership. He felt that the Board should agree that there is more important business that needs to be conducted. The retirees want the Board to protect their retirement benefit. This should be done in an orderly fashion.

Trustee Deirdre Waterman agreed with Trustee Nazarko and Trustee Patrice Waterman. The Board needs to look at all the decisions before moving forward. The Board could be opening Pandora's box. There are other votes that could put the Board in a vulnerable and liable position. By going boldly into this it could put scrutiny on the Board.

Trustee Williams indicated that there is a motion on the floor.

Ms. Billings and Mr. Henzi indicated there is currently no Chair or Vice Chair on the Board.

Trustee Williams called for the vote.

Trustee Arndt indicated that in 2006 the election of the Chairman and Vice Chairman was based on a majority vote.

Trustee Deirdre Waterman asked if past practice would take precedence.

Chairman Giddings stated he cannot imagine that the TAB wanted this Board to look like a clown show. He pointed out that the fiduciary liability insurance does not cover the Trustees; it covers the System. Trustees would need to secure and pay for their own legal expenses if there were any actions taken against the Board.

Trustee Deirdre Waterman stated that this is another point that should be legitimately considered by the Board before a vote is taken.

Trustee Moore again indicated that the Board currently has no leadership based on the TAB ruling and there is no duly elected leadership.

Trustee Deirdre Waterman asked if Trustee Moore was refuting the fact that a vote was taken by this Board and is asking to rescind the vote.

Trustee Moore indicated that he is referring to Trustee Bowman's eligibility on the Board and his votes.

There was discussion regarding the language in the Retirement Ordinance that states a Trustee sits on the Board until they are replaced.

Trustee Nazarko questioned whether the TAB can negate that Trustee Bowman was a Board member in December 2015. He also asked whether a vote would be based on a majority or a quorum.

Mr. Henzi stated there is a motion on the floor to amend the agenda. He continued indicating that one member of the TAB specifically noted that Trustees Bowman and Harrison were not duly appointed members of the Board. The Board cannot rely on past precedence based on a prior five to four vote. The Retirement Ordinance indicates that motions require six votes to pass.

Trustee Nazarko questioned whether with only nine Trustees the Board would have been able to elect leadership.

Ms. Billings stated that the City Council recognized that the TAB must approve Trustee appointments on March 10, 2016 under Resolution 16-66.

Trustee Arndt addressed her concern that the Retirement Ordinance language indicates a Trustee serves until replaced on the Board.

Mr. Henzi noted the language says 'or if the Trustee is ineligible to serve'.

Trustee Deirdre Waterman disagreed with Mr. Henzi's assessment. She indicated that the TAB did not refute whether Trustee Bowman was eligible to serve on the Board. The City Council amendment pertained to newly appointed Trustees.

Trustee Moore again stated that Trustee Bowman's appointment was not retroactive. He called for a vote.

Chairman Giddings asked what happens if it is determined that the vote is out of order.

Trustee Moore called for the amendment of the agenda and to allow for an immediate vote of the Chairman and Vice Chairman.

He also moved to appoint Trustee Albritton as the temporary Chair.

RESOLUTION 16-064 By Moore, Supported by Swazer

Resolved, That the Board amend the agenda to allow for the immediate vote of the Chairman and Vice Chairman positions and to appoint Trustee Albritton as the temporary Chairman.

Roll Call:

Trustee Albritton – Yea	Trustee Nazarko - No
Trustee Arndt – Abstain	Trustee Swazer - Yea
Trustee Gaffney – Yea	Trustee Deirdre Waterman – Abstain (Questioned validity of vote)
Trustee Giddings – Abstain	Trustee Patrice Waterman - Yea
Trustee Moore – Yea	Trustee Kevin Williams - Yea

Trustee Nazarko left at 11:17 a.m.

Temporary Chairman Albritton opened nominations for Chairman.

Trustee Swazer nominated Trustee Moore.

RESOLUTION 16-065 By Swazer, Supported by Gaffney

Resolved, That the Board of Trustees close nominations and vote for Chairman of the General Employees’ Retirement System.

Roll Call:

Trustee Albritton –Moore	Trustee Swazer - Moore
Trustee Arndt – Abstain	Trustee Deirdre Waterman - Abstain
Trustee Gaffney –Moore	Trustee Patrice Waterman – Moore
Trustee Giddings – Abstain	Trustee Kevin Williams - Moore
Trustee Moore –Moore	

Motion Passes 6 – 0
3 Abstentions (Trustees Arndt, Giddings and D Waterman)

Chairman Moore opened nominations for Vice Chairman.

Trustee Albritton nominated Trustee Williams for Vice Chair.

Trustee Deirdre Waterman nominated Trustee Arndt for Vice Chair.

RESOLUTION 16-066

Resolved, That the Board of Trustees close nominations and vote for Vice Chairman of the General Employees’ Retirement System.

Roll Call:

General Employees Retirement System
Regular Meeting
April 27, 2016

Trustee Albritton – Williams
Trustee Arndt – Arndt
Trustee Gaffney –Williams
Trustee Giddings – Arndt
Trustee Moore –Williams

Trustee Swazer - Williams
Trustee Deirdre Waterman - Abstain
Trustee Patrice Waterman – Williams
Trustee Kevin Williams - Williams

Motion Passes 6 – 2
1 Abs (D Waterman)

PUBLIC COMMENT

Hospital Retiree, Peggy Hardiman told the Board that she worked for Pontiac General Hospital for thirty-seven years. She has been watching the meetings on television and indicated the meetings are a circus. She is ashamed of the people on the Board and how they are representing the members. This Board has become so political. She questioned whether the Citizen Appointees have money invested in this System. She is ashamed to say that it is difficult to be supportive of the Board when watching on television because things have gotten so out of hand. She said that it is awful the way Trustees are carrying on.

She discussed the Hospital 300% over funding prior to those assets being merged with the City's assets. Without those assets this System would not be overfunded. There were people that died when Pontiac General Hospital separated from the City who never received their benefits. It is so shameful it hurts.

Now the City Retirees wants to give themselves healthcare with CPREA suing the City. It seems that the City is still using PGH money. It does not seem right that the City can separate the Hospital Retirees out from getting healthcare. She stated that God is not pleased.

City Retiree, Debra Woods indicated that she is a former Trustee and is displeased with the professionalism of this Board. She is one retiree that does not want the City to get the pension money. This System is one of the top performing Systems in the country.

She is concerned that some members of the Board want to replace the current legal representation. She felt that the current legal counsel should remain until all the lawsuits are resolved. She also commented on the legal fees and felt that the current legal counsel has worked harder during the past eight years than the former legal counsel.

She does not go to the Council meetings but finds herself yelling at the television when watching the recordings of the meetings. She felt she should come down and speak. The Board needs to take care of the retirement issues and stay away from the political stuff.

Hospital Retiree, Kathy McInally told the Board that she worked at the Hospital for over forty years. She stated that Hospital members had to contribute anywhere from 3% to 10% of their wages into the System. The Hospital had a ten year vesting period. She stated that you only received your employee contributions back if you were vested before you left. Based on the actuarial valuation 41% of the System members are from the Hospital. She feels based on that

percentage there should be more Hospital representation on the Board. She felt that at least or two or three of the Trustees on the Board should represent Hospital members.

She is concerned about the potential termination of this System and moving the assets into another System that is 125% funded. If the System is defunded she fears that the members could lose their benefits. She is also concerned that there has been a problem with the actuary as well as members of the CPREA Board serving as Trustees on the Retirement Board.

City Retiree, Linda Watson asked about the agenda change brought by the Mayor with regard to conflict of interest. She indicated that the Mayor used to miss a lot of meetings. Since the December 2015 meeting there have been a number of changes.

She feels that the Mayor has monopolized the Board meetings for the last four months. It appears this is all about a power struggle. The CPREA Board has been fighting to restore benefits for the past five years. She worked twenty-eight years for the benefits while not receiving raises. She believes that the Mayor says things that are misleading.

Chairman Moore stated that everyone has opinions and everyone stays in their lane. The information from the mediator who has the authority will be clarified.

Mayor Waterman wanted to clarify some issues from a citizen's aspect. The City and CPREA have spent ten months in mediation. She does not want the retirees to be left without their pension benefits. It grieves her that Board issues have become so political.

Her agenda is to preserve the pension benefits and current healthcare obligations. She has never said that she wants to move the money to MERS. She is astounded that the public perception is that the money is going to MERS. Those involved know that this is not on the table and there will be no State takeover. She also noted that the CPREA Attorney, Alec Gibbs wanted TAB representation in the mediation.

Chairman Moore assured the members that CPREA is a professional organization and they will protect the Retirement funds as best as they can. He stated that the professionalism of the CPREA Board should not be questioned.

DISCLOSURE OF CONFLICT OF INTEREST

Mr. Henzi provided a timeline of the mediation. He indicated alternative methods were discussed during the mediation. From those discussions the Mediator asked that Sullivan Ward prepare a plan. They prepared an opinion on how the current System assets could be transferred to a new System with a cushion and the remaining assets could be used for retiree healthcare.

Trustee Deirdre Waterman indicated that at no time during this mediation did the City ever indicate they wanted to dismantle the current System.

Mr. Henzi reviewed the email chain between him and Mr. Driker, the Mediator.

He prepared a script based on the City Attorney's assertion reported at the March 30, 2016 meeting. He also indicated that Sullivan Ward was not told to discuss any conflicts of interest by the Mediator.

Trustee Arndt questioned why Sullivan Ward assisted the Mediator, whether there was an actual order of direction from the Mediator and if Sullivan Ward was in breach of their fiduciary duty to this Retirement System based on their assistance in the mediation. She asked why Sullivan Ward did not decline the direction from the Mediator based on their fiduciary responsibility to the Retirement System.

Mr. Henzi indicated that Sullivan Ward did not have a conflict of interest with regard to preparing the plan per the Mediator's direction.

Trustee Moore indicated that the System had at one time considered using a 420 Transfer to pay for retiree healthcare.

Mr. Henzi indicated that former Mayor Jukowski requested an opinion from the State of Michigan Attorney General at a number of consecutive meetings.

Trustee Moore indicated that Sullivan Ward's primary responsibility is to this Board which is the reason they got involved in the mediation.

Trustee Deirdre Waterman indicated that the issue has come full circle. She questioned how many masks Sullivan Ward wears. One issue is that they found out Ms. Billings will be paid for her work by the CPREA Attorney at the end of the mediation. The Mediator lifted the confidentiality order so Ms. Billings could report back to the Board.

She questioned Sullivan Ward's unusual way of making their conflict of interest disclosure. The important issue is that they were sitting in on the mediation. Based on the proposed plan, there are specific requirements that need to be met. Will the plan meet IRS approval, has the plan come to the Board for approval. The City will have to promptly determine if they would consent to hire the firm to submit the plan. In other words, you would have to wait and see if the City hires Sullivan Ward. There are concerns that the plan will not hold up in mediation.

Trustee Moore indicated that Sullivan Ward is the System's legal counsel and have not indicated anything different. He hopes that in the future conflict of interest will no longer be on the agenda.

Trustee Deirdre Waterman indicated that conflict of interest is not an autocratic rule and should be on the agenda.

Chairman Moore indicated that when he served on the Oakland County Board there was no standard conflict of interest agenda item.

VALUATION 2015 PRESENTATION - NYHART

Mr. Merlak introduced himself and Ms. Winegardner to the Board.

He indicated that they will be reviewing the Management Summary. Miss Munson has requested some additional tables including the historical and demographic splits. She also asked for the table indicating the maturity of the Plan and the benefit payments. There have been some changes to the valuation from 2014 to 2015. He thanked Miss Munson for her assistance with the first pass through and indicated that they were able to match Rodwan's 2014 numbers.

Ms. Winegardner has confirmed the data of the initial conversion with Rodwan. The initial conversion resulted in a liability loss of \$1 million or 0.4% which is within the 5% range based on the actuarial rule of thumb.

They discovered Rodwan was incorrectly valuing the Cost of Living Adjustment (COLA). They were applying COLA to Hospital benefits when Hospital retirees are not eligible for COLA.

Non-union to-date COLA increases are already included in the benefit amount so Nyhart only valued future COLA's.

They also revised the COLA formula for earlier retirement dates which saved \$2 million.

The corrections lowered the overall liability by \$24.2 million or 9%. The Hospital portion of the liability was lowered by \$12.2 million.

Trustee Deirdre Waterman confirmed that the Fund lowered their overall liability.

Mr. Merlak indicated that COLA can make a huge difference in a system's liability.

Ms. Winegardner reminded the Board that they changed their mortality table from the 1983 table to the RP 2014 blue collar table. The change resulted in an \$8.5 million liability increase. The System should see a small loss going forward.

There was a demographic liability loss for the System of \$1.6 million or 1.2% which is a small liability loss.

The assets returned -0.8% on a market value basis with an expected actuarial rate of return of 7.5%. The assets returned 8.2% on an actuarial value basis based on the 5 year smoothing.

The funded ratio of the Plan increased from 153% to 165% which included the change in the mortality table.

Their recommended contribution for fiscal year beginning July 1, 2017 remains at 0%.

Mr. Merlak indicated the Board may want to revisit the mortality table when the RP2017 table is released.

Trustee Moore confirmed that the actuary would currently recommend staying with the RP2014 table.

Mr. Merlak also noted most of their clients' performance for 2015 averaged -1%. They only had one client with positive returns.

Mr. Merlak explained how they calculate the value of assets using the smoothed actuarial value and the market value of assets.

He reviewed the asset reconciliation. The market value of assets as of December 31, 2015 was \$459.3 million compared to the actuarial value of assets of \$417.1 million. However, the return on market value for 2015 was -0.8% compared to 11.7% in 2014. The return on actuarial value of assets for 2015 was 8.2%. She indicated that investment performance in 2012 helped drive the funding ratio.

Trustee Giddings indicated that the actuarial value of assets is \$32 million less than the market value of assets due to the flat performance in 2015. If the market has a couple more flat years the System could lose \$100 million over those years including expenses.

The participant information was reviewed including active participants, retirees, beneficiaries and disabled and terminated vested members. This included average age and average benefits.

The projection of benefit payments was reviewed.

The asset reconciliation was reviewed explaining the rate of return. If the 7.5% actuarial rate of return is met it could normally pay for benefits.

Trustee Arndt expressed her concern regarding the \$40 million loss that will be recognized over the next four years based on the actuarial smoothing method which could negatively affect the funding ratio.

Mr. Merlak indicated that the System needs outperformance to offset the \$40 million loss.

Mr. Merlak explained the unfunded actuarial accrued liability reconciliation including assumption changes; COLA calculations; asset experience, demographic losses and expected increases.

Trustee Giddings was concerned about the accounting with regard to the COLA fix. He questioned why when the System transitioned from Gabriel Roeder, one of the largest actuarial firms in the country, to Rodwan Consulting there were no significant change in the liability during that transition.

Mr. Merlak indicated that a 9% change would have put up a red flag. It could have been missed in the conversion. They can go back and look at the liability.

Miss Munson indicated that Gabriel Roeder calculated the COLA correctly.

Trustee Giddings again indicated that such a significant increase in liability would have been a point of concern.

Mr. Merlak stated that they can go back and look at the calculations.

He explained the recommended contribution rate indicating that the funding credit far exceeds the normal cost to fund active employee retirement benefits.

It was determined that the Board would receive and file the Actuarial Management Summary.

Mr. Merlak and Ms. Winegardner left at 12:40 p.m.

AGENDA CHANGES

APPROVAL OF CONSENT AGENDA

- A. Approval of the Minutes of the Special Board Meeting held February 23, 2016
- B. Approval of the Minutes of the Regular Board Meeting held March 30, 2016
- C. Ratification of Retiree Payroll & Staff Payroll

Retiree Pay Date: March 30, 2016

TOTAL PENSION PAYROLL \$1,963,564.32

Staff PPE March 3rd, 17th & 31st

TOTAL STAFF PAYROLL \$ 13,901.09

D. Communications:

- 1. Correspondence from Attucks Re: New Employee -April 2016
- 2. Correspondence from Attucks Re: Notice to Herndon – March 2016
- 3. Correspondence from Gray & Company – April 2016
- 4. FOIA Request from and to Linda Hasson – April 2016
- 5. FOIA Request from and to Linda Hasson – April 2016
- 6. Certificate of Achievement in Public Plan Policy: June and Nov. (Boston & Orlando)
- 7. Trustees and Administrators Institute: June 27-29 (Las Vegas, NV)
- 8. IFEBP 62nd Annual Conference: November 13-16 (Orlando, FL)

E. Financial Reports:

- 1. Gray & Company Status Update: AUM as of March 31, 2016 - \$5,006,000,000
- 2. Accounts Payables – April, 2016
- 3. Attucks Asset Management, Manager of Managers Report – Emerging Manager & Michigan LCV – March 31, 2016
- 4. Statement of Changes – March, 2016
- 5. Directed Brokerage Allocation 2015

F. Private Equity / Capital Calls & Distributions

1. Mesirow Fund IV Distribution March 29, 2016: \$100,000.00
2. Invesco Fund V Distribution March 31, 2016: \$102,170.00

G. Applications for Retirement, Final Calculations, Refunds, Re-examinations

1. New Retirements

Ret No.	Name	Years/Months of Service	Union	Age	Retirement Option	Monthly Benefit*	Effective Date

**Emergency Manager Order S-307 as amended July 2015: Retiree is eligible for the temporary \$400.00 per month supplemental benefit until sunset date of September 1, 2016.*

Bold type entry indicates Reciprocal Service Credit with another eligible agency or municipality.

2. Terminated Retirements (Deaths)

Ret No.	Name	Date of Death	Benefit Amount	Union or Dept.
2373	Jefferson, Tommy	04.09.2016	\$2,614.06	Non-Union
701496	Johnson, Eva	03.13.2016	\$303.95	Hospital

3. J&S Continued Retirements

Ret No.	Name	Date of Death	Survivor's Name	Member Benefit	Beneficiary Benefit	Union or Dept.
2399	Gracey, Donald	04.10.2016	Gracey, Carolyn	\$2,406.19	\$2,406.19	Non-Union
1335	Hougaboom, Henry	04.15.2016	Hougaboom, Joan	\$1,080.96	\$1,080.96	Local 2002
1341	Bates, James	03.09.2016	Bates, Ann Marie	\$428.20	\$254.60	Non-Union

4. Pop-Up Continued Retirements

Ret No.	Beneficiary's Name	Date of Death	Retiree's Name	J&S Option	Benefit Amount	Union or Dept.

When beneficiary precedes Retirant in death, the monthly benefit "pops up" to what would have been the monthly Regular benefit amount (plus applicable COLA).

5. Recalculated Retirements

Ret No.	Name	Effective Date	Reason For Change	New Amount

6. Disability Medical Re-Exams/Benefit Continuation

Ret No.	Name	Reason	Benefit Amount	Union or Dept.

7. Refunds of Employee Contributions

8. EDRO Benefits

Ret No.	Name	Alternate Payee	Reason	Effective Date

Chairman Moore asked that his correspondence to the Board dated April 1, 2016 be moved to Unfinished Business.

Trustee Swazer pointed out grammatical corrections on pages 20 changing the word no to not; on page 23 changing the word at to as and page 25 changing the word no to not. She also indicated that Resolution 16-057 certifying the Retiree Trustee election was not worded correctly. The minutes will be revised as indicated.

Trustee Deirdre Waterman also noted a correction to page four of minutes changing the statement from “Miss Billings to disclose the conflict to “any conflicts.”

She also questioned whether legal counsel was still scrubbing the minutes.

Miss Munson indicated that during her time as the Interim Executive Director, Ms. Billings has never scrubbed the minutes. She has only reviewed the minutes from a legal perspective.

Trustee Deirdre Waterman wanted to make sure that the practice does not continue.

RESOLUTION 16-067 By Gaffney, Supported by P. Waterman

Resolved, That the Board approves and ratifies actions described in the Consent Agenda for April 27, 2016 as amended.

Yeas: 9 – Nays: 0

CONSULTANT

Re: Gray & Company – *There was no time for the Consultant’s Report*

COMMITTEE REPORTS

Re: Chairman

Re: Trustee/Committees

Personnel Sub-Committee

Miss Munson read the report for the Personnel Sub-Committee. The committee met on April 5, 2016 and approved a timeframe for the Request for Proposals for legal services. The agreed upon timeframe is included in the Trustees’ handouts. The deadline for Intents to Respond was April 18, 2016 and proposals are due May 2, 2016. She reported that the office had received six notices of Intent to Respond and indicated that that list of respondents is also included in the handouts. The committee’s next meeting is scheduled for May 3, 2016.

Finance SubCommittee

Trustee Giddings reported that the Finance Committee met on April 19, 2016.

The Committee recommends that the Board approve to close the 401(a) Money Purchase Plan.

Miss Munson reported that at the last meeting the Board approved an increase in maximum hours and bill rate for the temporary accounting clerk. She was recently notified that the person declined the offer because we cannot offer them a temporary to permanent position. She does need someone to assist her with her work in the office and is continuing to work with the temporary employment service to identify candidates. There is a temporary to provide coverage in the office, but she is back to square one with respect to an accounting clerk.

Trustee Giddings described the discussion for the wireless conference room phone. The committee asked that additional information be brought back for further review.

Miss Munson discussed the Oppenheimer liquidation and Peritus update.

The Board resolved at their March 7, 2016 special meeting to allow Oppenheimer to continue with the liquidation of the Peritus account. As of February 29, 2016 there was approximately \$5.9 million of securities in the Peritus account with a market value of approximately \$3.7 million. From March 1, 2016 through April 25, 2016, securities having a cost of approximately \$1.9 million were sold for approximately \$1.0 million resulting in a realized loss of \$929,887. As of April 25, 2016 there are securities with a cost basis of \$3.978 million left in the account. The market value is \$2.890 million. She reported that between March and April the unsold securities had an unrealized gain of approximately \$1M, however the System is not realizing those gains upon the sale of the assets. There is currently approximately \$1.1 million in cash in the account that she will transfer to Brandywine this week.

Trustee Giddings told the Board that there has been a recent performance rally in high yield which could potentially raise the value of the assets during the liquidation.

Trustee Deirdre Waterman confirmed that the total realized loss of the Peritus assets to date is \$4.5 million. This should be a point of experience for the Board. If the assets had been moved when directed by the Board some of those losses could have been mitigated. It is important that a policy is put in place so this does not happen going forward. She also noted that the Investment Advisor was on watch during this process and should have been closely monitored.

Miss Munson indicated that she has included in the agenda a resolution that will put a process in place. There is a resolution in the agenda to avoid these types of issues going forward.

Miss Munson reported that the finance sub-committee had looked at the Attucks contract as a result of replacing Herndon Capital in the manager-of-managers portfolio. She indicated that there were anomalies in this contract that deviated from the standard investment manager contract and that the committee will be reviewing the contract.

Attucks had indicated to Miss Munson that they were going to use a transition manager to transfer assets from Herndon Capital to Matarin. Miss Munson informed the Board that the custodian could

provide this service at no charge to the System. The System needs to have processes in place to ensure that unnecessary costs are not being incurred. Attucks believes that their contract gives them the authority to hire a transition manager at their discretion.

Miss Munson reported that the actuarial review of the Option II amounts is in process.

She also indicated that recommendation for approval of the option elections for Hurricane Hardaway and Charmaine Schmidt are in the agenda.

Ad Hoc Subcommittee

Miss Munson reported that the Ad Hoc Committee met on April 11, 2016. The committee reviewed and approved the Investment Consultant RFP scoring matrix and selected an onsite team composed of Trustees Moore and Gaffney and herself.

She stated that all of the Trustees had received copies of the five proposals. The scoring matrices are due by Friday, April 30, 2016. She will calculate an average of the scores. Other Trustees who have comments on the proposals should have their comments to her no later than Friday, April 30, 2016 as well. The committee will meet again on May 4, 2016 to select finalists. The finalists are scheduled to present at the May 25, 2016 Board meeting at which time the Board will make their decision.

There was discussion regarding the selection of finalists.

Trustee Arndt was concerned that in the past the Board has always determined the finalists not the committee. The committee would provide their recommendation but the Board would determine which service providers would present to the Board.

There was also discussion regarding the site visits.

Trustee Giddings stated that as a rule of thumb only one due diligence visit would be conducted once the Board made their final selection. The site visit would be conducted to rule them out if any issues were discovered. The committee is working on the premise that the new Investment Consultant will begin on July 1, 2016.

The Board determined that three finalists will be selected by the ad-hock Committee.

EXECUTIVE DIRECTOR

Miss Munson reported that the Board had pulled two benefits from the January 2016 consent agenda for further review. The finance sub-committee is looking at establishing a process and criteria by which to determine insurable interest.

Ms. Munson reported that when the Investment Policy Statement was revised in 2015 the November, 2013 revision date was inadvertently removed. The revision date has been added back to the IPS and was re-posted to the website.

Miss Munson told the Board she strongly recommends that an actuarial audit be conducted. The System was established in 1946 and has never had an actuarial audit. She directed the Trustees to the GFOA best practices report in their packages. GFOA recommends an audit every 5 years. Miss Munson stated that a \$24M swing in the liability is material. She indicated that her recommendation for an audit is not a judgement call on the present or past actuaries. It is a matter of due diligence. She explained that when the System transitioned to Rodwan in 2007 there was not large swing in that liability and she would like more information on that change.

She stated that she “strongly encourages” the Board to move forward with an actuarial audit.

Chairman Moore recommended that this issue be referred to the finance sub-committee.

Trustee Deirdre Waterman indicated the recommendation from Miss Munson is well taken especially from the standpoint of the mediation an actuarial accounting of the assets will be needed. She asked if a cost could be determined.

It was determined that the issue would be referred to the finance sub-committee.

Miss Munson gave an overview of her memo regarding the March 7, 2016 Sullivan, Ward legal opinion regarding the Oppenheimer liquidation that stated that it was the System’s past practice to utilize the System’s directed brokerage firms to transition assets from one manager to another. The Board was told in that March 7th meeting that former Executive Director Ellen Zimmermann would work with the consultant to select which directed broker was chosen. She has provided a history of asset transitions since 2006 to clarify for the Trustees how past asset transitions were conducted. The System had no established past practice for transitioning assets from one manager to another. It sometimes used directed brokers; however, it was generally with the acknowledgement of the Trustees. When the Trustees did not determine the method of transition it was the investment consultant who made the determination and Ms. Zimmermann only providing assistance to facilitate the consultant’s chosen method.

Miss Munson further indicated that the resolution in the Trustees package will provide a consistent and transparent process for all future asset transitions.

Trustee Gaffney felt that a procedure should be put in place.

Chairman Moore asked why this is being done outside of the committee process.

Miss Munson indicated she is asking the Board to adopt a resolution to put a process in place.

Chairman Moore felt that it should go back to the finance committee for review.

Trustee Deirdre Waterman agreed with Miss Munson’s position. She questioned whether Chairman Moore had an issue in terms of Miss Munson’s response. She has brought a resolution to correct the problem.

Chairman Moore indicated he is questioning the process.

Trustee Deirdre Waterman asked that Miss Munson read the resolution.

Trustee Albritton believed something should be put in place to make sure the Board is on top of the issue.

Trustee Gaffney stated that the Board can set the procedure in place now and can always come back and revise it if needed.

Chairman Moore felt it required a more thorough review.

RESOLUTION 16-068 By D. Waterman, Supported by Gaffney

Whereas, the Retirement System Board of Trustees has various fiduciary responsibilities associated with investing and managing the assets of the Retirement System; and

Whereas, the Board desires to establish a process to ensure transparency and consistency in the transition of System assets from one investment manager to another; now, therefore be it

Resolved, That the Board acting with the advice of its Investment Consultant shall approve, after a review of the facts and circumstances, the method and third party service provider (if any) to be utilized for all asset transitions at the time the asset transition is approved; and further

Resolved, That the Board shall utilize the services of its custodian to provide transition management services/transfers of assets between investment managers to the extent that this is the most cost effective manner to transfer assets from one investment manager to another; and further

Resolved, That no transition of System assets shall occur without a duly executed agreement in place between the System and the service provider, which contract shall include the expected costs to the System; and further

Resolved, That the Executive Director shall provide written monthly updates to the Board on the status of all asset transitions.

Roll Call:

Trustee Albritton – Yea
Trustee Arndt – Yea
Trustee Gaffney – Yea
Trustee Giddings – Yea
Chairman Moore – Yea

Trustee Swazer - Yea
Trustee Deirdre Waterman – Yea
Trustee Patrice Waterman - Yea
Trustee Kevin Williams - Yea

UNFINISHED BUSINESS

Re: Resolution to Approve Retirement Benefit for Hurricane Hardaway

Miss Munson reported that the finance sub-committee had reviewed Ms. Hardaway's selection of a non-relative beneficiary and determined that it did not meet the System's definition of insurable interest.

RESOLUTION 16-069 By P. Waterman, Supported by Gaffney

Resolved, That the Board approves the payment of a Regular retirement benefit to Hurlcine Hardaway effective January 1, 2016.

Yeas: 9 – Nays: 0

Re: Resolution to Approve Retirement Benefit for Charmaine Schmidt

Miss Munson reported that the finance sub-committee reviewed Ms. Schmidt's selection of her adult daughter and determined that she does meet the System's definition of insurable interest.

RESOLUTION 16-070 By P. Waterman, Supported by Gaffney

Resolved, That the Board approves the payment of an Option II retirement benefit to Charmaine Schmidt effective October 1, 2015.

Yeas: 9 – Nays: 0

Re: Communication from Chairman Moore Regarding the RFP for Legal Services

Miss Munson explained that she received an email from Mr. Henzi regarding the motion to reconsider the vote and add to the minutes of the next meeting made by Chairman Moore at the March board meeting.

Since the last meeting Chairman Moore sent an email giving notice that he would like to rescind the assembly's action at the next meeting.

Chairman Moore indicated that his original motion was not a proper motion because he did not vote on the prevailing side.

The notice to rescind the action by the assembly was questioned based on notice being given in an email.

Mr. Henzi indicated that by including the email on the agenda, notice was given.

Chairman Moore voiced his concerns that the RFP for legal services came from the personnel sub-committee with no Board direction. The Board should determine the process. He made the motion to rescind the vote to issue an RFP for legal services.

Trustee Arndt questioned whether the resolution for the legal services RFP approved at the March 30, 2016 meeting was a legal motion.

Trustee Giddings indicated that direction have come from the committee structure in the past. He also questioned if the process can be stopped once it is started. Mr. Giddings questioned whether it is appropriate under Robert's Rules to stop the RFP process. The Legal Services RFP was brought to the Board. There's a lot of attention on that now.

Trustee Patrice Waterman indicated that a review of legal services was done in 2015.

Trustee Giddings stated that no one outside of the former Executive Director, former Chairman and current legal counsel saw the Board responses from the legal services survey. He indicated that the attorney sat in when the questions were being formulated and she reviewed the questions and billed us for it. However, only she and Charlie Harrison were copied on the responses.

Trustee Deirdre Waterman questioned whether it was out of order for the Chair to direct other Trustees. The Board has already decided a process. We cannot rescind a process that has been started. In the past he has indicated that committees should be able to function and provide direction to the Board and now he wants to change back. There is a lot of confusion on whether the process can come from the personnel or ad-hoc committee.

The Board has decided on a process that every five years each service provider is to be reviewed. The legal services provider has not been reviewed for eight years. The committee was just following the Board's process. She also stated that the Board cannot rescind a process that has been started. She voiced her objection to the motion.

Trustee Patrice Waterman felt that because the Board is currently dealing with the Investment Consultant RFP it needs legal counsel. She cannot understand why this was done hastily. She felt that once the Investment Consultant was in place the Board could issue the RFP for legal services later in the year or in 2017.

Trustee Swazer agreed with Trustee Patrice Waterman. Trustee Gaffney stated that the Board just finished one RFP and now they want to start the next one.

Chairman Moore again indicated that the process should be established by the full Board and should not come from the committee. He would like to move forward with his motion to rescind the vote approving the legal services RFP.

Trustee Williams indicated he would abstain from voting on the motion because he doesn't believe it is appropriate for him to move to rescind something on which he did not vote.

Trustee Deirdre Waterman made a motion recommending that the legal services RFP process continue but to be referred back to the personnel sub-committee to revise the timeline based on the current Investment Consultant RFP process.

Trustee Giddings supported the Mayor's motion.

Trustee Albritton indicated that he sits on the personnel sub-committee. He did not feel that it made sense to bring in a new legal team when the Board is bringing in a new investment consultant at the same time. It could bog down the process.

Trustee Deirdre Waterman questioned whether there is a template in place for the process.

Trustee Patrice Waterman again recommended pushing back the timetable to after the investment consultant is hired and transitioned.

Trustee Giddings indicated the RFP process could continue and it is possible there will be no change in the legal provider.

Chairman Moore asked for a reading of the motion.

Miss Munson indicated the motion would be to “continue the RFP for legal services process that has been put in place and to have the personnel sub-committee reconsider the timeline for the process”

Chairman Moore asked if the process can be rescinded.

Trustee Patrice Waterman stated that the Board needs to come together.

Trustee Deirdre Waterman left at 2:12 p.m.

RESOLUTION 16-071 By D. Waterman, Supported by Giddings

Resolved, That the Board continue the RFP for legal services process that has been put in place and to have the personnel sub-committee reconsider the timeline given the Board discussion.

Roll Call:

Trustee Albritton – No	Chairman Moore - No
Trustee Arndt – Yea	Trustee Swazer - No
Trustee Gaffney – No	Trustee Patrice Waterman – Abstain
Trustee Giddings – Yea	Trustee Kevin Williams - Abstain

Motion Failed

Yeas: 2 – Nays: 4

Abstain (Trustees P. Waterman & Williams)

Chairman Moore questioned whether the only way to put this back before the Board is through a move to rescind. He indicated that he would like to move forward with his motion to rescind Resolution 16-054 approving the issuance of an RFP for legal services motion made at the March 30, 2016 meeting. He asked Ms. Billings how to proceed.

Ms. Billings explained how to rescind the motion. She also indicated that even though the process has started there is nothing that would make it impossible to stop the process of issuing an RFP.

Trustee Patrice Waterman again indicated that the Board could revise the timetable to late 2016 or early 2017 once the investment consultant is hired and the transition process is completed.

Miss Munson reminded the Trustees that the RFP responses are due Tuesday, May 3, 2016.

Trustee Albritton indicated that the proposals are good for one year.

Miss Munson indicated the proposals are valid for ninety days.

RESOLUTION 16-072 By Albritton, Supported by Swazer

Resolved, That the Board vote to rescind Resolution 16-054 approving the issuance of an RFP for legal services.

Roll Call:

Trustee Albritton – Yea
Trustee Arndt – Abstain
Trustee Gaffney – Yea
Trustee Giddings – No

Chairman Moore - Yea
Trustee Swazer - Yea
Trustee Patrice Waterman – Yea
Trustee Kevin Williams - Yea

Motion Passed
Yeas: 6 – Nays: 1
Abstain (Trustee Arndt)

NEW BUSINESS

Re: Resolution to Close 401(a) Money Purchase Plan

Miss Munson reported that no money had ever been transferred to the 401(a) Money Purchase Plan and the finance sub-committee is recommending closing the plan. She indicated we will need a resolution directing ICMA to close the plan and a plan statement form.

RESOLUTION 16-073 By Gaffney, Supported by P. Waterman

Whereas the Board of Trustees wishes to close the ICMA 401(a) money purchase plan name City of Pontiac MI GERS 401, plan #108224 established in 2015, and

Whereas no contributions have ever been submitted into the plan, therefore be it

Resolved, that the Board of Trustees directs ICMA to close the City of Pontiac MI GERS 401 money purchase plan effective October 1, 2015, and further

Resolved, that the Board of Trustees hereby authorizes the Chair to sign the ICMA 401(a) Restatement form and

Resolved, that the Board authorizes the Chair's signature on the ICMA Plan Restatement form.

Yeas: 8 - Nays: 0

Re: Update GRS Member Software with New Mortality Table

Miss Munson reported that the finance sub-committee is recommending approval of the update of the GRS software used to calculate member benefits to incorporate the new mortality table. The cost to update the software is \$2,500.00.

RESOLUTION 16-074 By P. Waterman, Supported by Gaffney

Resolved, That the Board approves the update of the GRS member software to incorporate the RP-2014 Mortality Table with blue collar and social security generational improvement for the calculation of member benefits at a cost of \$2,500.00 to be used for retirements effective on or after May 1, 2016.

Yeas: 8 – Nays: 0

Re: Audit 2015 Member Pay Data

Miss Munson referenced the two memos in the Trustees package regarding the corrections to the minutes that need to be made as a result of the 2015 member file audit.

RESOLUTION 16-075 By Gaffney, Supported by P. Waterman

Resolved, That the Board approve the correct benefit amount previously reported for Cresithia James from \$605.91 to \$605.41.

Yeas: 8 - Nays: 0

RESOLUTION 16-076 By Gaffney, Supported by P. Waterman

Resolved, That the Board approve the \$17,478.72 refund paid to the heirs of Marie Carleton

Yeas: 8 - Nays: 0

Re: Directed Brokerage Program

Miss Munson reported that the finance sub-committee had reviewed the System's directed brokerage program and determined that it needs to be updated. The policy advises investment

managers to direct up to 25% of their normal transactions for the System to a list of minority- and women-owned firms on a list that is to be maintained by the Retirement Office. Brokerage dollars are considered Plan assets. The breakdown of directed brokerage dollars for 2015 is included in the Consent Agenda.

The most recent list does not meet the System's definition of minority- and women-owned firms and was not chosen by the Board or Staff. The System does not have a process in place to review how and when the list of brokers is updated, what service the broker is to provide in exchange for the directed brokerage dollars or a method of assessing the execution performance of the listed brokers.

The resolution in the Trustee package temporarily suspends the directed brokerage program and directs the Interim Executive Director and the Investment Consultant to update the policy as well as the list of directed brokers for approval by the Board to ensure that the program is accomplishing the System's goals.

She requested that the Board temporarily suspend the directed brokerage programs until such time as the current policy and list of firms can be reviewed, amended and approved by the Board.

RESOLUTION 16-077 By Gaffney, Supported by Swazer

Resolved, That the Board will temporarily suspend its Directed Brokerage Program and further,

Resolved, That the Board directs the Interim Executive Director to work in consultation with the investment consultant and finance sub-committee to develop an updated program for approval by the Board.

Yeas: 8 – Nays: 0

Re: Resolution for Shirley Barnett

Trustee Arndt read the resolution that she wrote for former Trustee Shirley Barnett.

A Resolution of Appreciation to Shirley Barnett for her Dedicated Service to the City of Pontiac General Employees' Retirement System:

RESOLUTION 16-078 By Arndt, Supported by Williams

WHEREAS, Shirley Barnett has faithfully served the City and Hospital Retirees as a Trustee on the City of Pontiac General Employees' Retirement System for more than twenty years, and

WHEREAS, Shirley's commitment to the Retirement System and its members was further demonstrated through various other influences including her years of service in the Human Resources Department at Pontiac General Hospital, through her years serving on the

MAPERS Board of Directors from 1998 through 2006 and as a Citizen Trustee on the Waterford Township General Employees' Retirement System Board of Trustees, and

WHEREAS, Shirley's approach as a Trustee assisted her in making difficult decisions, and by using her imagination, foresight and collaborative spirit, provided her with the necessary tools to help GERS operate successfully for many years, and

WHEREAS, Shirley carried out her fiduciary responsibilities throughout her years of service in a conscientious and responsible manner, with a smile on her face, and a sense of dedication, sincerity, hard work and integrity, and

WHEREAS, Shirley provided distinguished service to the Board and the members and beneficiaries of the Retirement System, and

WHEREAS, the Trustees, the members and beneficiaries of the Retirement System, the City employees and citizenry owe a debt of gratitude to Trustee Barnett for her service to the Retirement System, therefore be it

RESOLVED, that the Board of Trustees, on behalf of itself and all concerned, hereby expresses its sincere gratitude and appreciation to Trustee Barnett for her honorable and distinguished service as a Trustee, and our congratulations on her well-earned retirement, our best wishes to her and her family for continued success, happiness, and good health in the years to come, and be it further

RESOLVED, Shirley Barnett shall be forever remembered for the numerous contributions she has made to the Retirement System and the community, and be it further

RESOLVED, that the Board of Trustees, on behalf of all the aforementioned parties, says

"Thank You Shirley for a Job Well Done"

Yeas: 8 – Nays: 0

Re: Northern Trust Tax Reclaim Forms

Miss Munson referred to the various tax reclaim forms in their package. These forms are required by Northern Trust in order to reclaim taxes taken on foreign dividends earned by the System's international equity managers. She requested that the Board authorize the Chairman to sign the Northern Trust tax reclaim forms.

RESOLUTION 16-079 By Gaffney, Supported by P. Waterman

Resolved, That the Board authorizes the Chairman's signature on the Northern Trust forms required to reclaim foreign taxes.

Yeas: 8 – Nays: 0

Re: Resolution to Correct March 7, 2016 Resolution Number

Miss Munson requested that the Board approve the resolution to revise a resolution number from the March 7, 2016 special board meeting minutes.

RESOLUTION 16-080 By Gaffney, Supported by P. Waterman

Resolved, That the Board approves the correction to the March 7, 2016 resolution to approve the renewal of the NASP membership from resolution number 16-045 to 16-044.

Yeas: 8 – Nays: 0

Re: Resolution to Approve Expenditure for Site Visits (Investment Consultant)

Miss Munson requested that the Board authorize the expenditure for site visits to two Investment Consultant finalists.

RESOLUTION 16-081 By Gaffney, Supported by P. Waterman

Resolved, That the Board authorizes the expenditure for site visits to two investment consultant finalists to be selected by the ad-hoc committee.

Yeas: 7 – Nays: 1 (Giddings)

Legal Report

Response to FOIA Request

Ms. Billings reviewed her response to Linda Hasson regarding her FOIA request for Attorney Billings’ opinion regarding the CPREA versus City mediation and the seventeen questions answered by Attorney Billings at the March 30, 2016 Trustee Meeting. Ms. Hasson had also requested a copy of Attorney John Clark’s opinion regarding conflicts of interest.

Robbins Geller March Portfolio Monitoring Report

Ms. Billings reported this is for the Trustees’ information.

The Board reserves the right to enter into closed session to review matters in accordance with Michigan Public Act 267 of 1976 Open Meetings Act).

RESOLUTION 16-082 By Gaffney, Supported by P. Waterman

Resolved, That the Board move to closed session to discuss pending litigation.

Roll Call:

Trustee Albritton – Yea	Chairman Moore - Yea
Trustee Arndt – Yea	Trustee Swazer - Yea
Trustee Gaffney – Yea	Trustee Patrice Waterman – Yea
Trustee Giddings – Yea	Trustee Kevin Williams - Yea

*The Board moved to closed session at 2:33 p.m.
The Board returned from closed session at 2:45 p.m.*

RESOLUTION 16-083 By Gaffney, Supported by Albritton
Resolved, That the Board grant settlement authority in the Northern Trust Securities Lending Litigation as discussed in closed session.

Yeas: 8 – Nays: 0

RESOLUTION 16-084 By Gaffney, Supported by Albritton

Resolved, That the Board approved the closed session minutes from February 24, 2016.

Yeas: 8 – Nays: 0

SCHEDULING OF NEXT MEETING/ADJOURNMENT

Regular Meeting: Wednesday, May 25, 2016 @ 10:00 a.m. – Retirement Office

RESOLUTION 16-085 By Gaffney, Supported by Albritton

Resolved, That the meeting of the Board of Trustees of the City of Pontiac General Employees' Retirement System be adjourned at 2:47 p.m.

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 April 27, 2016

As recorded by Jane Arndt