

# **MUNICIPAL EMPLOYEES' RETIREMENT BOARD**

## **2007 Motions**

**January 10, 2007**

### **CALL TO ORDER**

Chairperson Walker stated the first item of business is the election of officers for 2007.

Ms. Wagner conducted the election. Nominations were declared open for Chairperson. Mr. Opelt moved to nominate Mr. Walker as Chairperson, supported by Mr. Klosowski. Mr. Murphy moved to close the nominations, supported by Mr. Ogden. Motion carried.

Mr. Klosowski moved to nominate Mr. Opelt as Chairman Pro Tem, supported by Ms. Dreves. Mr. Ogden moved to close the nominations, supported by Mr. Johnson. Motion carried.

### **OLD BUSINESS**

#### **Share Project**

William SaintAmour updated the Board regarding progress of the records indexing and retrieval project ("Share Project"). The Executive and Investments departments are already implemented, and work is moving forward on Administrative Services, Legal, and Finance. Mr. SaintAmour provided a brief history of the project, including why MERS selected the software package (FileNet) and the implementation company (RobbinsGioia). He further explained how the project will better secure MERS records, improve short and long-term access, improve knowledge management as succession occurs, and assist new staff in capturing and accessing records. This technology is rapidly taking hold in the public and private sectors. Sales have spread from \$100 million four years ago to a projected \$1.6 billion in 2007. Chrysler Corporation just now is beginning this process and will visit MERS in February to benchmark what we are putting in place. Mr. Ogden moved to receive Mr. SaintAmour's report, supported by Ms. Dreves. Motion carried.

#### **Highland Park**

Ms. Wagner introduced Mr. Greg Pitoniak, Deputy State Treasurer; Mr. Fred Headen, of Treasury's Bureau Local Government; and Treasury's retained bond attorneys Mr. Allen Bass and Mr. Jon Savage of Lewis & Munday, P.C., to discuss possible solutions to the funding crisis in the City of Highland Park's defined benefit plans. It was agreed that such a plan would be implemented no later than June 30, 2007.

Ms. Stahl moved to go to closed session to discuss Chief General Counsel Moquin's written attorney-client memorandum on matters involving Highland Park, supported by Ms. Dreves.

Roll Call:  
Mr. Walker: yes  
Mr. Hailey yes  
Mr. Murphy: yes  
Ms. Dreves: yes  
Mrs. Stahl: yes  
Mr. Opelt: yes  
Mr. Ogden: yes  
Mr. Klosowski: yes  
Mr. Johnson: yes  
Motion carried.

The Board moved back into open session. In open session, Mr. Opelt moved to take action recommended by Chief General Counsel's memorandum, supported by Mr. Murphy. Motion carried.

#### **GENERAL CONSENT AGENDA**

Mr. Opelt moved to approve the consent agenda, supported by Mr. Klosowski. Motion carried.

#### **Authorized Signatories Resolution**

Chief General Counsel Moquin reported the need to broaden the current Authorized Signatories Resolution last amended March 15, 2006, to authorize all persons approved in writing by the CEO, on an officer's request basis that certain department employees be authorized as signatories for normal and routine business transactions within that department. It is recommended by Chief General Counsel Moquin that the Resolution be approved by the Board. Mr. Opelt moved to accept the recommendation, supported by Mr. Ogden. Motion carried.

#### **Duty Disability Case – Robert Kintgen v MERS**

Mr. Moquin explained the details of Mr. Kitgen's duty disability case. Mr. Moquin recommended that the Board adopt the hearing officer's proposal for decision denying duty benefits. Mr. Ogden moved to accept the Chief General Counsel's recommendation adopting the hearing officer's proposal for decision denying duty disability benefits, supported by Ms. Dreves. Motion carried.

**NO FEBRUARY 2007 BOARD MEETING**

## March 14-15, 2007

### OLD BUSINESS:

#### Building Addition Update

Ron Beaton presented the cost summary of the MERS building addition. The final cost is expected to be lower than reported when final vendor invoices are paid. Mr. Hailey moved to receive the report, supported by Ms. Dreves. Motion carried.

#### Temporary Employees – Staff recommendation

In response to employer requests for amendment of Plan Document Section 3(2), member comment on the MERS website through the January 15, 2007 deadline date, and employer survey, and the March 7, 2007 recommendation of the Chief Pension Services Officer, subsection (2) is amended, with immediate effect to permit a municipality (or court) by resolution (or administrative order for a court) to exclude temporary employees where the employee work will not normally require more than 6 not to exceed 12 whole months of work. Mr. Opelt moved to accept the recommendation, supported by Ms. Dreves. Motion carried.

#### Succession Plan

Chief Administrative Officer, Caryn Mateer and Mr. Hardy Hassenfuss of New London Management Associates, via conference call, discussed the benchmarking reports of Officers and the Board for the CEO position for succession planning. Mr. Hassenfuss reported there was not a significant difference between the officers and Board's benchmarks. The plan is to compare the proposed candidates against the benchmarks. Ms. Mateer commented that the benchmarks are helpful for staff development.

#### Interim CEO Designation Recommendation

CEO Wagner recommended the Board adopt the following language in the Succession Plan under the CEO Selection Process section of the Board's Governance Policy:

In the case of the death of MERS CEO or the inability of that person to manage the system, MERS Board shall appoint MERS General Counsel to act as the interim CEO until such time as the Board can complete the selection process for a new CEO.

Mr. Johnson moved to accept the recommendation of the CEO, supported by Mr. Opelt. Motion carried.

#### HCSP – Revive Survivor Beneficiary Payment Feature

Moved by Mr. Opelt, and seconded by Ms. Dreves, as recommended by Chief General Counsel, concurred by the Insurance Services Department, and pursuant to the Board's authority as trustee and fiduciary under Section 36 of 1984 PA 427, as amended; MCL 38.1536, and Sections 19A and 36 of the MERS Plan Document:

Amend Article II, section 8.01 Automatic Participant Account Termination, of the Restated MERS PLAN DOCUMENT FOR HEALTH CARE SAVINGS PLAN (*Health Care Savings Program ("HCSP") and the Retiree Health Funding Vehicle ("RHFV")*), by reinstating the following language:

"After the death of the Participant's last Dependent, any funds then remaining in the Participant's Account shall be paid to the designated Beneficiary. *NOTE: IRS Revenue Ruling 2006-36 requires the Plan discontinue providing lump sum reimbursement to non-dependent survivor beneficiaries starting January 1, 2009. This ruling only affects benefits paid to non-dependent survivor beneficiaries; reimbursements to a surviving spouse or dependent(s) will continue.*"

And the reinstatement shall be effective as of December 31, 2005. Motion carried.

### **Ends Measurement**

Chief Information Systems Officer Tama Allen presented the Board with the Ends measurement process and monitoring report system. Moved by Mr. Opelt to approve the Ends measurement system, supported by Mr. Johnson. Motion carried.

### **Experience Study**

Alan Sonnanstine, senior actuary from Gabriel, Roeder, Smith & Company, presented the MERS 1999 – 2003 Experience Study – Update 2 (March 6, 2007). He summarized the findings of the Update, and made two recommendations concerning non-economic assumptions. Following his presentation, pursuant to the Board's authority as trustee and fiduciary under Section 36 of 1984 PA 427, as amended; MCL 38.1536, and Section 36 of the MERS Plan Document, Mr. Opelt moved and Ms. Stahl seconded, to adopt the following provisions of the Update:

- Adopt effective for Initial Actuarial Valuations requested on or after March 14, 2007, the non-economic assumption recommendations for rates of normal retirement and withdrawal, including
- withdrawal rate scaling factors ranging from 0.5 to 2.0, in increments of 0.1, to best match the pre-existing withdrawal assumptions, if any;
- Table the non-economic assumption recommendations for rates of normal retirement and withdrawal, for existing participating municipalities and courts as of March 13, 2007, not later than the first regularly scheduled Board meeting in 2008.

Motion carried.

### **GENERAL CONSENT AGENDA**

Mr. Opelt moved to approve the consent agenda, excluding the Investment report. Supported by Mr. Johnson. Motion carried.

### **Investment Report**

Mr. Burns discussed the performance of the portfolio and reported 13.6% return for 2007. Moved by Mr. Opelt to approve the report, supported by Ms. Dreves.

Mr. Burns reported the Investment Committee met this morning and approved a 5% allocation for an infrastructure partnership arrangement. Ms. Dreves moved to concur with the Investment Committee's recommendation, supported by Mr. Hailey. Motion approved.

## **NEW BUSINESS**

### **Resolution for Defining a Day of Work for MERS Internal Staff**

Mr. Opelt moved to approve the Resolution For Defining a Month of Work for Service Purposes as 80 hours per month, supported by Ms. Dreves. This ratifies prior Retirement Board approval on November 13, 2002. Motion carried.

### **STD/LTD in MERS Compensation Resolution**

Pursuant to the February 27, 2007 recommendation from the Chief Pension Services Officer, "Including STD/LTD in MERS Compensation"; Moved by Ms. Stahl, and seconded by Mr. Opelt to approve the resolution that "compensation" shall include:

- holiday pay, vacation pay, overtime pay, sick leave pay if paid for absence from work, shift differential pay, deferred compensation, premiums for annuity or permanent life insurance policies that are transferred to the ownership of the employee at time of retirement, car allowance to the extent taxable on the employee's W-2, worker's compensation (if payments are higher than regular earnings);
- short term disability or long term disability benefit payments if the participating municipality or participating court reports the payments to the retirement system; and
- lump sum payments of "compensation" to the extent that such payments are attributable to the member's personal service rendered during the period of years for which their 'final average compensation' is based.

Motion carried.

### **RHFV & HCSP Resolutions**

Moved by Mr. Opelt, and seconded by Ms. Dreves, as recommended by Chief General Counsel, concurred by the Insurance Services Department, and pursuant to the Board's authority as trustee and fiduciary under Section 36 of 1984 PA 427, as amended; MCL 38.1536, and Sections 19A and 36 of the MERS Plan Document:

- Revisions to the Uniform Resolution for Retiree Health Funding Vehicle (last revised November 15, 2005), and
- Revisions to the Uniform Resolution for Health Care Savings Program (last revised November 15, 2005),

ARE APPROVED, with immediate effect.

Motion carried.

### **MERS Termination Agreement/Div #05 of Royal Oak Charter Township**

Mr. Murphy moved to approve the recommendation to approve the Termination Agreement for division #05, Royal Oak Charter Township, supported by Mr. Klosowski. Motion carried.

**Closed Session**

Mr. Opelt moved to go to closed session to review the closed session minutes, Chief General Counsel Moquin's written recommendation on pending litigation and alternative investments where open session discussion would have adverse and detrimental financial impact. Supported by Mr. Klosowski. Motion carried.

Roll Call:

Mr. Walker: yes  
Mr. Hailey yes  
Mr. Murphy: yes  
Ms. Dreves: yes  
Mrs. Stahl: yes  
Mr. Opelt: yes  
Mr. Ogden: yes  
Mr. Klosowski: yes  
Mr. Johnson: yes

Motion carried.

The Board moved back into open session.

In open session, Ms. Stahl moved to approve the closed session minutes, supported by Mr. Hailey. Motion carried.

Ms. Stahl moved to approve Chief General Counsel's recommendations for proposed litigation. Supported by Mr. Ogden. Motion carried.

Mr. Opelt moved to approve the alternative investments, supported by Mr. Ogden. Motion carried.

**NO APRIL 2007 BOARD MEETING SCHEDULED**

May 8-9, 2007

**OLD BUSINESS**

**Experience Study Update Memorandum**

Alan Sonnanstine, senior actuary from Gabriel, Roeder, Smith & Company, presented the MERS 1999-2003 Experience Study – Update 2 (March 6, 2007). He summarized the findings of the Update, and made two recommendations concerning non-economic assumptions. Mr. Opelt moved and Mr. Ogden seconded, to adopt the following provisions of the Update:

Adopt effective for Initial Actuarial Valuations requested on or after April 1, 2007, the non-economic assumption recommendations for rates of normal retirement and withdrawal, including withdrawal rate scaling factors ranging from 0.1 to 2.0, in increments of 0.1, to best match the pre-existing withdrawal assumptions, if any;

Table non-economic assumption recommendations for rates of normal retirement and withdrawal, for existing participating municipalities and courts as March 30, 2007, until the first regularly scheduled Board meeting in 2008.

The Amended Motion is adopted in lieu of the Motion adopted by the Board on March 13, 2007, and such earlier motion is rescinded, all with an effective date of March 13, 2007. Motion carried.

**Amended Amortization Policy for Closed Divisions within Open Municipalities**

Mr. Opelt moved, supported by Mr. Hailey to adopt the recommendation as set forth in Chief General Counsel's memorandum, requested by the Marketing Department, with concurrence of the Actuary, to revise the Board's 2003 Amortization Policy for Closed Divisions, in order that the policy not apply to divisions which adopt MERS Hybrid Benefit Program. Pursuant to the Board's authority as trustee and fiduciary under Section 36 of 1984 PA 427, as amended; MCL 38.1536, and Section 36 of the MERS Plan Document, the Policy is amended with immediate effect, by addition of the new, final clause:

This Policy shall not apply (or shall cease to apply) to any division in which the MERS Hybrid Benefit Program is adopted and remains open, or where a DB division is closed and a new DB division for the same employee classification is adopted and remains open. Motion carried.

**CONSENT AGENDA**

Mr. Hailey moved to approve the consent agenda, excluding the April and May Investment Reports, supported by Ms. Dreves. Motion carried.

**Investments Reports**

Mr. Burns reviewed the April and May investment returns and reported 6.20% return year-to-date. Mr. Opelt moved to adopt the Investment reports as presented, supported by Mr. Murphy. Motion carried.

**Closed Session**

Mr. Hailey moved to go to closed session to review closed session minutes of March 13 Board meeting, supported by Ms. Stahl.

Roll Call:

Mr. Walker: yes

Mr. Hailey: yes

Mr. Murphy: yes

Ms. Dreves: yes

Mrs. Stahl: yes

Mr. Ogden: yes

Motion carried.

The Board moved back into open session. In open session Mr. Opelt moved to approve the closed session minutes, supported by Mr. Ogden. Motion carried.

**NEW BUSINESS**

**Resolution to Exclude Temporary employees from membership in MERS**

Moved by Ms. Stahl, supported by Mr. Hailey to adopt the Resolution to Exclude Temporary Employees from Membership in MERS under Plan Document Section 3(2), excluding all employees in positions requiring less than 12 whole months in All Divisions. Motion carried.

**Defined Contribution Amendments**

Mr. Hailey moved to adopt the recommendation of the MERS staff to allow municipalities, where demand exists, to adopt the VantageBroker program for participant members and adopt ICMA-RC's amended plan document without any changes. Supported by Ms. Stahl. Motion carried.

**NO JUNE 2007 BOARD MEETING SCHEDULED**

**July 10-11, 2007**

**CONSENT AGENDA**

Ms. Stahl moved to approve the consent agenda, supported by Mr. Murphy. Motion carried.

**BOARD MEMBER RETIREMENT AND RESOLUTION**

CEO Wagner reported that Mr. Raymond Klosowski, one of the longest serving members of the Board, submitted his letter announcing his retirement and resignation from the Board, effective June 29, 2007. Ms. Stahl moved to present Mr. Klosowski with a resolution honoring his years of service to be presented at the Annual Meeting in September, supported by Mr. Hailey. Motion carried.

**INVESTMENT COMMITTEE RECOMMENDATION**

Chief Investment Officer Burns presented the Investment Committee recommendations from the June 28, 2007 Investment Committee conference call. The recommendations approved are:

1. Select State Street as MERS new custodial bank pending site visit and final negotiations.
2. Transition MERS core active holding to asset trust structure
3. Terminate Wasatch as fund manager and move funds into Russell 2000 Growth ETF while researching replacement strategy

The Investment Committee tabled the proxy voting policy for discussion at a later date. Mr. Ogden moved to receive and file the Investment Committee Recommendations, supported by Ms. Dreves. Motion carried.

**FISCAL RESPONSIBILITY COMMITTEE RECOMMENDATION**

Mr. Hailey moved to table the Fiscal Responsibility Committee's recommendation on changes to Plan Section 43C until the September Board meeting, supported by Mr. Ogden. Motion carried.

**LLC UPDATE – MICHAEL ARPEY AND DEREK JONES, CREDIT SUISSE**

Mike Arpey and Derek Jones from Credit Suisse updated the Board on investments in the strategic fund. Moved by Mr. Ogden to receive and file their report, supported by Mr. Murphy. Motion carried.

**OLD BUSINESS**

**Highland Park**

Mr. Moquin updated the Board on the latest communication from the Michigan Department of Treasury regarding Highland Park's delinquent employer contributions, and no additional employer payments were made by June 30. Staff will implement the Board's directive to terminate the City's participation in MERS Defined Benefit Program, and transfer remaining employer assets to the State-appointed Emergency Financial Manager. Moved by Mr. Hailey to receive and file report, supported by Mr. Murphy. Motion carried.

**NO AUGUST 2007 BOARD MEETING SCHEDULED**

**Scheduled: September 18-20, 2007**

**OLD BUSINESS**

**Board Governance Policy Revisions**

The board governance policy has been updated with the revisions discussed at the July meeting. The Ethics policy will be revised and discussed at the November meeting. Ms. Dreves moved to approve the updated Board Governance Policy, supported by Mr. Ogden. Motion approved.

**2008 Strategic Planning Proposal**

The 2008 strategic initiatives developed from the discussion with officers at the Board and Officer Retreat in July was assigned to officers for further analysis using a SWOT (strengths, weaknesses, opportunities, threats) format. The analysis is ongoing and is being used as a platform for in-depth discussions to develop a list of action items. From action items, measurable goals will be determined for 2008. Ms. Stahl moved to receive and file the report, supported by Ms. Dreves. Motion carried.

**Fiscal Responsibility Committee Recommendation**

The Fiscal Responsibility Working Group recommended Board adoption of the following items:

1) Raise the required funding level for new benefit adoption from 50% to 60% commencing January 1, 2008, by amending the Plan Document, Article V, Section 43C. Mr. Ogden moved to approve recommendation, supported by Ms. Dreves. Motion approved.

2) Reduce the amortization period from 25 to 20 years beginning December 11, 2011 by amending Plan Document Section 43C(4) and Section 2C(3(b)). Moved to approve by Mr. Johnson, supported by Mr. Murphy. Motion approved.

Pursuant to Board direction, the Plan amendments will be posted on the MERS website for member comment for 45 days commencing September 24 to November 9. Any comments received will be forwarded by the Legal Department to the Board prior to their November 13 meeting, for such consideration as may be warranted.

**GENERAL CONSENT AGENDA**

Ms. Stahl moved to approve the consent agenda supported by Mr. Johnson. Motion carried. Mr. Johnson commented on the excellent content and presentation of the IFRAM report submitted by the Investments Department. Moved to receive and file IFRAM report, supported by Mr. Ogden. Motion carried.

**NEW BUSINESS**

**Clarence Osborne, Jr. v MERS**

Moved by Mr. Ogden, supported by Ms. Dreves to adopt the Hearing Officer's recommendation denying petitioner's claim for benefits at age 52. Motion carried.

**Paul Wickenheiser v MERS**

Moved by Ms. Stahl, supported by Mr. Murphy to adopt the Hearing Officer's recommendation denying petitioner's request for increased benefits based on inclusion of added wages in final average compensation. Motion carried.

**MERS Premier Health Request**

Ms. Stahl moved to approve MERS Premier Health's request for an additional \$5 million draw, supported by Mr. Johnson. Motion carried.

**Updated Purchasing Policy**

An updated Policy on Procurement was presented to the Board for review and approval. The policy provides standards for buying goods and services in a manner that promotes the prudent use of budgeted funds, quality control, accurate recordkeeping and reporting, sound business practices and efficiency. The policy is also designed to eliminate the potential for unauthorized spending, waste, fraud and conflicts of interest. The updated policy supersedes and replaces the former policy adopted by the retirement Board on November 12, 1997, as amended September 18, 2002. Moved by Ms. Stahl, supported by Ms. Dreves to approve the updated policy as written. Motion approved.

**Closed Session**

Ms. Dreves moved to go to closed session to discuss a confidential employee review, supported by Ms. Stahl.

Roll Call:

Mr. Walker: yes

Mr. Murphy: yes

Ms. Dreves: yes

Mrs. Stahl: yes

Mr. Ogden: yes

Mr. Johnson: yes

Motion carried.

The Board moved back into open session. Meeting Adjourned.

**NO OCTOBER 2007 BOARD MEETING SCHEDULED**

**November 13-14, 2007**

**OLD BUSINESS:**

**60% Funding – comment period ending November 7, 2007**

The dozen or so Member Comments received are supportive of the Board's Fiscal Responsibility Plan amendments. Where specific concerns on 'impact' were voiced, after MERS response setting out the reasons and actuarial support for the changes (especially with 20 year amortization), the commentators were supportive. The Board's balanced and measured approach to increasing the benefit change funding threshold was generally supported, although several comments would be in support of higher limits than the new 60% funded level. The commentators uniformly support fiscal responsibility measures so that benefit promises are affordable and sustainable.

Ms. Dreves moved that the opportunity for Member Comments having been provided and comments received, and there being no substantial basis for further Board consideration demonstrated, the amendments to Plan Document Sections 43C and 2C(3)(b), as approved by the Board on September 17, 2007, shall take effect on January 2008. Supported by Mr. Opelt, motion approved.

**Service Credit Purchase:** The Board will address this issue at the January Board meeting.

**Board Governance Policy**

**Ethics Policy and Supermajority**

The change to the existing Ethics policy is that each year all staff and Board sign and certify the Restated Standards of Professional and Ethical Conduct. Ms. Stahl moved that the MERS Board Governance Policy, as revised September 18, 2007, and with the addition of Appendix A, Restated MERS Standards of Professional and Ethical Conduct, on November 14, 2007, are approved. Supported by Ms. Dreves. Motion approved.

Ms. Stahl moved that all future revisions to the Governance Policy shall require at least 6 concurring votes to be effective. Six affirmative votes being needed for passage of this 'supermajority' provision. Supported by Mr. Opelt. The Motion failed by a roll call vote of 6 in favor with 2 opposed: Mr. Walker, Ms. Dreves, Ms. Stahl, Mr. Opelt, and Mr. Johnson voting Yes; Mr. Ogden and Mr. Murphy voting No.

**Consolidated Actuary Report – Alan Sonnanstine**

Mr. Sonnanstine reviewed the Consolidated Actuarial Report ending December 31, 2006, with the Board. Ms. Dreves moved to receive and file the report, supported by Mr. Murphy. Motion approved.

**GENERAL CONSENT AGENDA**

Mr. Opelt moved to approve the Consent Agenda, excluding the Legal Report, supported by Mr. Johnson. Motion approved.

## **Legal Report**

Mr. Moquin gave further details about the following topics from his November 2007 Legal Report: Highland Park: Pension payrolls through November have been made by MERS and assets appear to be sufficient to make payments to retirees through March 2008. Updates were given on Securities Litigation, Hurley Hospital Nurses Litigation and Tax Tribunal Order directing payment of real estate tax refund to MERS. Mr. Opelt moved to approve the Legal Report, supported by Ms. Dreves, motion approved.

## **NEW BUSINESS**

### **Bosman v MERS Proposal for Decision**

The Board reviewed the case of Craig Bosman, Petitioner, who filed a request for a contested case hearing on the MERS' denial of his request that MERS change its calculation of his final average compensation amount. Mr. Opelt moved to approve the Findings of Fact, Conclusions of Law, and the recommended decision in the Hearing Officer's August 20, 2007 Proposal for Decision, denying Mr. Bosman's request that MERS change its calculation of his final average compensation amount. Supported by Mr. Johnson. Motion approved.

### **Resolution for Harold Hailey**

Mr. Opelt moved to present Mr. Hailey with a resolution honoring his years of service at the next meeting, supported by Mr. Johnson. Motion approved.

### **Board Candidate Interviews for Harold Hailey's and Dale Walker's Board Positions**

The Board interviewed the following candidates for two open positions on the board due to the retirement of Mr. Harold Hailey and Mr. Dale Walker:

Mr. Michael Brown, County Administrator for Barry County

Mr. Randy Girard, Township Administrator for Marquette Township

Mr. Craig Horton, Chief Financial Officer, Director of Fiscal Services, Lapeer County

Moved by Mr. Johnson, supported by Ms. Stahl, to appoint Mr. Michael Brown to fill the term vacated by Mr. Harold Hailey, and to appoint Mr. Randy Girard to fill the term vacated by Mr. Dale Walker. Motion approved.

### **Chairperson and Chairperson Pro Tem Election**

Mr. Johnson moved to elect Mr. Opelt Chairperson of the Retirement Board and Ms. Sally Dreves Chairperson Pro Tem for 2008, supported by Mr. Murphy. Motion approved.

### **Budget 2008**

As a result of its September 2007 meeting, the Budget Committee recommended that the Board adopt the 2008 Budget, supported by Mr. Johnson. Motion approved.

### **Education 2008**

Amanda Knox, Education Manager, presented the 2008 education plan elements for MERS staff, employers and the Board.

### **Board Agenda and Meeting Dates for 2008**

The agenda items and Board meeting dates were finalized for 2008. The meeting dates are as follows: January 8-9, March 11-12, May 13-14, July 8-10, September 30-October 2 (Annual Meeting), and November 12-13. Conference calls with CEO Wagner and the Board are scheduled for February 12, April 8, June 10, August 12, October 14, and December 9. The 2008 Board Meeting Schedule will be posted on the MERS website.

### **Investment Guideline Discussion**

The proposed investment guidelines were given to the Board for review and will be discussed and approved at the January meeting.

### **Closed Session**

Mr. Opelt moved to go to closed session to review the closed session minutes, and to discuss a confidential employee review, supported by Ms. Stahl.

Roll Call:

Mr. Opelt: yes

Mr. Walker: yes

Mr. Murphy: yes

Ms. Dreves: yes

Mrs. Stahl: yes

Mr. Ogden: yes

Mr. Johnson: yes

Motion carried.

The Board moved back into open session. In open session, Mr. Opelt moved to approve the closed session minutes and the action agreed upon by the Board, supported by Ms. Dreves. Motion approved.

**NO DECEMBER 2007 BOARD MEETING SCHEDULED**

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