

MUNICIPAL EMPLOYEES' RETIREMENT BOARD

1996 Motions

(beginning with MERS' independence on August 15, 1996)

AUGUST 20-21, 1996

ASSET ALLOCATION RE-BALANCE (6-30-96) (20th) p. 2

Mr. Walker made a motion to approve Ms. Wagner's recommendation and allocate additional dollars to Cohen & Steers - \$8,000,000, TCW - \$3,600,000. It was understood that these dollars would come from cash and would be transferred to their management effective October 1, 1996. Mr. Himick supported the motion. The motion carried unanimously.

REVIEW OF BOARD APPROVED LEGISLATIVE CHANGES FOR INCORPORATION INTO THE NEW PLAN DOCUMENT (21st) p. 3

Mr. Ross motioned that the Board approved language be included in the new MERS Plan Document. The motion was supported by Mr. Himick. The motion carried unanimously.

INTERVIEW OF MR. BIRGBAUER AND MR. FROMM (21st) p. 3

Mr. Walker motioned to appoint Mr. Birgbauer as a Board member effective immediately, and to serve a term of three years beginning January 1, 1997. Mr. Ross supported the motion. The motion carried unanimously.

PROPOSED BENEFIT PROGRAM DC - ACCUMULATED BALANCE RECOMMENDATION (21st) p. 4

Mr. Ross made a motion to approve the recommendations made by Mr. Dawidowicz. Mr. Klosowski supported the motion, the motion carried unanimously.

NOMINATION FOR RETIRED BOARD MEMBER (21st) p. 5

Mr. Walker placed the name of Derald Stanton, retiree from the City of Traverse City before the Board for consideration as a retiree board member for a one-year term. The nomination was supported by Mr. Ross. There were no other nominations received. It was moved by Mr. Walker supported by Ms. Kohut to close the nomination. The motion carried unanimously.

TRAVEL GUIDELINES (21st) p. 6

It was moved by Mr. Himick to approve the Travel Guidelines as amended. Mr. Ross supported the motion. The motion carried unanimously.

1996 MOTIONS

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SEPTEMBER 24, 1996

RESOLUTION FOR MERS AS RETIREMENT PLAN FOR MERS' EMPLOYEES (p. 1)

As agreed to previously, MERS employees will be covered by a B-2, FAC 3, F-55/30 with a 2% employee contribution with ten-year vesting. Mr. Himick made a motion that Municipal Employees' Retirement System of Michigan be the retirement plan administrator for MERS employees with the benefit programs listed above. Mr. Klosowski supported the motion. The motion carried unanimously.

RESOLUTION ADOPTING ACT 88 (RECIPROCAL RETIREMENT ACT) (p .2)

Ms. Kohut motioned to adopt the provision of Act No. 88, Public Acts of 1961, as amended, and for Municipal Employees' Retirement System of Michigan to become a reciprocal unit under the Reciprocal Retirement Act; and that the Executive Director of the Municipal Employees' Retirement System of Michigan file a certified copy of the resolution with the Secretary of State, Lansing, Michigan within ten days of this date. Mr. Ross supported the motion. The motion carried unanimously.

RESOLUTION FOR DEFINING A DAY OF WORK FOR RETIREMENT PURPOSES (p.2)

Mr. Ross motioned to adopt the resolution for defining a day of work for retirement purposes in accordance with Section 3(1) of Act 427 of 1984, as amended, the Municipal Employees' Retirement System of Michigan, certifying that a day of work for all employees, for retirement purposes, shall consist of eight hours. Ms. Kohut supported the motion. The motion carried unanimously.

REQUEST FROM CITY OF EAST LANSING (p. 2)

Mr. Walker motioned to amend PA 427 to allow vested former members of the system who retired prior to 1985 who are in deferred status as of September 24, 1996 to have extended to them the provision to draw a reduced benefit without restriction prior to age 60. Mr. Klosowski supported the motion. The motion carried unanimously.

STAFF OPERATIONS (p. 3-4)

Mr. Himick motioned to approve the Memorandum of Understanding as presented by Ms. Stevens. Mr. Klosowski supported the motion. The motion carried unanimously.

1996 MOTIONS

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OCTOBER 23-24, 1996

SUGGESTED 1997 MEETING DATES AND LOCATIONS (23rd) p. 2

Chairperson Seymore reviewed the 1997 meeting dates and locations with the Board. After discussion, Mr. Ross motioned to approve the 1997 Meeting Dates and Locations as presented. Mr. Klosowski supported the motion. The motion carried unanimously.

RESOLUTION FOR MERS EMPLOYEES DEFERRED COMPENSATION PLAN (IRC "Section 457") THROUGH ICMA-RC (24th) p. 3

Mr. Walker made a motion to adopt the suggested resolution relating to offering a Deferred Compensation Plan to the MERS employees. Mr. Himick supported the motion. The motion carried unanimously.

NEW PLAN DOCUMENT (24th) p. 3

Mr. Walker made a motion to approve the Plan Document as amended, and asked that the Plan Document, in final form, be submitted to the IRS for favorable ruling. Mr. Himick supported the motion. The motion carried unanimously.

INVESTMENTS (24th) p. 4-5

Ms. Kohut moved that Walton Street Capital offer be declined. The motion was supported by Mr. Birgbauer. The motion carried unanimously.

1996 MOTIONS

(beginning with MERS' independence on August 15, 1996)

NOVEMBER 19-20, 1996

NEW PLAN DOCUMENT (20th) p. 3-4

- Mr. Birgbauer moved to approve the changes in Section 6(5). Mr. Ross supported the motion. The motion carried unanimously.
- Mr. Birgbauer motioned to approve the changes as presented by Mr. Moquin in Section 19a. Mr. Walker supported the motion. The motion carried unanimously.
- Mr. Himick motioned to approve the changes as presented by Mr. Moquin in Section 31. Mr. Stanton supported the motion. The motion carried unanimously.
- Mr. Ross moved to approve changes in Sections 34 and 35 as presented by Mr. Moquin. Ms. Kohut supported the motion. The motion carried unanimously.
- Mr. Himick made a motion to approve Section 55 (11) as presented by Mr. Moquin. Mr. Stanton supported the motion. The motion carried unanimously.
- Mr. Ross made a motion to approve Section 57 as presented by Mr. Moquin. Mr. Birgbauer supported the motion. The motion carried unanimously.
- Mr. Moquin stated that with these changes, the new Plan Document is now ready to be submitted to the IRS for approval.

Mr. Ross moved that the entire Plan Document with changes presented and approved at the November Board Meeting be presented to the IRS for approval. Mr. Walker supported the motion. The motion carried unanimously.

BENEFIT PROGRAM DC - POLICY AND PROCEDURES (20th) p. 4-5

Mr. Walker made a motion to adopt the policies and procedures as presented by Mr. Dawidowicz in his memo dated November 7, 1996, which supersedes the motion adopted at the August Board meeting in Mr. Dawidowicz's memo dated August 9, 1996. Mr. Birgbauer supported the motion. The motion carried unanimously.

Mr. Walker motioned to adopt an interest rate of 7.52% for the period beginning January 1 through July 1, 1997. The interest rate of 7.52% is the blended 30-year U.S. Treasury rate derived from the October published rate of 7.03% - as published by the IRS for the month prior to the November Board Meeting, and 8% - the Board established actuarial interest rate assumption. Ms. Kohut supported the motion. The motion carried unanimously.

Mr. Ross made a motion to adopt the procedures as corrected for implementing the Benefit Program DC. Mr. Himick supported the motion. The motion carried unanimously.

DRAFT RFP FOR CUSTODIAN (20th) p. 5

Ms. Kohut motioned to approve the draft for the Custodial RFP with the changes that were presented by Ms. Wagner. Mr. Himick supported the motion. The motion carried unanimously.

APPLICATION FOR DISABILITY - CARL ALLEN JUNIOR (20th) p. 6

Mr. Stanton motioned to approve the deferral of Mr. Junior's application for duty disability retirement for six months or sooner should he elect to have the surgery as recommended. Mr. Himick supported the motion. The motion carried unanimously.

INVESTMENTS (20th) p. 6-7

LaSalle Advisors - Mr. Himick motioned to amend the trust agreement to allow for the units of the fund to be placed in Clearinghouse for possible sale. Mr. Stanton supported the motion. The motion carried unanimously.

Mr. Walker motioned that any trade not in compliance with Board guidelines will result in exploration of different investment manager opportunities. Mr. Himick supported the motion. The motion carried unanimously.

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DECEMBER 17-18, 1996

MERS SYSTEM SOLUTION/IMPLEMENTATION PARTNER (17th) p. 2-3

Ms. Stevens recommended to proceed with the PeopleSoft solution as the system of choice for MERS.

After discussion, Mr. Walker motioned to accept the PeopleSoft Contract as outlined by Ms. Stevens. Mr. Himick supported the motion. The motion carried unanimously.

LEGAL COUNSEL (18th) p. 4

Mr. Stanton motioned that the Executive Director be authorized to offer Michael Moquin the position of MERS' in-house legal counsel. The motion was supported by Ms. Kohut. The motion carried unanimously.

SEGAL COMPANY'S ACTUARIAL AGREEMENT (18th) p. 5

Mr. Walker motioned to approve extension of the Segal contract for the period of October 1, 1996 through September 30, 1997. Mr. Birgbauer supported the motion. A roll call vote was taken. The motion passed with 5 ayes, and 1 nay.

Ms. Kohut motioned to receive and file the letter from The Police Officers Association of Michigan which was presented by Mr. Himick. The motion was supported by Mr. Himick. The motion carried unanimously.

MUSKEGON COUNTY - REVIEW OF FATIMA TONEY'S APPLICATION FOR DUTY DISABILITY (18th) p. 5-6

Mr. Himick motioned that the Board set aside its prior action of summary approval of duty disability for Fatima Toney and have the matter proceed to a contested case hearing. Ms. Kohut supported the motion. The motion carried unanimously.

Mr. Himick motioned to agree to the AMB closing date of January 31, 1997. Ms. Kohut supported the motion. The motion carried unanimously. (p. 7)

END OF 1996 MOTIONS