

CITY OF HARPER WOODS
BOARD OF TRUSTEES
EMPLOYEES RETIREMENT SYSTEM
JANUARY 23, 2006

MEETING MINUTES

The Employees Retirement System Meeting was called to order by Chairperson James Burke at 7:00 p.m.

ROLL CALL

PRESENT: Chairperson James Burke, Vice Chairperson Michael P. Monaghan and Trustee(s) Nathan Butler, Steve Matthews, Kenneth A. Poynter and John Szymanski.

ABSENT: Trustee Maria Nawrocki.

OTHERS PRESENT: Mickey D. Todd, Secretary and Michael Holycross of Morgan Stanley.

ERS 01-01-06

EXCUSE TRUSTEE NAWROCKI

MOTION by Monaghan, SUPPORTED by Szymanski:
To excuse Trustee Maria Nawrocki from today's meeting because of a prior commitment.

ABSENT: Nawrocki.

MOTION CARRIED

ERS 01-02-06

MINUTES

MOTION by Matthews, SUPPORTED by Szymanski:
To receive, approve and file the minutes of the regular Board of Trustees Employees Retirement System meeting held November 28, 2005.

ABSENT: Nawrocki.

MOTION CARRIED

ERS 01-03-06

CONSENT AGENDA

RESOLUTION by Poynter, SUPPORTED by Monaghan:

BE IT RESOLVED to approve Consent Agenda items (a) through (i):

- a. Receive and file the quarterly financial reports from Franklin Templeton Investments and Orleans Capital Management.
- b. Approve quarterly payments to Franklin Templeton Investments (\$16,352.81), and Orleans Capital Management (\$6,315.32).
- c. Approve quarterly payment to Morgan Stanley for Financial Consultant Services. (\$15,855.67)
- d. Receive and file the Financial Statements from Comerica Bank for the fourth quarter of 2005.
- e. Approve payment to Comerica Bank for Trustee Services for the fourth quarter of 2005. (\$5,167.21)
- f. Receive and file retirement letter and Election of Type of Pension from Fire Fighter Clifford Weidel.
- g. Approve designation of "List of Authorized Signers" to Comerica.
- h. Receive, approve and file Retirement Board calendar for 2006.
- i. Receive and file Summary Annual Reports for 2004. (Attachment #1)

ROLL CALL VOTE

YES: Butler, Matthews, Monaghan, Poynter, Szymanski and Burke.

NO: None.

ABSENT: Nawrocki.

RESOLUTION ADOPTED

ERS 01-04-06

FINANCIAL CONSULTANTS MANAGED ACCOUNT
REPORT - MORGAN STANLEY DEAN WITTER

MOTION by Monaghan, SUPPORTED by Szymanski:

To receive and file the Managed Account Report for the quarter ending December 31, 2005, as submitted by Michael Holycross of Morgan Stanley.

ABSENT: Nawrocki.

MOTION CARRIED

Mr. Michael Holycross of Morgan Stanley presented the quarterly report, and answered any questions.

ERS 01-05-06 2006 STATEMENT OF INVESTMENT POLICY
OBJECTIVES AND GUIDELINES

MOTION by Monaghan, SUPPORTED by Poynter:

To table adoption of the 2006 Statement of Investment Policy, Objectives and Guidelines for the retirement system portfolio as submitted by Michael Holycross of Morgan Stanley, until the March meeting.

ABSENT: Nawrocki.

MOTION CARRIED

ERS 01-06-06 2006 ASSET ALLOCATION

RESOLUTION by Poynter, SUPPORTED by Szymanski:

BE IT RESOLVED to adopt the following Asset Allocation for 2006 as recommended by Michael Holycross of Morgan Stanley, and as shown in Attachment #2, and furthermore, concur with Mr. Holycross' recommendation to re-balance the portfolio and add a Mid-Cap and an International Emerging Market allocation to the portfolio.

ROLL CALL VOTE

YES: Matthews, Monaghan, Poynter, Szymanski, Burke and Butler.

NO: None.

ABSENT: Nawrocki.

RESOLUTION ADOPTED

ERS 01-07-06 ELECTION OF CHAIR AND VICE-CHAIR FOR 2006

MOTION by Poynter, SUPPORTED by Szymanski:

To re-elect Trustee James Burke as Chairperson for 2006, and Trustee Michael Monaghan as Vice-Chairperson for 2006.

ABSENT: Nawrocki.

MOTION CARRIED

HEARING OF THE PUBLIC

None.

DISCUSSION BY TRUSTEES

None.

ERS 01-08-06

ADJOURNMENT

MOTION by Monaghan, SUPPORTED by Szymanski:
That the agenda of the regular Board of Trustees Employees Retirement System Meeting having
been acted upon the meeting is hereby adjourned at 8:00 p.m.

ABSENT: Nawrocki.

MOTION CARRIED

JAMES BURKE, CHAIRPERSON

MICKEY D. TODD, SECRETARY

CITY OF HARPER WOODS RETIREMENT SYSTEM

SUMMARY ANNUAL REPORT TO MEMBERS JANUARY 1, 2005

Dear Retirement System Member:

With the passage of Public Act 485 of 1996, amending Public Act 314 of 1965, the Retirement Board is now required to provide an annual report to its members hi-lighting the previous year's activities. This summary is our attempt to provide you with this information, and we hope that you find it useful. If you have any suggestions on improving this summary, please contact your representative.

The Retirement System, which is managed by the Retirement Board, is designed to help you meet your financial needs should you become disabled, retire or die. The Board's fiduciary responsibility to you is to supervise the general administration of the System and invest its assets. Our Board retains professional consultants and money manager's to assist us in fulfilling these duties.

We hope you find this summary helpful, however, it obviously cannot cover all the details of the System, which is governed by the provisions of the City's Charter, the City's retirement ordinance, and the Board's policies. Additional information about the System and its financial operation is available in the City Clerk's Office.

Retirement Board of Trustees,

Tim Collins, Citizen Trustee
Clifford Weidel, Fire Rep.
James Burke, Police Rep.
John Szymanski, Councilman
Michael Monaghan, Councilman
Kenneth A. Poynter, Mayor
William Snyder, Gen. Emp. Rep.

Investment Consultants

Michael Holycross, of Morgan Stanley Dean Witter.

Investment Manager's

Fiduciary Management Associates
Orleans Capital Management
MFS Investment Management
Loomis Sayles
Franklin Templeton

Actuaries & Consultants

Rodwin Consulting Company, Actuaries

SUMMARY OF CURRENT ASSET INFORMATION

Revenues & Expenditures
2004

Market Value Jan 1 \$37,551,602

Revenues

Member Contributions \$ 442,046

City Contributions \$ 0 Gross Investment Income\$ 3,369,387

Total \$ 3,811,433

Expenditures

Benefit payments \$ 1,865,361 Refund of contributions\$ 949,444

Admin & investment exp.\$ 9,562

Total \$ 2,824,367

Total Rev minus Exp \$ 987,066

Market Value - Dec 31 \$38,538,668

INVESTMENTS
December 31, 2004

Cash & Equivalents 0%

Equities 66.00%

Fixed Income 34.00%

Other 0%

The market rate of return on assets for year ended December 31, 2004 was 10%. The interest rate credited to employee contributions was 1.4%.

ACTUARIAL VALUATION SUMMARY RESULTS

Your retirement system's financial objective is to establish and receive contributions which will remain approximately level from year to year and will not have to be increased for future generations of taxpayers. Contribution levels are expressed in terms of percent's of the City's active member payroll.

To determine an appropriated Employer contribution level for the ensuing year and to gauge how the system's funding is meeting this fundamental objective, an independent firm of actuaries and employee benefit consultants, Rodwin Consulting Company conducts annual actuarial valuations.

These valuations are based on your System's past experience, information about current participation and financial markets, and assumptions concerning the System's future demographic and economic activity. The results of the December 31, 2004 valuation, based on the established funding objective, are summarized below:

FISCAL YEAR 2004 EMPLOYEE	CONTRIBUTION RATES AS A
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PERCENTAGE OF ACTIVE MEMBER PAYROLL

CONTRIBUTIONS FOR GENERAL MEMBERS

Normal Cost Of Benefits			
City portion	8.32%	Member portion	<u>5.08%</u>
Total	13.40%		
Amortization of unfunded liability			
	0%		
City's Net Contribution Rate	7.21%		

CONTRIBUTIONS FOR POLICE & FIRE

Normal Cost Of Benefits	
City portion	11.27%
Member portion	<u>7.25%</u>
Total	18.52%
Amortization of unfunded liability	
	0%
City's Net Contribution Rate	10.16%

Funded Status \$ Millions

Actuarial accrued lib.	\$39.9	
Actuarial value of assets	\$40.5	
% funded		101.5%

Actuary's Opinion

It is the actuary's opinion that the Retirement System is in excellent financial condition in accordance with the actuarial objective of keeping the percent of active member payroll financing level.

BRIEF SUMMARY OF PLAN PROVISIONS

Regular Retirement:

Eligibility - General: Age 60 with 10 or more years of service.

DPW and General Administrators: Age 60 with 10 or more years of service or age 55 with 25 or more years of service.

Police: Age 50 with 25 or more years of service or age 55 regardless of years of service.

Fire: Age 50 with 25 or more years of service or age 55 with 10 or more years of service.

Annual Benefit - Administrators: 2.25% of final average salary per year of service. Max benefit is 80% FAS.

DPW/General: 2.25% of final average salary per year of service.

Fire/Police: 2.75% of final average salary per year of service. Max benefit 80% of FAS.

Type of Final Average Salary: DPW-General: Highest 5 consecutive years out of last 10.

Police Command and Administrators: Highest 3 consecutive years out of last 10.

Police Patrol/Fire: Highest 3 consecutive years out of last 5.

Salary is defined in labor contracts.

Deferred Retirement (vested):

Eligibility - 10 or more years of service.

General: Benefits begin at age 60.

Police-Fire: Benefits begin at age 55.

Annual Benefit - Computed as regular retirement but based upon service and final average salary at time of termination. Fifty percent reduction for Police if service is less than 15 years.

Duty Disability Retirement:

Eligibility - Total and permanent disability, no age or service requirement. Workers' Compensation must become

payable on account of disability.

Annual Benefit - Computed as regular retirement with a minimum benefit of 15% of final average salary. At termination of Worker's Compensation period, service credit will be given for the years in receipt of Worker's Compensation and pension will be recomputed.

Non-Duty Disability Retirement:

Eligibility - Total and permanent disability after 10 or more years of service.

Annual Benefit - Computed as regular retirement based upon service and final average salary at time of termination.

Duty Death Before Retirement:

Eligibility - No age or service requirement. Worker's Compensation must become payable on account of death.

Annual Benefit - Refund of accumulated contributions plus a benefit equal to the Worker's Compensation payment to the surviving spouse, unmarried children under 18 and dependent parents. Benefits are payable upon termination of Worker's Compensation and continue for life or until remarriage.

Non-Duty Death Before Retirement:

Eligibility - 10 years of service.

Annual Benefit - Computed as regular retirement but actuarially reduced in accordance with a 100% joint and survivor election.

Member Contributions:

General: Clerical - 5% of gross pay.

Administrative - 5% of gross pay.

DPW - 5.25% of gross pay.

Fire - 7.25% of gross pay.

Police Patrol - 7.25% of gross pay.

Police Command - 7.25% of gross pay.

Gross Pay is defined in labor contracts.

ACTIVE MEMBERS DECEMBER 31, 2004

<u>Valuation Divisions</u>	<u>No</u>	<u>Payroll</u>
General Members	50	\$2,592,709
Police/Fire Members	52	\$3,641,782
Totals	102	\$6,234,491

GENERAL MEMBERS DECEMBER 31,2004

<u>Attained Age</u>	<u>Number</u>	<u>Payroll</u>
20-24	2	\$ 44,247
25-29	2	\$ 83,736
30-34	2	\$ 72,249
35-39	6	\$310,410
40-44	8	\$392,040
45-49	8	\$466,052

50-54	13	\$757,884	55-59	5	\$247,737
60-64	<u>4</u>	<u>\$218,354</u>			
Total	50	\$2,592,709			

POL/FIRE MEMBERS DECEMBER 31, 2004

<u>Attained Age</u>	<u>Number</u>	<u>Payroll</u>
20-24	2	\$ 74,293
25-29	4	\$ 223,389
30-34	17	\$1,041,614
35-39	6	\$ 412,808
40-44	6	\$ 466,366
45-49	10	\$ 790,232
50-54	6	\$ 530,659
55-59	<u>1</u>	<u>\$ 102,421</u>
Total	52	\$3,641,782

RETIRANTS AND BENEFICIARIES
DECEMBER 31, 2004
BY TYPE AND PENSION BEING PAID

<u>Type of Pension</u>	<u>No.</u>	<u>Amount</u>
Service Pension	74	\$1,779,281
Casualty Pension	14	168,411
Total Pensions	88	\$1,947,692

**INTEREST RATE CREDITED TO
EMPLOYEE CONTRIBUTIONS**

<u>YEAR</u>	<u>RATE</u>
1997	13.9%
1998	15.9%
1999	15.4%
2000	10.5%
2001	7.0%
2002	2.6%
2003	3.2%
2004	1.4%

THE PURPOSE OF THIS SUMMARY ANNUAL REPORT IS TO PROVIDE A GENERAL OVERVIEW OF THE RETIREMENT SYSTEM. THE OPERATION OF THE RETIREMENT SYSTEM IS GOVERNED BY THE APPLICABLE PROVISIONS OF THE RETIREMENT ORDINANCE, COLLECTIVE BARGAINING AGREEMENTS, AND FEDERAL AND STATE LAW WHICH ARE CONTROLLING IN THE EVENT OF A CONFLICT WITH INFORMATION CONTAINED IN THIS REPORT. THE RETIREMENT BOARD HAS RELIED ON THE ACCURACY OF THE INFORMATION CONTAINED WITHIN ITS ACTUARIAL AND FINANCIAL REPORTS IN PREPARING THIS SUMMARY.

HARPER WOODS GENERAL EMPLOYEES RETIREMENT SYSTEM

CURRENT ALLOCATION as of January 23, 2006

<u>MANAGER</u>	<u>ASSET CLASS</u>	<u>DOLLAR VALUE</u>	<u>PERCENTAGE VALUE</u>
SPDR - ETF	Index Fund	\$14,590,780	37.7%
Total Large Equity		\$14,590,780	37.7%
Franklin	Small Growth	\$2,595,397	6.7%
Loomis Sayles	Small Value	\$2,790,413	7.2%
Total Small Equity		\$5,385,810	13.9%
Templeton	Int'l Equity	\$5,932,539	15.3%
Total International		\$5,932,539	15.3%
Orleans	Fixed Income	\$12,573,519	32.5%
Total Fixed Income		\$12,573,519	32.5%
Cash	Cash	\$212,205	0.5%
TOTAL		\$38,694,853	100.0%

ADOPTED ALLOCATION/CURRENT RECOMMENDATION

<u>MANAGER</u>	<u>ASSET CLASS</u>	<u>DOLLAR VALUE</u>	<u>PERCENTAGE VALUE</u>
SPDR - ETF	Index Fund	\$11,608,456	30.0%
Total Large Equity		\$11,608,456	30.0%
S&P 400 Midcap ETF		\$3,869,485	10.0%
Total Mid Equity		\$3,869,485	10.0%
Franklin	Small Growth	\$1,934,743	5.0%
Loomis Sayles	Small Value	\$1,934,743	5.0%
Total Small Equity		\$3,869,485	10.0%
Templeton	Int'l Equity	\$3,869,485	10.0%
Total International		\$3,869,485	10.0%
Emerg Mkt ETF		\$1,547,794	4.0%
Total Emerg Mkt		\$1,547,794	4.0%
Orleans & Cash Acc.	Fixed Income	\$13,930,147	36.0%
Total Fixed Income		\$13,930,147	36.0%
TOTAL		\$38,694,853	100.0%

FUNDING REQUIREMENTS

<u>MANAGER</u>	<u>CURRENT DOLLAR VALUE</u>	<u>FUNDING REQUIREMENTS</u>	<u>VALUE AFTER FUNDING REQ.</u>	<u>% AFTER FUNDING REQ.</u>
SPDR - ETF	\$14,590,780	-\$2,800,000	\$11,990,780	31.0%
Total Large Equity	\$14,590,780		\$11,990,780	31.0%
S&P 400 Midcap ETF	\$0	\$4,000,000	\$4,000,000	10.3%
Total Mid Equity	\$0		\$4,000,000	10.3%
Franklin	\$2,595,397	-\$700,000	\$1,895,397	4.9%
Loomis Sayles	\$2,790,413	-\$700,000	\$2,090,413	5.4%
Total Small Equity	\$5,385,810		\$3,985,810	10.3%
Templeton	\$5,932,539	-\$1,500,000	\$4,432,539	11.5%
Total International	\$5,932,539		\$4,432,539	11.5%
Emerg Mkt ETF	\$0	\$1,500,000	\$1,500,000	3.9%
Total Emerg Mkt	\$0		\$1,500,000	3.9%
Orleans	\$12,573,519		\$12,573,519	32.5%
Total Fixed Income	\$12,573,519		\$12,573,519	32.5%
Cash	\$212,205		\$212,205	0.5%
TOTAL	\$38,694,853	\$0	\$38,694,853	100.0%

CITY OF HARPER WOODS
BOARD OF TRUSTEES
EMPLOYEES RETIREMENT SYSTEM
MARCH 27, 2006
MEETING MINUTES

The Employees Retirement System Meeting was called to order by Chairperson James Burke at 7:00 p.m.

ROLL CALL

PRESENT: Chairperson James Burke, Vice Chairperson Michael P. Monaghan and Trustee(s) Nathan Butler, Steve Matthews, Maria Nawrocki, Kenneth A. Poynter and John Szymanski.

ABSENT: None.

OTHERS PRESENT: Mickey D. Todd, Secretary and John Gordon of Orleans Capital Management.

ERS 03-09-06

MINUTES

MOTION by Poynter, SUPPORTED by Szymanski:

To receive, approve and file the minutes of the regular Board of Trustees Employees Retirement System meeting held January 23, 2006.

MOTION CARRIED UNANIMOUSLY

ERS 03-10-06

CONSENT AGENDA

RESOLUTION by Monaghan, SUPPORTED by Szymanski:

BE IT RESOLVED to approve Consent Agenda items (a) and (b):

- a. Request payment to VanOverbeke, Michaud & Timmony, P.C. for quarterly legal services. (\$558.00)
- b. Receive and file retirement letter and Election of Type of Pension from Police Chief Lawrence Semple.

ROLL CALL VOTE

YES: Butler, Matthews, Monaghan, Nawrocki, Poynter, Szymanski and Burke.

NO: None.

RESOLUTION ADOPTED UNANIMOUSLY

ORLEANS CAPITAL MANAGEMENT YEARLY REPORT

Mr. John Gordon of Orleans Capital Management, gave a brief presentation to the Board on an Energy Opportunities fund that Orleans Capital Management/Simmons & Company International has open to investors. The Board discussed the fund with Mr. Gordon and advised him that they would consult with their investment advisor on the appropriateness of this fund for their portfolio and get back to him.

HEARING OF THE PUBLIC

None.

DISCUSSION BY TRUSTEES

None.

ERS 03-11-06

ADJOURNMENT

MOTION by Monaghan, SUPPORTED by Butler:

That the agenda of the regular Board of Trustees Employees Retirement System Meeting having been acted upon the meeting is hereby adjourned at 7:55 p.m.

MOTION CARRIED UNANIMOUSLY

JAMES BURKE, CHAIRPERSON

MICKEY D. TODD, SECRETARY

CITY OF HARPER WOODS
BOARD OF TRUSTEES
EMPLOYEES RETIREMENT SYSTEM
MAY 24, 2006

MEETING MINUTES

The Employees Retirement System Meeting was called to order by Chairperson James Burke at 7:00 p.m.

ROLL CALL

PRESENT: Chairperson James Burke, Vice Chairperson Michael P. Monaghan and Trustee(s) Steve Matthews, Maria Nawrocki and Kenneth A. Poynter.

ABSENT: Trustee(s) Nathan Butler and John M. Szymanski.

OTHERS PRESENT: Mickey D. Todd, Secretary and Michael Holycross of Morgan Stanley.

ERS 05-12-06

EXCUSE TRUSTEES

MOTION by Poynter, SUPPORTED by Monaghan:

To excuse Trustees Nathan Butler and John M. Szymanski from today's meeting because of prior commitments.

ABSENT: Butler and Szymanski.

MOTION CARRIED

ERS 05-13-06

MINUTES

MOTION by Monaghan, SUPPORTED by Poynter:

To receive, approve and file the minutes of the regular Board of Trustees Employees Retirement System meeting held March 27, 2006.

ABSENT: Butler and Szymanski.

MOTION CARRIED

ERS 05-14-06

TABLED ITEM TO NEW BUSINESS

MOTION by Poynter, SUPPORTED by Monaghan:

To move Tabled and Pending Item IV (a), Review of Statement of Investment Policy, Objectives and Guidelines for 2006 from Morgan Stanley to New Business Item VI (b).

ABSENT: Butler and Szymanski.

MOTION CARRIED

ERS 05-15-06

CONSENT AGENDA

RESOLUTION by Monaghan, SUPPORTED by Matthews:

BE IT RESOLVED to approve Consent Agenda items (a) through (h):

- a. Receive and file the quarterly financial reports from Franklin Templeton Investments and Orleans Capital Management.
- b. Request quarterly payments to Franklin Templeton Investments (\$13,050.15), and Orleans Capital Management (\$6,186.89).
- c. Request quarterly payment to Morgan Stanley for Financial Consultant Services. (\$15,798.03)
- d. Receive and file the Financial Statements from Comerica Bank for the first quarter of 2006.
- e. Request payment to Comerica Bank for Trustee Services for the quarter of 2006. (\$5,326.73)
- f. Receive and file the election and naming of beneficiary for retiree Lawrence Semple.
- g. Receive and file Court Order from District Court 32A moving the Court Officer to the Administrative Group.

ROLL CALL VOTE

YES: Matthews, Monaghan, Nawrocki, Poynter and Burke.

NO: None.

ABSENT: Butler and Szymanski.

RESOLUTION ADOPTED

ERS 05-16-06 FINANCIAL CONSULTANTS MANAGED ACCOUNT
REPORT - MORGAN STANLEY DEAN WITTER

MOTION by Monaghan, SUPPORTED by Matthews:

To receive and file the Managed Account Report for the first quarter ending March 30, 2006, as submitted by Michael Holycross of Morgan Stanley.

ABSENT: Butler and Szymanski.

MOTION CARRIED

Mr. Michael Holycross of Morgan Stanley presented the quarterly report, and answered any questions.

ERS 05-17-06 2005 STATEMENT OF INVESTMENT POLICY
OBJECTIVES AND GUIDELINES

RESOLUTION by Monaghan, SUPPORTED by Poynter:

BE IT RESOLVED to adopt the 2006 Statement of Investment Policy, Objectives and Guidelines for the retirement system portfolio as submitted by Michael Holycross of Morgan Stanley, and as shown in Attachment #1.

ROLL CALL VOTE

YES: Monaghan, Nawrocki, Poynter, Burke and Matthews.

NO: None.

ABSENT: Butler and Szymanski.

RESOLUTION ADOPTED

HEARING OF THE PUBLIC

None.

DISCUSSION BY TRUSTEES

None.

ERS 05-18-06

ADDENDUM TO AGENDA

MOTION by Poynter, SUPPORTED by Monaghan:

To add to the agenda amending the Board's policy on having the City Attorney review Eligible Domestic Relations Order.

ABSENT: Butler and Szymanski.

MOTION CARRIED

ERS 05-19-06

ELIGIBLE DOMESTIC RELATIONS ORDER POLICY

RESOLUTION by Monaghan, SUPPORTED by Poynter:

BE IT RESOLVED to amend the Retirement Board's policy of having the City Attorney review each Eligible Domestic Relations Order request with the Actuary, to having the law firm of VanOverbeke, Michaud & Timmony, P.C. review each Eligible Domestic Relations Order request with the Actuary.

ROLL CALL VOTE

YES: Nawrocki, Poynter, Burke, Matthews and Monaghan.

NO: None.

ABSENT: Butler and Szymanski.

RESOLUTION ADOPTED

ERS 05-20-06

ADDENDUM TO AGENDA

MOTION by Poynter, SUPPORTED by Monaghan:

To add to the agenda discussion and/or action on directing the Financial Consultant to add the Orleans Energy Opportunity Fund to the portfolio.

ABSENT: Butler and Szymanski.

MOTION CARRIED

ERS 05-21-06 APPOINTMENT - ORLEANS CAPITAL MANAGEMENT
SIMONS & COMPANY INTERNATIONAL
ENERGY OPPORTUNITY FUND

RESOLUTION by Monaghan, SUPPORTED by Matthews:

WHEREAS, the Board of Trustees is vested with the general administration, management and operation of the Retirement System and has fiduciary responsibilities relative to the proper administration of the pension trust funds, and

WHEREAS, the Board has reviewed with its investment consultant the Retirement System's investment portfolio and asset allocation in light of: (1) the portfolio's historical performance; (2) recent changes in the economic and financial market conditions; and (3) the Board's goal of maximizing future gains without overtly increasing risk or volatility in the portfolio, and

WHEREAS, in light of the foregoing factors and upon recommendation of its investment consultant, the Board is desirous of adding to the structure of its current portfolio, and

WHEREAS, the Board has reviewed and discussed the prospective Energy Opportunity Fund, and

WHEREAS, the Board has discussed investment, philosophy, strategy, historical performance, and the fee structure of Orleans Capital Management/Simmons & Company International Energy Opportunity Fund and is of the opinion that they meet the Board's requirements, and

WHEREAS, the Board, upon the recommendation of its investment consultant and having completed its due diligence, is desirous of retaining Orleans Capital Management/Simmons & Company International Energy Opportunity Fund as an investment for the Retirement System, therefore be it

RESOLVED, that Orleans Capital Management/Simmons & Company International Energy Opportunity Fund is hereby appointed as investment manager to manage a energy opportunity fund, and further

RESOLVED, that subject to approval of a final agreement as to form and content by the Board's legal counsel and the Board, the Board of Trustees enter into a written agreement with Orleans Capital Management/Simmons & Company International Energy Opportunity Fund and that such agreement be executed by appropriate signatories on behalf of the Board, and further

RESOLVED, that the Board's investment consultant is hereby directed to coordinate the reallocation of the Retirement System's assets so that said fund does not exceed five percent of the total funds assets, and that two percent of the small cap portfolio assets be used to fund the new allocation, with the remaining three percent taken on a pro-rata basis from the remaining portfolio, and that the reallocation is consistent with the Board's discussion and investment guidelines, and further

RESOLVED, that the Board hereby directs Comerica Bank to open an account for the Board for its investment manager Orleans Capital Management/Simmons & Company

International Energy Opportunity Fund, and further
RESOLVED, that copies of this resolution be forwarded to Orleans Capital
Management/Simmons & Company International Energy Opportunity Fund, Comerica Bank and
the Board's investment consultant.

ROLL CALL VOTE

YES: Poynter, Burke, Matthews, Monaghan and Nawrocki,

NO: None.

ABSENT: Butler and Szymanski.

RESOLUTION ADOPTED

ERS 05-22-06

ADJOURNMENT

MOTION by Poynter, SUPPORTED by Monaghan:

That the agenda of the regular Board of Trustees Employees Retirement System Meeting having
been acted upon the meeting is hereby adjourned at 7:41 p.m.

ABSENT: Butler and Szymanski.

MOTION CARRIED

JAMES BURKE, CHAIRPERSON

MICKEY D. TODD, SECRETARY

CITY OF HARPER WOODS
BOARD OF TRUSTEES
EMPLOYEES RETIREMENT SYSTEM
JUNE 2, 2006

SPECIAL MEETING MINUTES

The Special Employees Retirement System meeting was called to order by Chairperson James Burke at 4:07 p.m.

ROLL CALL

PRESENT: Chairperson James Burke, Vice Chairperson Michael P. Monaghan and Trustee(s) Nathan Butler, Maria Nawrocki and Kenneth A. Poynter.

ABSENT: Trustee(s) Steve Matthews and John M. Szymanski.

OTHERS PRESENT: Mickey D. Todd, Secretary and James E. Leidlein, City Manager.

ERS 06-23-06

EXCUSE TRUSTEES

MOTION by Monaghan, SUPPORTED by Poynter:

To excuse Trustees Steve Matthews and John M. Szymanski from today's meeting because of prior commitments.

ABSENT: Matthews and Szymanski.

MOTION CARRIED

ERS 06-24-06 DISABILITY RETIREMENT REQUEST - MICHAEL BRAMOS

RESOLUTION by Poynter, SUPPORTED by Monaghan:

BE IT RESOLVED to receive and file the memorandum dated June 1, 2006, from the City Manager requesting that the Board approve of a non-duty disability retirement for Police Dt. Lt. Michael Bramos. And, furthermore, receive the letter dated May 17, 2006, from Raul J. Guerrero, M.D., which states in part that Detective Lieutenant Bramos is incapacitated for duty in the employment of the City and his incapacity will be permanent, and in accordance with Section 2-812 (a), of the Retirement Ordinance, designate said physician as the Board's medical advisor, and approve of the request for a non-duty disability retirement effective February 24, 2006.

ROLL CALL VOTE:

YES: Butler, Monaghan, Nawrocki, Poynter and Burke.

NO: None.

ABSENT: Matthews and Szymanski.

RESOLUTION ADOPTED

The Board Attorney was contacted by the Secretary, who sent an e-mail advising the Secretary that the Board should follow Section 2-812 of the Retirement Ordinance when considering the above matter. Chairperson Burke said that in his opinion the Board followed the ordinance requirements in granting the above disability retirement.

HEARING OF THE PUBLIC

None.

DISCUSSION BY TRUSTEES

None.

ERS 06-25-06

ADJOURNMENT

MOTION by Monaghan, SUPPORTED by Butler:

That the agenda of the special Board of Trustees Employees Retirement System Meeting having been acted upon the meeting is hereby adjourned at 4:19 p.m.

ABSENT: Matthews and Szymanski.

MOTION CARRIED

JAMES BURKE, CHAIRPERSON

MICKY D. TODD, SECRETARY

CITY OF HARPER WOODS
BOARD OF TRUSTEES
EMPLOYEES RETIREMENT SYSTEM
AUGUST 7, 2006

MEETING MINUTES

The Employees Retirement System Meeting was called to order by Vice Chairperson Michael P. Monaghan at 7:00 p.m.

ROLL CALL

PRESENT: Vice Chairperson Michael P. Monaghan and Trustee(s) Nathan Butler, Maria Nawrocki, Kenneth A. Poynter and John Szymanski.

ABSENT: Trustee(s) James Burke and Steve Matthews.

OTHERS PRESENT: Mickey D. Todd, Secretary.

ERS 08-26-06

EXCUSE TRUSTEES

MOTION by Szymanski, SUPPORTED by Poynter:

To excuse Trustees James Burke and Steve Matthews from today's meeting because of prior commitments.

ABSENT: Burke and Matthews.

MOTION CARRIED

ERS 08-27-06

MINUTES

MOTION by Poynter, SUPPORTED by Szymanski:

To receive, approve and file the minutes of the regular Board of Trustees Employees Retirement System meeting held May 24, 2006 and the Special meeting held on June 2, 2006.

ABSENT: Burke and Matthews.

MOTION CARRIED

ERS 08-28-06

CONSENT AGENDA

RESOLUTION by Poynter, SUPPORTED by Szymanski:

BE IT RESOLVED to approve Consent Agenda items (a) through (j):

- a. Receive and file the quarterly financial report from Franklin Templeton Investments and Orleans Capital Management.
- b. Approve quarterly payments to Franklin Templeton Investments (\$12,328.01), and Orleans Capital Management (\$5,976.44).
- c. Approve quarterly payment to Morgan Stanley for Financial Consultant Services. (\$16,011.68)
- d. Receive and file the Financial Statements from Comerica Bank for the second quarter of 2006.
- e. Approve payment to Comerica Bank for Trustee Services for the second quarter of 2006. (\$5,207.69)
- f. Receive and file the executed copy of the Investment Policy, Objectives, and Guidelines for 2006. (Attachment #1)
- g. Receive and file the Investment Management Agreement - Energy Opportunities - with Orleans Capital Management Corporation. (Attachment #2)
- h. Receive and file Election of Type of Pension from Lt. Michael Bramos and Sgt. Ronald Tolfree.
- i. Receive and file the retirement letter and Election of Type of Pension from Sgt. Gerald Firlik.
- j. Approve payment to VanOverbeke, Michaud & Timmony, P.C. for quarterly legal services. (\$899.00)

ROLL CALL VOTE

YES: Butler, Monaghan, Nawrocki, Poynter, Szymanski

NO: None.

ABSENT: Burke and Matthews.

RESOLUTION ADOPTED

HEARING OF THE PUBLIC

None.

DISCUSSION BY TRUSTEES

None.

CITY OF HARPER WOODS, MICHIGAN
BOARD OF TRUSTEES EMPLOYEES
RETIREMENT SYSTEM

AUGUST 7, 2006
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ERS 08-29-06

ADJOURNMENT

MOTION by Szymanski, SUPPORTED by Butler:

That the agenda of the regular Board of Trustees Employees Retirement System Meeting having been acted upon the meeting is hereby adjourned at 7:03 p.m.

ABSENT: Burke and Matthews.

MOTION CARRIED

MICHAEL P. MONAGHAN, VICE -CHAIR

MICKEY D. TODD, SECRETARY

CITY OF HARPER WOODS
BOARD OF TRUSTEES
EMPLOYEES RETIREMENT SYSTEM
NOVEMBER 27, 2006

MEETING MINUTES

The Employees Retirement System Meeting was called to order by Chairperson James Burke at 7:00 p.m.

ROLL CALL

PRESENT: Chairperson James Burke, Vice Chairperson Michael P. Monaghan and Trustee(s) Nathan Butler, Steve Matthews, Maria Nawrocki, Kenneth A. Poynter and John Szymanski.

ABSENT: None.

OTHERS PRESENT: Mickey D. Todd, Secretary, Laura L. Stowell, Finance Director, Michael Holycross of Morgan Stanley and Sandra Rodwin of Rodwin Consulting Company.

ERS 11-30-06

MINUTES

MOTION by Monaghan, SUPPORTED by Szymanski:

To receive, approve and file the minutes of the regular Board of Trustees Employees Retirement System meeting held August 7, 2006.

MOTION CARRIED UNANIMOUSLY

ERS 11-31-06

CONSENT AGENDA

RESOLUTION by Poynter, SUPPORTED by Monaghan:

BE IT RESOLVED to approve Consent Agenda items (a) through (g):

- a. Receive and file the quarterly financial reports from Franklin Templeton Investments and Orleans Capital Management.
- b. Authorize quarterly payments to Franklin Templeton Investments (\$12,818.14) and Orleans Capital Management (\$8,951.27).

- c. Authorize quarterly payment to Morgan Stanley for Financial Consultant Services. (\$15,632.72)
- d. Receive and file the Financial Statements from Comerica Bank for the third quarter of 2006.
- e. Authorize payment to Comerica Bank for Trustee Services for the third quarter of 2006. (\$5,283.89)
- f. Authorize payment to Rodwin Consulting Company for normal actuarial and consulting services rendered during 2006, including the annual actuarial valuation as of December 31, 2005. (\$8,900)
- g. Receive and file notice of retirement from Fire Captain Robert Grabowski.

And furthermore, refer the notice of retirement from Fire Captain David DeCraene, to the Board Attorney for direction on how to proceed.

ROLL CALL VOTE

YES: Butler, Matthews, Monaghan, Nawrocki, Poynter, Szymanski and Burke.
NO: None.

RESOLUTION ADOPTED UNANIMOUSLY

ERS 11-32-06 FINANCIAL CONSULTANTS MANAGED ACCOUNT
REPORT - MORGAN STANLEY DEAN WITTER

RESOLUTION by Monaghan, SUPPORTED by Szymanski:
BE IT RESOLVED to receive and file the Managed Account Report for the third quarter ending September 30, 2006, as submitted by Michael Holycross of Morgan Stanley, and furthermore, adopt the Asset Allocation and Funding Requirement Recommendation as shown in Attachment #1.

ROLL CALL VOTE

YES: Matthews, Monaghan, Nawrocki, Poynter, Szymanski, Burke and Butler.
NO: None.

RESOLUTION ADOPTED UNANIMOUSLY

Mr. Michael Holycross of Morgan Stanley presented the quarterly report, and answered any questions.

ERS 11-33-06

2005 ACTUARIAL PRESENTATION

RESOLUTION by Monaghan, SUPPORTED by Szymanski:

BE IT RESOLVED to receive and file the 2005 Actuarial Valuation as of December 31, 2005, for the City of Harper Woods Employees Retirement System as prepared by Rodwan Consulting Company, and furthermore amend the actuarial assumptions effective with the 2005 valuations as follows:

- a. that the return of investment is hereby increased from 7.5% to 7.75%;
- b. that the projected salary increases are hereby amended from 5% annually to 4.5% annually; and
- c. that future Actuarial Valuations use a 30 Year Amortization.

ROLL CALL VOTE

YES: Monaghan, Nawrocki, Poynter, Szymanski, Burke, Butler and Matthews.

NO: None.

RESOLUTION ADOPTED UNANIMOUSLY

Ms. Sandra Rodwan, of Rodwan Consulting Company, reviewed the 2005 Actuarial report with the Trustees and the proposed changes in Actuarial Assumptions and answered any questions.

HEARING OF THE PUBLIC

None.

DISCUSSION BY TRUSTEES

Trustee Butler asked if the City can stop a retirement application from being processed. (The Secretary said that individual circumstances and contractual and plan requirements will determine how the Board proceeds, and if there are questions about the process, then the Board Attorney would provide direction.)

Trustee Nawrocki said that she has been approached by some of her members requesting an updated retirement handbook explaining the retirement process. (The Secretary said that employees are governed by collective bargaining agreements, individual contracts or the City Ordinance which provides retirement information. He added that individual benefit information can be obtained in the Finance Department, and that software for calculating individual retirement benefits is also available in the Police and Fire Departments.)

ERS 11-34-06

ADJOURNMENT

MOTION by Monaghan, SUPPORTED by Nawrocki:

That the agenda of the regular Board of Trustees Employees Retirement System Meeting having been acted upon the meeting is hereby adjourned at 8:35 p.m.

MOTION CARRIED UNANIMOUSLY

JAMES BURKE, CHAIRPERSON

MICKEY D. TODD, SECRETARY

CITY OF HARPER WOODS
BOARD OF TRUSTEES
EMPLOYEES RETIREMENT SYSTEM
JANUARY 22, 2007

MEETING MINUTES

The Employees Retirement System Meeting was called to order by Chairperson James Burke at 7:00 p.m.

ROLL CALL

PRESENT: Chairperson James Burke, and Trustee(s) Nathan Butler, Steve Matthews, Maria Nawrocki, Kenneth A. Poynter and John Szymanski.

ABSENT: Vice Chairperson Michael P. Monaghan

OTHERS PRESENT: Mickey D. Todd, Secretary and Michael Holycross of Morgan Stanley.

ERS 01-01-07

EXCUSE TRUSTEES

MOTION by Poynter, SUPPORTED by Szymanski:

To excuse Trustee Michael P. Monaghan from today's meeting because of prior commitments.

ABSENT: Monaghan.

MOTION CARRIED

ERS 01-02-07

MINUTES

MOTION by Poynter, SUPPORTED by Szymanski: .. To receive, approve and file the minutes of the regular Board of Trustees Employee Retirement System meeting held November 27, 2006.

ABSENT: Monaghan.

MOTION CARRIED

ERS 01-03-07

CONSENT AGENDA

RESOLUTION by Szymanski, SUPPORTED by Poynter:

BE IT RESOLVED to approve Consent Agenda items (a) through (h):

Receive and file the quarterly financial reports from Franklin Templeton Investments and Orleans Capital Management.

- a. Request quarterly payments to (\$6,096.27), Franklin Templeton Investments and Orleans Capital Management (\$9,195.57).
- b. Request quarterly payment to Morgan Stanley for Financial Consultant Services. (\$15,641.37)
- c. Receive and file the Financial Statements from Comerica Bank for the fourth quarter of 2006.
- d. Request payment to Comerica Bank for Trustee Services for the fourth quarter of 2006. (\$5,366.46)
- e. Receive and file notice of retirement from Fire Captain Paul Weiss.
- f. Receive and file notice of retirement from District Court employee Janice Van Tiem.
- g. Receive, approve and file Retirement Board calendar for 2007.
- h. Receive and file Summary Annual Reports for 2005. (Attachment #1)

ROLL CALL VOTE

YES: Butler, Matthews, Nawrocki, Poynter, Szymanski and Burke. NO: None.

ABSENT: Monaghan.

RESOLUTION ADOPTED

ERS 01-04-07 FINANCIAL CONSULTANTS MANAGED ACCOUNT
REPORT - MORGAN STANLEY DEAN WITTER

MOTION by Matthews, SUPPORTED by Poynter:

To receive and file the Managed Account Report for the fourth quarter ending December 31,2006, as submitted by Michael Holycross of Morgan Stanley.

ABSENT: Monaghan.

MOTION CARRIED

Mr. Michael Holycross of Morgan Stanley presented the quarterly report, and answered any questions. He also informed the Board about a letter that Franklin Templeton sent advising that

one of the holdings in the portfolio, Power Integrations, Inc., was de-listed from NASDAQ, and that de-listed holdings are generally not allowed to be kept in the portfolio. He said that it was de-listed because it failed to meet the filing deadline with the SEC as required by Federal Statute. He added that representatives from Templeton are confident that the holding would be re-listed this year, and have requested that it be allowed to stay in the portfolio. He concluded by asking the Board to concur with our representative from Templeton to retain this holding, and asked that the Board receive and file this letter for the record.

ERS 01-05-07 ADDENDUM TO AGENDA

MOTION by Szymanski, SUPPORTED by Matthews:
To add to the agenda discussion and/or action on the letter received from Franklin Templeton Investments regarding Power Integrations, Inc. being de-listed.

ABSENT: Monaghan.

MOTION CARRIED

ERS 01-06-07 POWER INTEGRATIONS, INC. DE-LISTING

MOTION by Szymanski, SUPPORTED by Matthews:
To receive and file the letter dated December 22, 2006, from Zachary Perry, Vice President and Portfolio Manager for Franklin Templeton Investments, advising the Board that one of the holdings in the City's portfolio, Power Integrations, Inc., was de-listed by NASDAQ, and that he is requesting that the Board retain this holding as he is confident that it will be re-listed in the near future, and that furthermore, since Mr. Holycross of Morgan Stanley, the Board's Financial Consultant, agrees and recommends retaining this holding, that the Board does hereby authorize the Secretary to sign a letter consenting to Power Integrations, Inc. being retained in the portfolio.

ABSENT: Monaghan.

MOTION CARRIED

ERS 01-07-07 2007 STATEMENT OF INVESTMENT POLICY
OBJECTIVES AND GUIDELINES

MOTION by Butler, SUPPORTED by Szymanski:
To adopt the 2007 Statement of Investment Policy, Objectives and Guidelines for the retirement system portfolio as submitted by Michael Holycross of Morgan Stanley. (Attachment #2)

ABSENT: Monaghan.

MOTION CARRIED

ERS 01-08-07

2007 ASSET ALLOCATION

MOTION by Szymanski, SUPPORTED by Matthews:

To adopt the following Target Asset Allocation for 2007 as recommended by Michael Holycross of Morgan Stanley:

- 30% Large Equities
- 10% Mid Cap Equities
- 10% Small Cap Equities
- 10% International Equities
- 5% Emerging Market Equities
- 35% Fixed Income

ABSENT: Monaghan.

MOTION CARRIED

ERS 01-09-07

ELECTION OF CHAIR AND VICE-CHAIR FOR 2007

MOTION by Poynter, SUPPORTED by Matthews:

To re-elect Trustee James Burke as Chairperson for 2007.

ABSENT: Monaghan.

MOTION CARRIED

MOTION by Butler, SUPPORTED by Szymanski:

To re-elect Trustee Michael Monaghan as Vice-Chairperson for 2007.

ABSENT: Monaghan.

MOTION CARRIED

HEARING OF THE PUBLIC

None.

DISCUSSION BY TRUSTEES

Trustee Butler commented on the recent retirement of a Fire Captain, and expressed concern about the process. He said that there is potential for the process to be halted by the City Manager since both the Finance Director and City Clerk, who are responsible for processing retirement requests, work for the City Manager. He suggested that the Board consider contracting out the role that the Finance Director and City Clerk plays in the retirement process to ensure that the direction of the Board is carried out unimpeded with each application for retirement.

The Trustees discussed Trustee Butler's suggestion of contracting out the Finance Director and City Clerk's role in the retirement process, and agreed to maintain the process as is.

ERS 01-10-07

ADJOURNMENT

MOTION by Butler, SUPPORTED by Nawrocki:

That the agenda of the regular Board of Trustees Employees Retirement System Meeting having been acted upon the meeting is hereby adjourned at 8:01 p.m.

ABSENT: Monaghan.

MOTION CARRIED

JAMES BURKE, CHAIRPERSON

MICKEY D. TODD, SECRETARY

CITY OF HARPER WOODS
BOARD OF TRUSTEES
EMPLOYEES RETIREMENT SYSTEM
JULY 17, 2007

MEETING MINUTES

The Employees Retirement System Meeting was called to order by Chairperson James Burke at 4:00 p.m.

ROLL CALL

PRESENT: Chairperson James Burke, Vice Chairperson Michael P. Monaghan and Trustee(s) Nathan Butler, Maria Nawrocki and Kenneth A. Poynter

ABSENT: Trustee(s) Steve Matthews and John Szymanski.

OTHERS PRESENT: Mickey D. Todd, Secretary.

ERS 07-11-07

EXCUSE TRUSTEES

MOTION by Butler, SUPPORTED by Nawrocki:

To excuse Trustee(s) Steve Matthews and John Szymanski from today's meeting because of prior commitments.

ABSENT: Matthews and Szymanski.

MOTION CARRIED

ERS 07-12-07

MINUTES

MOTION by Poynter, SUPPORTED by Butler:

To receive, approve and file the minutes of the regular Board of Trustees Employees Retirement System meeting held January 22, 2007.

ABSENT: Matthews and Szymanski.

MOTION CARRIED

ERS 07-13-07

CONSENT AGENDA

RESOLUTION by Poynter, SUPPORTED by Nawrocki:

BE IT RESOLVED to approve Consent Agenda items (a) through (k):

- a. Receive and file the quarterly financial reports from Franklin Templeton Investments and Orleans Capital Management.
- b. Approve first and second quarter payment to Orleans Capital Management (\$19,647.62), and second and third quarter payment to Franklin Templeton Investments (\$26,212.37).
- c. Approve quarterly payment to Morgan Stanley for Financial Consultant Services. (\$16,004.57)
- d. Receive and file the Financial Statements from Comerica Bank for the first and second quarters of 2007.
- e. Approve payment to Comerica Bank for Trustee Services for the first quarter of 2006. (\$5,659.91)
- f. Approve payment to VanOverbeke, Michaud & Timmony, P.C. for quarterly legal services (\$1,426.00).
- g. Receive and file the Election of Type of Pension for retiree Paul Weiss.
- h. Receive and file the Election of Type of Pension for retiree Janice Van Tiem.
- i. Receive and file the Election of Type of Pension for retiree Robert Matthew.
- j. Receive and file the Election of Type of Pension for retiree Robert Grabowski.
- k. Receive and file the amended Actuarial Valuation as of December 31, 2005.

ROLL CALL VOTE

YES: Butler, Monaghan, Nawrocki, Poynter and Burke.

NO: None.

ABSENT: Matthews and Szymanski.

RESOLUTION ADOPTED

HEARING OF THE PUBLIC

None.

DISCUSSION BY TRUSTEES

None.

CITY OF HARPER WOODS, MICHIGAN
BOARD OF TRUSTEES EMPLOYEES
RETIREMENT SYSTEM

JULY 17, 2007
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ERS 07-14-07

ADJOURNMENT

MOTION by Monaghan, SUPPORTED by Butler:

That the agenda of the regular Board of Trustees Employees Retirement System Meeting having been acted upon the meeting is hereby adjourned at 4:12 p.m.

ABSENT: Matthews and Szymanski.

MOTION CARRIED

JAMES BURKE, CHAIRPERSON

MICKEY D. TODD, SECRETARY

CITY OF HARPER WOODS
BOARD OF TRUSTEES
EMPLOYEES RETIREMENT SYSTEM
OCTOBER 15, 2007

SPECIAL MEETING MINUTES

The Employees Retirement System meeting was called to order by Vice-Chair Michael P. Monaghan at 7:00 p.m.

ROLL CALL

PRESENT: Vice Chairperson Michael P. Monaghan and Trustee(s) Nathan Butler, Steve Matthews, Kenneth A. Poynter and John Szymanski.

ABSENT: Trustee(s) James Burke and Maria Nawrocki.

OTHERS PRESENT: Mickey D. Todd, Secretary.

ERS 10-15-07

EXCUSE TRUSTEES

MOTION by Poynter, SUPPORTED by Szymanski:

To excuse Trustee(s) James Burke and Maria Nawrocki from today's meeting because of prior commitments.

ABSENT: Burke and Nawrocki.

MOTION CARRIED

ERS 10-16-07

MINUTES

MOTION by Matthews, SUPPORTED by Poynter:

To receive, approve and file the minutes of the regular Board of Trustees Employees Retirement System meeting held July 17, 2007.

ABSENT: Burke and Nawrocki.

MOTION CARRIED

ERS 10-17-07

CONSENT AGENDA

RESOLUTION by Szymanski, SUPPORTED by Butler:

BE IT RESOLVED to approve Consent Agenda items (a) through (e):

- a. Receive and file the quarterly financial reports from Franklin Templeton Investments and Orleans Capital Management.
- b. Request quarterly payment to Morgan Stanley for Financial Consultant Services. (\$16,041.93)
- c. Receive and file the Financial Statements from Comerica Bank for the quarter of 2007.
- d. Request payment to Comerica Bank for Trustee Services for the quarter of 2007. (\$5,657.76)
- e. Request payment to VanOverbeke, Michaud & Timmony, P.C. for quarterly legal services. (\$279.00)

ROLL CALL VOTE

YES: Butler, Matthews, Monaghan, Poynter and Szymanski.

NO: None.

ABSENT: Burke and Nawrocki.

RESOLUTION ADOPTED

HEARING OF THE PUBLIC

None.

DISCUSSION BY TRUSTEES

None.

ERS 10-18-07

ADJOURNMENT

MOTION by Szymanski, SUPPORTED by Matthews:

That the agenda of the regular Board of Trustees Employees Retirement System Meeting having been acted upon the meeting is hereby adjourned at 7:05 p.m.

CITY OF HARPER WOODS, MICHIGAN
BOARD OF TRUSTEES EMPLOYEES
RETIREMENT SYSTEM

OCTOBER 15, 2007
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ABSENT: Burke and Nawrocki.

MOTION CARRIED

MICHAEL P. MONAGHAN, VICE CHAIR

MICKEY D. TODD, SECRETARY

CITY OF HARPER WOODS
BOARD OF TRUSTEES
EMPLOYEES RETIREMENT SYSTEM
NOVEMBER 26, 2007

MEETING MINUTES

The Employees Retirement System Meeting was called to order by Chairperson James Burke at 7:00 p.m.

ROLL CALL

PRESENT: Chairperson James Burke, Vice Chairperson Michael P. Monaghan and Trustee(s) Nathan Butler, Steve Matthews, Kenneth A. Poynter and John Szymanski.

ABSENT: Trustee Maria Nawrocki.

OTHERS PRESENT: Mickey D. Todd, Secretary, Michael Holycross of Morgan Stanley, Sandra Rodwan of Rodwan Consulting Company and Michael A. Wasz, Franklin Templeton Advisors.

ERS 11-19-07

EXCUSE TRUSTEE NAWROCKI

MOTION by Monaghan, SUPPORTED by Poynter:
To excuse Trustee Maria Nawrocki from today's meeting because of a prior commitment.

ABSENT: Nawrocki.

MOTION CARRIED

ERS 11-20-07

MINUTES

MOTION by Poynter, SUPPORTED by Monaghan:
To receive, approve and file the minutes of the regular Board of Trustees Employees Retirement System meeting held October 15, 2007.

ABSENT: Nawrocki.

MOTION CARRIED

ERS 11-21-07

CONSENT AGENDA

RESOLUTION by Szymanski, SUPPORTED by Monaghan:

BE IT RESOLVED to approve Consent Agenda items (a) through (j):

- a. Receive and file the quarterly financial reports from Franklin Templeton Investments and Orleans Capital Management.
- b. Approve quarterly payments to Franklin Templeton Investments (\$13,180.17), and Orleans Capital Management (\$10,710.61).
- c. Approve quarterly payment to Morgan Stanley for Financial Consultant Services. (\$16,303.62)
- d. Receive and file the Financial Statements from Comerica Bank for the third quarter of 2007.
- e. Request payment to Comerica Bank for Trustee Services for the third quarter of 2007. (\$5,468.18)
- f. Approve payment to Rodwin Consulting Company for normal actuarial and consulting services rendered during 2007, including the annual actuarial valuation as of December 31, 2006.
- g. Designate List of Authorized Signers for Comerica Bank.
- h. Receive and file the letter from Police Lieutenant Dennis Root, advising of his retirement effective January 26, 2008.
- i. Approve request from former Police Dispatcher Donna Root, for a refund of accumulated contributions.
- j. Approve request from former Fire Fighter Jason Frattini, for a refund of accumulated contributions.

ROLL CALL VOTE

YES: Butler, Matthews, Monaghan, Poynter, Szymanski and Burke.

NO: None.

ABSENT: Nawrocki.

RESOLUTION ADOPTED

ERS 11-22-07

2006 ACTUARIAL PRESENTATION

MOTION by Monaghan, SUPPORTED by Szymanski:

To receive and file the 2006 Actuarial Valuation as of December 31, 2006, for the City of Harper Woods Employees Retirement System as prepared by Rodwan Consulting Company, and furthermore, receive and file the Summary Annual Report for 2006. (Attachment #1)

ABSENT: Nawrocki.

MOTION CARRIED

Ms. Sandra Rodwan, of Rodwan Consulting Company, reviewed the 2006 Actuarial report with the Trustees and answered any questions.

MANAGER PRESENTATION - FRANKLIN TEMPLETON

Mr. Michael A. Wasz, Franklin Templeton Advisors, reviewed and discussed the structure and philosophy of their investment strategy for the International Equity Fund.

ERS 11-23-07 FINANCIAL CONSULTANTS MANAGED ACCOUNT
REPORT - MORGAN STANLEY DEAN WITTER

RESOLUTION by Monaghan, SUPPORTED by Matthews:

To receive and file the Managed Account Report for the first quarter ending September 30, 2007, as submitted by Michael Holycross of Morgan Stanley, and furthermore, concur with Mr. Holycross' recommendation to re-balance the portfolio by taking \$400k from the Small Cap Funds, \$1.2m from the Mid Cap EFT and \$1.6m from the S&P 500 EFT, and use the proceeds (\$3.2m) from the re-balance to purchase a S&P 100 EFT .

ROLL CALL VOTE

YES: Matthews, Monaghan, Poynter, Szymanski, Burke and Butler.

NO: None.

ABSENT: Nawrocki.

RESOLUTION ADOPTED

Mr. Michael Holycross of Morgan Stanley presented the quarterly report, and answered any questions.

HEARING OF THE PUBLIC

None.

DISCUSSION BY TRUSTEES

None.

CITY OF HARPER WOODS, MICHIGAN
BOARD OF TRUSTEES EMPLOYEES
RETIREMENT SYSTEM

NOVEMBER 26, 2007
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ERS 11-24-07

ADJOURNMENT

MOTION by Monaghan, SUPPORTED by Poynter:

That the agenda of the regular Board of Trustees Employees Retirement System Meeting having been acted upon the meeting is hereby adjourned at 8:51 p.m.

ABSENT: Nawrocki.

MOTION CARRIED

JAMES BURKE, CHAIRPERSON

MICKEY D. TODD, SECRETARY

CITY OF HARPER WOODS
BOARD OF TRUSTEES
EMPLOYEES RETIREMENT SYSTEM
JANUARY 28, 2008

MEETING MINUTES

The Employees Retirement System Meeting was called to order by Chairperson James Burke at 7:00 p.m.

ROLL CALL

PRESENT: Chairperson James Burke, Vice Chairperson Michael P. Monaghan and Trustee(s) Nathan Butler, Maria Nawrocki and John Szymanski (7:08 p.m.).

ABSENT: Trustee(s) Steve Matthews and Kenneth A. Poynter.

OTHERS PRESENT: Mickey D. Todd, Secretary and Michael Holycross of Morgan Stanley.

ERS 01-01-08

EXCUSE TRUSTEES

MOTION by Monaghan, SUPPORTED by Butler:

To excuse Trustee(s) Steve Matthews and Kenneth A. Poynter from today's meeting because of prior commitments.

ABSENT: Matthews, Poynter and Szymanski.

MOTION CARRIED

ERS 01-02-08

MINUTES

MOTION by Butler, SUPPORTED by Monaghan:

To receive, approve and file the minutes of the regular Board of Trustees Employees Retirement System meeting held November 26, 2007.

ABSENT: Matthews, Poynter and Szymanski.

MOTION CARRIED

ERS 01-03-08

CONSENT AGENDA

RESOLUTION by Monaghan, SUPPORTED by Butler:

BE IT RESOLVED to approve Consent Agenda items (a) through (h):

- a. Receive and file the quarterly financial reports from Franklin Templeton Investments and Orleans Capital Management.
- b. Request quarterly payments to Franklin Templeton Investments (\$12,724.04), and Orleans Capital Management (\$11,094.73).
- c. Request quarterly payment to Morgan Stanley for Financial Consultant Services. (\$16,279.71)
- d. Receive and file the Financial Statements from Comerica Bank for the fourth quarter of 2007.
- e. Request payment to Comerica Bank for Trustee Services for the fourth quarter of 2007. (\$5,775.62)
- f. Receive, approve and file the Retirement Board meeting calendar for 2008.
- g. Receive and file the letter from Police Officer James Stachkunis, advising of his retirement effective January 2, 2008.
- h. Receive and file the Election of Type of Pension from Police Officer James Stachkunis.

ROLL CALL VOTE

YES: Butler, Monaghan, Nawrocki, and Burke.

NO: None.

ABSENT: Matthews, Poynter and Szymanski.

RESOLUTION ADOPTED

ERS 01-04-08

PERFORMANCE MEASUREMENT REPORT - MORGAN STANLEY

MOTION by Monaghan, SUPPORTED by Szymanski:

To receive and file the Managed Account Report for the quarter ending December 31, 2007, as submitted by Michael Holycross of Morgan Stanley.

ABSENT: Matthews and Poynter.

MOTION CARRIED

Mr. Michael Holycross of Morgan Stanley presented the quarterly report, and answered any questions.

ERS 01-08-08 ELECTION OF CHAIR AND VICE-CHAIR FOR 2008

MOTION by Szymanski, SUPPORTED by Butler:
To re-elect Trustee James Burke as Chairperson for 2008.

ABSENT: Matthews and Poynter.

MOTION CARRIED

MOTION by Szymanski, SUPPORTED by Butler:
To re-elect Trustee Michael Monaghan as Vice-Chairperson for 2008.

ABSENT: Matthews and Poynter.

MOTION CARRIED

HEARING OF THE PUBLIC

None.

DISCUSSION BY TRUSTEES

None.

ERS 01-09-08 ADJOURNMENT

MOTION by Monaghan, SUPPORTED by Szymanski:
That the agenda of the regular Board of Trustees Employees Retirement System Meeting having
been acted upon the meeting is hereby adjourned at 7:45 p.m.

ABSENT: Matthews and Poynter.

MOTION CARRIED

JAMES BURKE, CHAIRPERSON

MICKEY D. TODD, SECRETARY

CITY OF HARPER WOODS
BOARD OF TRUSTEES
EMPLOYEES RETIREMENT SYSTEM
MUNICIPAL BUILDING
MAY 12, 2008

MEETING MINUTES

The Employees Retirement System Meeting was called to order by Chairperson James Burke at 7:00 p.m.

ROLL CALL

PRESENT: Chairperson James Burke, Vice Chairperson Michael P. Monaghan and Trustee(s) Maria Nawrocki and John Szymanski.

ABSENT: Trustee(s) Nathan Butler and Kenneth A. Poynter.

OTHERS PRESENT: Mickey D. Todd, Secretary and Brian Green of Morgan Stanley.

ERS 05-10-08

EXCUSE TRUSTEES

MOTION by Szymanski, SUPPORTED by Monaghan:
To excuse Trustee(s) Nathan Butler and Kenneth A. Poynter from today's meeting because of prior commitments.

ABSENT: Butler and Poynter.

MOTION CARRIED

ERS 05-11-08

MINUTES

MOTION by Monaghan, SUPPORTED by Szymanski:
To receive, approve and file the minutes of the regular Board of Trustees Employees Retirement System meeting held January 28, 2008.

ABSENT: Butler and Poynter.

MOTION CARRIED

ERS 05-12-08

CONSENT AGENDA

RESOLUTION by Szymanski, SUPPORTED by Monaghan:

BE IT RESOLVED to approve Consent Agenda items (a) through (g):

- a. Receive and file the quarterly financial reports from Franklin Templeton Investments and Orleans Capital Management.
- b. Request quarterly payments to Franklin Templeton Investments (\$11,221.34) and Orleans Capital Management (\$10,929.18).
- c. Request quarterly payment to Morgan Stanley for Financial Consultant Services. (\$16,277.94)
- d. Receive and file the Financial Statements from Comerica Bank for the first quarter of 2008.
- e. Request payment to Comerica Bank for Trustee Services for the first quarter of 2008. (\$5,392.29)
- f. Request payment to VanOverbeke, Michaud & Timmony, P.C. for quarterly legal services. (\$635.50)
- g. Receive and file Election of Type of Pension from retiree Dennis Root.
- h. Receive and file request for retirement benefits and Election of Type of Pension from retiree Carolyn Skinner.
- g. Receive and file the executed Statement of Investment Policy, Objectives and Guidelines from the various Investment Manager's for 2008.

ROLL CALL VOTE

YES: Monaghan, Nawrocki, Szymanski and Burke.

NO: None.

ABSENT: Butler and Poynter.

RESOLUTION ADOPTED

ERS 05-12-08 FINANCIAL CONSULTANTS MANAGED ACCOUNT
REPORT - MORGAN STANLEY DEAN WITTER

MOTION by Monaghan, SUPPORTED by Szymanski:

To receive and file the Managed Account Report for the first quarter ending March 31, 2008, as submitted by Michael Holycross of Morgan Stanley.

ABSENT: Butler and Poynter.

MOTION CARRIED

Mr. Brian Green of Morgan Stanley presented the quarterly report, and answered any questions.

MANAGER REPORT - ORLEANS CAPITAL MANAGEMENT

Mr. John Gordon and Ms. Emily Becker of Orleans Capital Management, reviewed and discussed both the Bond Fund and the Energy Fund portfolios. No action was taken.

ERS 05-13-08 BOARD ATTORNEY REPORT - BAE SYSTEMS & LABRANCHE

RESOLUTION by Monaghan, SUPPORTED by Szymanski,
BE IT RESOLVED to adjourn to Executive Session for the purpose of discussing pending litigation regarding BAE Systems and LaBranche Securities Litigation.

ROLL CALL VOTE

YES: Nawrocki, Szymanski, Burke and Monaghan.

NO: None.

ABSENT: Butler and Poynter.

RESOLUTION ADOPTED

The Board adjourned to Executive Session at 8:10 p.m. and reconvened at 8:22 p.m.

MOTION by Szymanski, SUPPORTED by Monaghan:

To receive and file the correspondence from Attorney Thomas C. Michaud, of VanOverbeke, Michaud and Timmony, P.C., regarding the current litigation with BAE Systems, and furthermore, approve of the settlement agreement with LaBranche as recommended by Attorney Thomas C. Michaud.

ABSENT: Butler and Poynter.

MOTION CARRIED

Mr. Thomas C. Michaud, of VanOverbeke, Michaud and Timmony, P.C., was present to review and discuss the above item.

ERS 05-14-08 TRUSTEE AT LARGE RESIGNATION AND APPOINTMENT

MOTION by Monaghan, SUPPORTED by Szymanski:

To receive and file the letter of resignation from Citizen Trustee Steve Matthews, and the letter of interest from Mr. D. L. Harville, and table discussion on this item until all the Trustees are present.

ABSENT: Butler and Poynter.

MOTION CARRIED

HEARING OF THE PUBLIC

None.

DISCUSSION BY TRUSTEES

None.

ERS 05-15-08

ADJOURNMENT

MOTION by Monaghan, SUPPORTED by Szymanski:
That the agenda of the regular Board of Trustees Employees Retirement System Meeting having
been acted upon the meeting is hereby adjourned at 8:26 p.m.

ABSENT: Butler and Poynter.

MOTION CARRIED

JAMES BURKE, CHAIRPERSON

MICKEY D. TODD, SECRETARY

CITY OF HARPER WOODS
BOARD OF TRUSTEES
EMPLOYEES RETIREMENT SYSTEM
AUGUST 11, 2008

MEETING MINUTES

The Employees Retirement System Meeting was called to order by Chairperson James Burke at 6:30 p.m.

ROLL CALL

PRESENT: Chairperson James Burke, Vice Chairperson Michael P. Monaghan and Trustee(s) Kenneth A. Poynter and John Szymanski.

ABSENT: Trustee(s) Nathan Butler and Maria Nawrocki.

OTHERS PRESENT: Mickey D. Todd, Secretary and Bryan Green of Morgan Stanley.

ERS 08-16-08

EXCUSE TRUSTEES

MOTION by Monaghan, SUPPORTED by Szymanski:
To excuse Trustee(s) Nathan Butler and Maria Nawrocki from today's meeting because of prior commitments.

ABSENT: Butler and Nawrocki.

MOTION CARRIED

ERS 08-17-08

MINUTES

MOTION by Szymanski, SUPPORTED by Monaghan:
To receive, approve and file the minutes of the regular Board of Trustees Employees Retirement System meeting held May 12, 2008.

ABSENT: Butler and Nawrocki.

MOTION CARRIED

ERS 08-18-08

CONSENT AGENDA

RESOLUTION by Monaghan, SUPPORTED by Szymanski:

BE IT RESOLVED to approve Consent Agenda items (a) through (h):

- a. Receive and file the quarterly financial reports from Franklin Templeton Investments and Orleans Capital Management.
- b. Approve quarterly payments to (\$10,973.56), Franklin Templeton Investments and Orleans Capital Management (\$12,259.23).
- c. Request quarterly payment to Morgan Stanley for Financial Consultant Services. (\$15,583.53)
- d. Receive and file the Financial Statements from Comerica Bank for the second quarter of 2008.
- e. Approve payment to Comerica Bank for Trustee Services for the second quarter of 2008. (\$5,455.56)
- f. Approve payment to VanOverbeke, Michaud & Timmony, P.C. for quarterly legal services. (\$310.00)
- g. Receive and file December 31, 2007 Actuarial Valuation as submitted by Rodwin Consulting Company.
- h. Receive and file Summary Annual Reports for 2007. (Attachment #1)

ROLL CALL VOTE

YES: Monaghan, Poynter, Szymanski and Burke.

NO: None.

ABSENT: Butler and Nawrocki.

RESOLUTION ADOPTED

ERS 08-19-08 FINANCIAL CONSULTANTS MANAGED ACCOUNT
REPORT - MORGAN STANLEY DEAN WITTER

MOTION by Monaghan, SUPPORTED by Poynter:

To receive and file the Managed Account Report for the second quarter as submitted by Michael Holycross of Morgan Stanley.

ABSENT: Butler and Nawrocki.

MOTION CARRIED

Mr. Bryan Green of Morgan Stanley presented the quarterly report, and answered any questions. He also advised that Franklin Small Growth is changing portfolio Manager's and recommended that

the Board sever its relationship with them and reallocate that portion of the portfolio to the iShares Russell 2000 Growth Index Fund.

ERS 08-20-08

ADDENDUM TO AGENDA

MOTION by Monaghan, SUPPORTED by Poynter:

To add to the agenda, discussion and or action on terminating Franklin Small Growth fund from the portfolio.

ABSENT: Butler and Nawrocki.

MOTION CARRIED

ERS 08-21-08-04 TERMINATION - FRANKLIN PORTFOLIO ADVISORS

RESOLUTION by Monaghan, SUPPORTED by Szymanski:

WHEREAS, the Board of Trustees is vested with the general administration, management and operation of the Retirement System and has fiduciary responsibilities relative to the proper administration of the pension trust funds, and

WHEREAS, the Board has previously entered into an investment management agreement with Franklin Portfolio Advisors Small Cap Growth, and

WHEREAS, the Board has reviewed with its investment consultant the Retirement System's investment portfolio and asset allocation in light of: (1) the portfolio's historical performance; (2) recent changes in the economic and financial market conditions; and (3) the Board's goal of maximizing future gains without overtly increasing risk or volatility in the portfolio, therefore be it

RESOLVED, that the Board of Trustees, upon completion of the transfer of assets currently under management by Franklin Portfolio Advisors Small Cap Growth, hereby terminates its investment management agreement effective immediately, and further

RESOLVED, that Franklin Portfolio Advisors Small Cap Growth be requested to coordinate with the Board, and its investment consultant a smooth and cost effective transition of the management of the Retirement System's assets currently under its management (e.g. review of portfolio by Board's money managers prior to liquidation), and further

RESOLVED, that a copy of this resolution shall be forwarded to Franklin Portfolio Advisors Small Cap Growth and the Board's investment consultant.

ROLL CALL VOTE

YES: Monaghan, Poynter, Szymanski and Burke.

NO: None.

ABSENT: Butler and Nawrocki.

RESOLUTION ADOPTED

HEARING OF THE PUBLIC

None.

DISCUSSION BY TRUSTEES

None.

ERS 08-21-08

ADJOURNMENT

MOTION by Monaghan, SUPPORTED by Poynter:

That the agenda of the regular Board of Trustees Employees Retirement System Meeting having been acted upon the meeting is hereby adjourned at 7:02 p.m.

ABSENT: Butler and Nawrocki.

MOTION CARRIED

JAMES BURKE, CHAIRPERSON

MICKEY D. TODD, SECRETARY

CITY OF HARPER WOODS
BOARD OF TRUSTEES
EMPLOYEES RETIREMENT SYSTEM
NOVEMBER 24, 2008

MEETING MINUTES

The Employees Retirement System Meeting was called to order by Chairperson James Burke at 7:00 p.m.

ROLL CALL

PRESENT: Chairperson James Burke, Vice Chairperson Michael P. Monaghan and Trustee(s) Darren Harville (7:20 p.m.) Maria Nawrocki and Kenneth A. Poynter.

ABSENT: Trustee Nathan Butler and John Szymanski.

OTHERS PRESENT: Mickey D. Todd, Secretary, Michael Holycross of Morgan Stanley and Sandra Rodwin and Denise Jones of Rodwin Associates.

ERS 11-22-08

EXCUSE TRUSTEE SZYMANSKI

MOTION by Monaghan, SUPPORTED by Poynter:

To excuse Trustee John Szymanski from today's meeting because of a prior commitment.

ABSENT: Butler and Szymanski.

MOTION CARRIED

ERS 11-23-08

MINUTES

MOTION by Monaghan, SUPPORTED by Poynter:

To receive, approve and file the minutes of the regular Board of Trustees Employees Retirement System meeting held August 11, 2008.

ABSENT: Butler and Szymanski.

MOTION CARRIED

ERS 11-24-08

CONSENT AGENDA

RESOLUTION by Monaghan, SUPPORTED by Nawrocki:

BE IT RESOLVED to approve Consent Agenda items (a) through (f):

- a. Receive and file the quarterly financial reports from Franklin Templeton Investments and Orleans Capital Management.
- b. Approve quarterly payments to Franklin Templeton Investments (\$7,281.60), and Orleans Capital Management (\$10,042.75).
- c. Approve quarterly payment to Morgan Stanley for Financial Consultant Services. (\$15,649.31)
- d. Receive and file the Financial Statements from Comerica Bank for the third quarter of 2008.
- e. Approve payment to Comerica Bank for Trustee Services for the third quarter of 2008. (\$2,269.17)
- f. Approve payment to Rodwin Consulting Company for normal actuarial and consulting services and the annual valuation as of December 31, 2007. (\$8,900)

ROLL CALL VOTE

YES: Monaghan, Nawrocki, Poynter and Burke.

NO: None.

ABSENT: Butler and Szymanski.

RESOLUTION ADOPTED

MANAGER PRESENTATION - FRANKLIN TEMPLETON

Mr. Michael A. Wasz, Franklin Templeton Advisors, reviewed and discussed the structure and philosophy of their investment strategy for the International Equity Fund.

ERS 11-25-08

ADDENDUM TO AGENDA

MOTION by Monaghan, SUPPORTED by Poynter:

To add to the agenda discussion and/or action on appointing the Citizen Trustee to fill the vacancy expiring January 2009.

ABSENT: Butler and Szymanski.

MOTION CARRIED

ERS 11-26-08 APPOINTMENT OF CITIZEN TRUSTEE - DARREN HARVILLE

MOTION by Monaghan, SUPPORTED by Poynter:

To appoint Darren Harville as the Board's Citizen Trustee to a term expiring January 2009, consistent with Section(s) 2-828 and 2-829 of the Retirement Ordinance.

ABSENT: Butler and Szymanski.

MOTION CARRIED

Trustee Harville joined the meeting at 7:20 p.m.

ERS 11-27-08 FINANCIAL CONSULTANTS MANAGED
 ACCOUNT REPORT - MORGAN STANLEY

MOTION by Monaghan, SUPPORTED by Poynter:

To receive and file the Managed Account Report for the first quarter ending September 30, 2008, as submitted by Michael Holycross of Morgan Stanley.

ABSENT: Butler and Szymanski.

MOTION CARRIED

Mr. Michael Holycross of Morgan Stanley presented the quarterly report, and answered any questions.

Chairman Burke left the meeting at 8:18 p.m. and Vice-Chair Monaghan assumed the chair.

ERS 11-28-06 2007 ACTUARIAL PRESENTATION

MOTION by Poynter, SUPPORTED by Nawrocki:

To receive and file the Actuarial Valuation as of December 31, 2007, for the City of Harper Woods Employees Retirement System as prepared by Rodwan Consulting Company.

ABSENT: Burke, Butler and Szymanski.

MOTION CARRIED

Sandra Rodwin and Denise Jones of Rodwin Associates reviewed and discussed the 2007 Actuarial Valuation with the Trustees.

HEARING OF THE PUBLIC

None.

DISCUSSION BY TRUSTEES

Vice-Chair Monaghan commented on not voting to excuse Trustee Butler, saying that this is the second meeting in row that he has missed, and that no prior notice was given to the Board about missing the meeting, so he could not vote to excuse him.

ERS 11-29-08

ADJOURNMENT

MOTION by Nawrocki, SUPPORTED by Poynter:

That the agenda of the regular Board of Trustees Employees Retirement System Meeting having been acted upon the meeting is hereby adjourned at 8:24 p.m.

ABSENT: Burke, Butler and Szymanski.

MOTION CARRIED

JAMES BURKE, CHAIRPERSON

MICKEY D. TODD, SECRETARY

CITY OF HARPER WOODS
BOARD OF TRUSTEES
EMPLOYEES RETIREMENT SYSTEM
FEBRUARY 2, 2009

MEETING MINUTES

The Employees Retirement System Meeting was called to order by Chairperson James Burke at 6:30 p.m.

ROLL CALL

PRESENT: Chairperson James Burke, Vice Chairperson Michael P. Monaghan and Trustee(s) Darren Harville, Robert Koss, Maria Nawrocki, Kenneth A. Poynter and John Szymanski.

ABSENT: None.

OTHERS PRESENT: Mickey D. Todd, Secretary and Brian Green of Morgan Stanley.

ERS 02-01-09

MINUTES

MOTION by Poynter, SUPPORTED by Monaghan:

To receive, approve and file the minutes of the regular Board of Trustees Employees Retirement System meeting held November 24, 2008.

MOTION CARRIED UNANIMOUSLY

ERS 02-02-09

CONSENT AGENDA

RESOLUTION by Poynter, SUPPORTED by Szymanski:

BE IT RESOLVED to approve Consent Agenda items (a) through (g):

- a. Receive and file the quarterly financial reports from Franklin Templeton Investments and Orleans Capital Management.
- b. Approve quarterly payments to Franklin Templeton Investments (\$12,724.04), and Orleans Capital Management (\$11,094.73).
- c. Approve quarterly payment to Morgan Stanley for Financial Consultant Services. (\$16,279.71)
- d. Receive and file the Financial Statements from Comerica Bank for the fourth quarter of 2008.

- e. Approve payment to Comerica Bank for Trustee Services for the fourth quarter of 2008. (\$5,775.62)
- f. Receive, approve and file the Retirement Board meeting calendar for 2009.
- g. Receive and file employee representative election notices.

ROLL CALL VOTE

YES: Harville, Koss, Monaghan, Nawrocki, Poynter, Szymanski and Burke.
NO: None.

RESOLUTION ADOPTED UNANIMOUSLY

ERS 02-03-09 FINANCIAL CONSULTANTS MANAGED ACCOUNT
REPORT - MORGAN STANLEY DEAN WITTER

MOTION by Monaghan, SUPPORTED by Nawrocki:
To receive and file the Managed Account Report for the fourth quarter ending December 31, 2008, as submitted by Michael Holycross of Morgan Stanley.

MOTION CARRIED UNANIMOUSLY

Mr. Brian Green of Morgan Stanley presented the quarterly report, and answered any questions.

ERS 02-04-09 2009 STATEMENT OF INVESTMENT POLICY
OBJECTIVES AND GUIDELINES

RESOLUTION by Szymanski, SUPPORTED by Poynter:
To adopt the 2009 Statement of Investment Policy, Objectives and Guidelines for the retirement system portfolio as submitted by Michael Holycross of Morgan Stanley. (Attachment #1)

ROLL CALL VOTE

YES: Koss, Monaghan, Nawrocki, Poynter, Szymanski, Burke and Harville.
NO: None.

RESOLUTION ADOPTED UNANIMOUSLY

ERS 02-05-08 2009 ASSET ALLOCATION

RESOLUTION by Monaghan, SUPPORTED by Szymanski:
To adopt the following Target Asset Allocation for 2009 as recommended by Michael Holycross of

Morgan Stanley:

50% Domestic Equities
10% International Equities
5% Emerging Market Equities
35% Fixed Income

ROLL CALL VOTE

YES: Monaghan, Nawrocki, Poynter, Szymanski, Burke, Harville and Koss.

NO: None.

RESOLUTION ADOPTED UNANIMOUSLY

ERS 02-06-09 ELECTION OF CHAIR AND VICE-CHAIR FOR 2009

MOTION by Poynter, SUPPORTED by Szymanski:

To re-elect Trustee James Burke as Chairperson for 2009, and Trustee Michael Monaghan as Vice-Chairperson for 2009.

MOTION CARRIED UNANIMOUSLY

HEARING OF THE PUBLIC

None.

DISCUSSION BY TRUSTEES

None.

ERS 02-07-09 ADJOURNMENT

MOTION by Monaghan, SUPPORTED by Szymanski:

That the agenda of the regular Board of Trustees Employees Retirement System Meeting having been acted upon the meeting is hereby adjourned at 7:10 p.m.

MOTION CARRIED UNANIMOUSLY

JAMES BURKE, CHAIRPERSON

MICKEY D. TODD, SECRETARY

CITY OF HARPER WOODS
BOARD OF TRUSTEES
EMPLOYEES RETIREMENT SYSTEM
MAY 11, 2009

MEETING MINUTES

The Employees Retirement System Meeting was called to order by Chairperson James Burke at 7:00 p.m.

ROLL CALL

PRESENT: Chairperson James Burke, Vice Chairperson Michael P. Monaghan and Trustee(s) Darren Harville, Robert Koss and Maria Nawrocki.

ABSENT: Trustee(s) Kenneth A. Poynter and John Szymanski.

OTHERS PRESENT: Mickey D. Todd, Secretary and Michael Holycross and Brian Green of Morgan Stanley and John Gordon of Orleans Capital Management.

ERS 05-08-09

EXCUSE TRUSTEES

MOTION by Monaghan, SUPPORTED by Nawrocki:

To excuse Trustee(s) Kenneth A. Poynter and John Szymanski from today's meeting because of prior commitments.

ABSENT: Poynter and Szymanski.

MOTION CARRIED

ERS 05-09-09

MINUTES

MOTION by Monaghan, SUPPORTED by Nawrocki:

To receive, approve and file the minutes of the regular Board of Trustees Employees Retirement System meeting held February 2, 2009.

ABSENT: Poynter and Szymanski.

MOTION CARRIED

ERS 05-10-09

CONSENT AGENDA

RESOLUTION by Monaghan, SUPPORTED by Nawrocki:

BE IT RESOLVED to approve Consent Agenda items (a) through (f):

- a. Receive and file the quarterly financial reports from Franklin Templeton Investments and Orleans Capital Management.
- b. Approve quarterly payments to Franklin Templeton Investments (\$5,180.24) and Orleans Capital Management (\$8,530.97).
- c. Approve quarterly payment to Morgan Stanley for Financial Consultant Services. (\$13,181.00)
- d. Receive and file the Financial Statements from Comerica Bank for the first quarter of 2009.
- e. Approve payment to Comerica Bank for Trustee Services for the first quarter of 2009. (\$4,147.67)
- f. Adopt EDRO resolution re: Ciechanowski v Ciechanowski.

ROLL CALL VOTE

YES: Harville, Koss, Monaghan, Nawrocki and Burke.

NO: None.

ABSENT: Poynter and Szymanski.

RESOLUTION ADOPTED

MANAGER REPORT - ORLEANS CAPITAL MANAGEMENT

Mr. John Gordon of Orleans Capital Management, reviewed and discussed both the Bond Fund and the Energy Fund portfolios. No action was taken.

ERS 05-11-09

FINANCIAL CONSULTANTS MANAGED ACCOUNT
REPORT - MORGAN STANLEY DEAN WITTER

MOTION by Monaghan, SUPPORTED by Nawrocki:

To receive and file the Managed Account Report for the first quarter ending March 31, 2009, as

submitted by Michael Holycross of Morgan Stanley, and furthermore, schedule a special meeting for 6:00 p.m. on Monday, June 1, 2009 to consider the recommended changes to the portfolio.

ABSENT: Poynter and Szymanski.

MOTION CARRIED

Mr. Michael Holycross and Brian Green of Morgan Stanley presented the quarterly report, and answered any questions.

HEARING OF THE PUBLIC

None.

DISCUSSION BY TRUSTEES

None.

ERS 05-12-09

ADJOURNMENT

MOTION by Monaghan, SUPPORTED by Nawrocki:

That the agenda of the regular Board of Trustees Employees Retirement System Meeting having been acted upon the meeting is hereby adjourned at 8:58 p.m.

ABSENT: Poynter and Szymanski.

MOTION CARRIED

JAMES BURKE, CHAIRPERSON

MICKEY D. TODD, SECRETARY

CITY OF HARPER WOODS
BOARD OF TRUSTEES
EMPLOYEES RETIREMENT SYSTEM
JUNE 1, 2009

SPECIAL MEETING MINUTES

The Employees Retirement System Meeting was called to order by Chairperson James Burke at 6:00 p.m.

ROLL CALL

PRESENT: Chairperson James Burke, Vice Chairperson Michael P. Monaghan and Trustee(s) Robert Koss, Maria Nawrocki, Kenneth A. Poynter and John Szymanski.

ABSENT: Trustee Darren Harville.

OTHERS PRESENT: Mickey D. Todd, Secretary and Michael Holycross of Morgan Stanley.

ERS 06-13-09

EXCUSE TRUSTEE HARVILLE

MOTION by Poynter, SUPPORTED by Szymanski:

To excuse Trustee Darren Harville from today's meeting because of prior commitments.

ABSENT: Harville.

MOTION CARRIED

PORTFOLIO REVIEW AND RECOMMENDATION

The Trustees reviewed and discussed the recommended changes to the portfolio from Planning Consultant Michael Holycross of Morgan Stanley. After the discussion, they directed the Secretary to advise Mr. Holycross that they agree to a ten percent allocation of the existing equity portfolio, rather than the requested twenty percent, and to meet again on June 15th to finalize the change.

HEARING OF THE PUBLIC

None.

DISCUSSION BY TRUSTEES

None.

ERS 06-14-09

ADJOURNMENT

MOTION by Monaghan, SUPPORTED by Szymanski:

That the agenda of the regular Board of Trustees Employees Retirement System Meeting having been acted upon the meeting is hereby adjourned at 6:55 p.m.

ABSENT: Harville.

MOTION CARRIED

JAMES BURKE, CHAIRPERSON

MICKEY D. TODD, SECRETARY

CITY OF HARPER WOODS
BOARD OF TRUSTEES
EMPLOYEES RETIREMENT SYSTEM
AUGUST 10, 2009

MEETING MINUTES

The Employees Retirement System Meeting was called to order by Vice-Chair Michael P. Monaghan at 6:30 p.m.

ROLL CALL

PRESENT: Vice Chairperson Michael P. Monaghan and Trustee(s) Darren Harville, Robert Koss, Kenneth A. Poynter and John Szymanski.

ABSENT: Trustee(s) James Burke and Maria Nawrocki.

OTHERS PRESENT: Mickey D. Todd, Secretary and Brian Green of Morgan Stanley.

ERS 08-19-09

EXCUSE TRUSTEES

MOTION by Poynter, SUPPORTED by Szymanski:

To excuse Trustee(s) James Burke and Maria Nawrocki from today's meeting because of prior commitments.

ABSENT: Burke and Nawrocki.

MOTION CARRIED

ERS 08-20-09

MINUTES

MOTION by Szymanski, SUPPORTED by Poynter:

To receive, approve and file the minutes of the regular Board of Trustees Employees Retirement System meeting held May 11, 2009, and the special meeting minutes of June 1, 2009 and June 15, 2009.

ABSENT: Burke and Nawrocki.

MOTION CARRIED

ERS 08-21-09

ADDENDUM TO AGENDA

MOTION by Szymanski, SUPPORTED by Poynter:

To add to the consent agenda the letter from the Sally Graham, Dial-A-Ride director announcing her retirement.

ABSENT: Burke and Nawrocki.

MOTION CARRIED

ERS 08-22-09

CONSENT AGENDA

RESOLUTION by , SUPPORTED by :

BE IT RESOLVED to approve Consent Agenda items (a) through (h):

- a. Receive and file the quarterly financial reports from Franklin Templeton Investments and Orleans Capital Management.
- b. Authorize quarterly payments to Franklin Templeton Investments (\$6,219.63), and Orleans Capital Management (\$9,365.95).
- c. Authorize quarterly payment to Morgan Stanley for Financial Consultant Services (\$12,854.22).
- d. Receive and file the Financial Statements from Comerica Bank for the second quarter of 2009.
- e. Authorize payment to Comerica Bank for Trustee Services for the second quarter of 2009. (\$4,471.71)
- f. Authorize payment to Rodwan Consulting Company for normal actuarial services/annual actuarial valuation (\$8,900).
- g. Receive and file the Investment Management Agreement between the City of Harper Woods Employees Retirement System and Reinhart Partners, Inc. (Attachment #1)
- h. Receive and file the letter dated August 10, 2009 from Sally Graham announcing her retirement effective August 28, 2009.

ROLL CALL VOTE

YES: Harville, Koss, Monaghan, Poynter and Szymanski.

NO: None.

ABSENT: Burke and Nawrocki.

RESOLUTION ADOPTED

ERS 08-23-09 FINANCIAL CONSULTANTS MANAGED ACCOUNT
REPORT - MORGAN STANLEY DEAN WITTER

MOTION by Poynter, SUPPORTED by Szymanski:

To receive and file the Managed Account Report for the second quarter of 2009, as submitted by Michael Holycross of Morgan Stanley. (Attachment #2)

ABSENT: Burke and Nawrocki.

MOTION CARRIED

Mr. Brian Green of Morgan Stanley presented the quarterly report, and answered any questions, and added that the portfolio is up to \$30.5 million as of yesterday.

ERS 08-24-09 2008 ACTUARIAL REPORT

MOTION by Poynter, SUPPORTED by Szymanski:

To receive and file the 2008 Actuarial Valuation as of December 31, 2008, for the City of Harper Woods Employees Retirement System as prepared by Rodwan Consulting Company, and request that the report be presented to the Board at the November meeting.

ABSENT: Burke and Nawrocki.

MOTION CARRIED

ERS 08-25-09 2008 ANNUAL REPORT

MOTION by Szymanski, SUPPORTED by Poynter:

To receive and file the Summary Annual Report for 2008. (Attachment #3)

ABSENT: Burke and Nawrocki.

MOTION CARRIED

HEARING OF THE PUBLIC

None.

DISCUSSION BY TRUSTEES

None.

ERS 08-26-09

ADJOURNMENT

MOTION by Harville, SUPPORTED by Szymanski:

That the agenda of the regular Board of Trustees Employees Retirement System Meeting having been acted upon the meeting is hereby adjourned at 6:37 p.m.

ABSENT: Burke and Nawrocki.

MOTION CARRIED

MICHAEL P. MONAGHAN VICE CHAIR

MICKEY D. TODD, SECRETARY

CITY OF HARPER WOODS
BOARD OF TRUSTEES
EMPLOYEES RETIREMENT SYSTEM
NOVEMBER 23, 2009

MEETING MINUTES

The Employees Retirement System Meeting was called to order by Chairperson James Burke at 7:00 p.m.

ROLL CALL

PRESENT: Chairperson James Burke, Vice Chairperson Michael P. Monaghan and Trustee(s) Maria Nawrocki, Kenneth A. Poynter and John Szymanski.

ABSENT: Trustee(s) Darren Harville and Robert Koss.

OTHERS PRESENT: Mickey D. Todd, Secretary, Laura L. Stowell, Finance Director, Brian C. Green of Morgan Stanley and Sandy Rodwin of Rodwin Associates.

ERS 11-27-09

EXCUSE TRUSTEES

MOTION by Szymanski, SUPPORTED by Monaghan:
To excuse Trustee(s) Darren Harville and Robert Koss from today's meeting because of prior commitments.

ABSENT: Harville and Koss.

MOTION CARRIED

Trustee Monaghan asked that Commissioners inform the Board in advance through the Secretary if they intend on missing a meeting, so that we can be sure that there are enough Trustees for a quorum.

ERS 11-28-09

MINUTES

MOTION by Monaghan, SUPPORTED by Poynter:
To receive, approve and file the minutes of the regular Board of Trustees Employees Retirement System meeting held August 10, 2009.

ABSENT: Harville and Koss

MOTION CARRIED

ERS 11-29-09

CONSENT AGENDA

RESOLUTION by Monaghan, SUPPORTED by Szymanski:

BE IT RESOLVED to approve Consent Agenda items (a) through (i):

- a. Receive and file the quarterly financial reports from Franklin Templeton Investments and Orleans Capital Management.
- b. Approve quarterly payments to Franklin Templeton Investments (\$7,295.94), Orleans Capital Management (\$10,257.62) and Reinhart Partners, Inc (\$1,330.00).
- c. Approve quarterly payment to Morgan Stanley for Financial Consultant Services. (\$13,642.34)
- d. Receive and file the Financial Statements from Comerica Bank for the third quarter of 2009.
- e. Approve payment to Comerica Bank for Trustee Services for the quarter of 2009. (\$4,650.43)
- f. Approve payment to VanOverbeke, Michaud & Timmony, P.C. for quarterly legal services. (\$1,193.50)
- g. Receive and file Election of Type of Pension from retiree Sally A. Graham.
- h. Receive and file the retirement notice and Election of Type of Pension from Public Works retiree Roy C. Bedwell.
- i. Receive and file the retirement notice from Public Works employee Michael Pokriefka..

ROLL CALL VOTE

YES: Monaghan, Nawrocki, Poynter, Szymanski and Burke.

NO: None.

ABSENT: Harville and Koss.

RESOLUTION ADOPTED

MANAGER PRESENTATION - FRANKLIN TEMPLETON

Mr. Michael A. Wasz, Franklin Templeton Advisors, reviewed and discussed the structure and philosophy of their investment strategy for the International Equity Fund.

ERS 11-30-09 FINANCIAL CONSULTANTS MANAGED ACCOUNT
REPORT - MORGAN STANLEY SMITH BARNEY

MOTION by Monaghan, SUPPORTED by Szymanski:

To receive and file the Managed Account Report for the third quarter ending September 30, 2009, as submitted by Michael Holycross of Morgan Stanley, and furthermore, approve of the recommended re-balancing of the portfolio as shown in Attachment #1.

ABSENT: Harville and Koss.

MOTION CARRIED

Mr. Brian C. Green of Morgan Stanley presented the quarterly report, and answered any questions.

ERS 11-31-09 DUTY DISABILITY RETIREMENT - DAVID EMMENDORFER

RESOLUTION by Poynter, SUPPORTED by Szymanski:

BE IT RESOLVED to adopt the following resolution:

WHEREAS, the Board of Trustees received a letter dated August 11, 2009, from David Emmendorfer requesting a duty disability retirement, and

WHEREAS, in accordance with Section 2-812 of the Employees Retirement System Ordinance, the Retirement Board does hereby appoint Dr. Robert J. Kantor, M.D., of MEG, Southfield, Michigan as the Board's Medical Advisor, and

WHEREAS, Dr. Robert J. Kantor has opined in a letter dated September 4, 2009, that David Emmendorfer will not be able to perform in the capacity Police Officer, and

WHEREAS, the Board of Trustees has found the disability to be a natural and proximate result of cause arising out of and in the course of the member's employment with the City, now

THEREFORE BE IT RESOLVED, that a duty disability retirement be granted effective October 28, 2009, and

FURTHER RESOLVED, that the benefits be paid consistent with the pension provisions, and

FURTHER RESOLVED, that retirant be periodically re-examined in accordance with

Retirement System provisions and policies, and

FURTHER RESOLVED, that a copy of this resolution be provided to the City Administration, the Police Chief and David Emmendorfer.

ROLL CALL VOTE

YES: Koss, Monaghan, Nawrocki, Poynter, Szymanski, Burke and Harville.

NO: None.

ABSENT: Harville and Koss.

RESOLUTION ADOPTED

HEARING OF THE PUBLIC

None.

DISCUSSION BY TRUSTEES

None.

ERS 11-32-09

ADJOURNMENT

MOTION by Monaghan, SUPPORTED by Szymanski:

That the agenda of the regular Board of Trustees Employees Retirement System Meeting having been acted upon the meeting is hereby adjourned at 8:25 p.m.

ABSENT: Harville and Koss.

MOTION CARRIED

JAMES BURKE, CHAIRPERSON

MICKEY D. TODD, SECRETARY

CITY OF HARPER WOODS
BOARD OF TRUSTEES
EMPLOYEES RETIREMENT SYSTEM
JANUARY 25, 2010

MEETING MINUTES

The Employees Retirement System Meeting was called to order by Chairperson James Burke at 7:00 p.m.

ROLL CALL

PRESENT: Chairperson James Burke, Vice Chairperson Michael P. Monaghan and Trustee(s) Darren Harville, Robert Koss, Maria Nawrocki, Kenneth A. Poynter and John Szymanski.

ABSENT: None.

OTHERS PRESENT: Mickey D. Todd, Secretary and Michael Holycross of Morgan Stanley.

ERS 01-01-10

MINUTES

MOTION by Poynter, SUPPORTED by Monaghan:

To receive, approve and file the minutes of the regular Board of Trustees Employees Retirement System meeting held November 23, 2009.

MOTION CARRIED UNANIMOUSLY

ERS 01-02-10

CONSENT AGENDA

RESOLUTION by Monaghan, SUPPORTED by Poynter:

BE IT RESOLVED to approve Consent Agenda items (a) through (j):

- a. Receive and file the quarterly financial reports from Franklin Templeton Investments and Orleans Capital Management.
- b. Request quarterly payments to Franklin Templeton Investments (\$6,930.30), Orleans Capital Management (\$10,475.04) Edgewood Management, LLC (\$1,906.56) and Reinhart Partners, Inc (\$1,921.00).

- c. Request quarterly payment to Morgan Stanley for Financial Consultant Services. (\$14,271.77)
- d. Receive and file the Financial Statements from Comerica Bank for the fourth quarter of 2009.
- e. Request payment to Comerica Bank for Trustee Services for the fourth quarter of 2009. (\$4,841.36)
- f. Request payment to VanOverbeke, Michaud & Timmony, P.C. for quarterly legal services. (\$1,069.50)
- g. Receive and file the Election of Type of Pension from Public Works retiree Michael Pokriefka..
- h. Receive and file the Election of Type of Pension from Police Officer David Emmendorfer.
- I. Receive and file the retirement notice from the Police Chief's Administrative Assistant Cheryl Drouillard.
- j. Receive, approve and file the 2010 Retirement Board Meeting Calendar. (Attachment #1)

ROLL CALL VOTE

YES: Harville, Koss, Monaghan, Nawrocki, Poynter, Szymanski and Burke.
NO: None.

RESOLUTION ADOPTED UNANIMOUSLY

ERS 01-03-10 FINANCIAL CONSULTANTS MANAGED ACCOUNT
REPORT - MORGAN STANLEY DEAN WITTER

MOTION by Monaghan, SUPPORTED by Szymanski:

To receive and file the Managed Account Report for the fourth quarter ending December 31, 2009, as submitted by Michael Holycross of Morgan Stanley.

MOTION CARRIED UNANIMOUSLY

Mr. Michael Holycross of Morgan Stanley presented the quarterly report, and answered any questions.

ERS 01-04-10 2010 STATEMENT OF INVESTMENT POLICY
OBJECTIVES AND GUIDELINES

RESOLUTION by Monaghan, SUPPORTED by Poynter:

To adopt the 2010 Statement of Investment Policy, Objectives and Guidelines for the retirement system portfolio as submitted by Michael Holycross of Morgan Stanley. (Attachment #2)

ROLL CALL VOTE

YES: Koss, Monaghan, Nawrocki, Poynter, Szymanski, Burke and Harville.

NO: None.

RESOLUTION ADOPTED UNANIMOUSLY

ERS 01-05-10 2010 ASSET ALLOCATION

RESOLUTION by Szymanski, SUPPORTED by Monaghan:

To adopt the following Target Asset Allocation for 2010 as recommended by Michael Holycross of Morgan Stanley:

50% Domestic Equities
10% International Equities
5% Emerging Market Equities
35% Fixed Income

ROLL CALL VOTE

YES: Monaghan, Nawrocki, Poynter, Szymanski, Burke, Harville and Koss.

NO: None.

RESOLUTION ADOPTED UNANIMOUSLY

ERS 01-06-10 ELECTION OF CHAIR AND VICE-CHAIR FOR 2010

MOTION by Poynter, SUPPORTED by Szymanski:

To elect Trustee Michael Monaghan as Chairperson for 2010, and Trustee Marie Nawrocki as Vice-Chairperson for 2010.

MOTION CARRIED UNANIMOUSLY

HEARING OF THE PUBLIC

None.

DISCUSSION BY TRUSTEES

None.

ERS 01-07-10

ADJOURNMENT

MOTION by Poynter, SUPPORTED by Szymanski:

That the agenda of the regular Board of Trustees Employees Retirement System Meeting having been acted upon the meeting is hereby adjourned at 7:45 p.m.

MOTION CARRIED UNANIMOUSLY

MICHAEL P. MONAGHAN, CHAIRPERSON

MICKEY D. TODD, SECRETARY

ATTACHMENT #1

RETIREMENT BOARD CALENDAR 2010

January 25 Fourth Monday - 7:00 p.m. - Bi-monthly meeting to review previous year's portfolio performance, elect Chair and Vice-Chair, and attend to routine business.

Adopt Statement of Investment Policy, Objectives and Guidelines, and request that each Investment Manager confirm same for the coming year.

Asset Allocation Review and Re-Balancing.

May 10 Second Monday - Bi-monthly meeting to review first quarter portfolio performance, and attend to routine business.

Manager presentation, Orleans Capital Management.

Manager presentation, Edgewood Management.

August 9 Second Monday - (6:30 p.m. before Council Meeting) meeting to review second quarter portfolio performance, and attend to routine business.

Nov 22 Fourth Monday - Bi-monthly meeting to review third quarter portfolio performance, and attend to routine business as needed.

Receipt of yearly actuarial report, and Presentation of Report (optional).

Manager presentation, Franklin Portfolio Advisors.

Manager presentation, Reinhart Partners.

**STATEMENT OF INVESTMENT POLICY,
OBJECTIVES & GUIDELINES**

of the

**CITY OF HARPER WOODS
GENERAL RETIREMENT SYSTEM**

As amended January 2010

Statement of Investment Policy, Objectives, and Guidelines

City of Harper Woods General Retirement System

INVESTMENT POLICY REVIEW

To assure continued relevance of the guidelines, objectives, financial status and capital markets expectations as established in this statement of investment policy, the Retirement Commission plans to review investment policy at least annually. All revisions and updates will be approved by the Retirement System and forwarded to investment counsel.

GENERAL POLICY

The overall investment policy of the City of Harper Woods General Employees Retirement System is to obtain a competitive rate of return on its portfolio assets commensurate with the prudent man rule, The Retirement System's risk-taking ability, Michigan Act 314-Public Acts of 1965 (as amended) and its responsibility to provide retirement benefits for members, retirees, and their beneficiaries.

PRIORITY LISTING OF OBJECTIVES

1. **Preservation of Capital** - Consistent with their respective investment styles and philosophies, investment managers should make reasonable efforts to preserve capital, understanding that losses may occur in individual securities.
2. **Risk Aversion** - Understanding that risk is present in all types of securities and investment styles, the Retirement System recognizes that some risk is necessary to produce long-term investment results that are sufficient to meet the System's objectives. However, the investment managers are to make reasonable efforts to control risk, and will be evaluated regularly to ensure that the risk assumed is commensurate with the given investment style and objectives.
3. **Relative Performance** - Over a given market cycle, (typically defined as 3 to 5 years) the time weighted total rate of investment return should be relative to the appropriate benchmarks and indices with similar asset mix as measured by the following priority:
 - A. Total Portfolio
 - B. Domestic Equity Only
 - C. Domestic Bond Only
 - D. International Equity Only
4. **Real Return** - The Retirement System has established a real return objective of 3.0% over a market cycle. The investment policy described above has been formulated to offer a high likelihood of realizing this particular return. Execution of the policy should be directed toward maximizing the likelihood of producing this rate of return, not toward maximizing expected return.

As amended January 2010

ASSIGNMENT OF RESPONSIBILITY

Responsibility of the City of Harper Woods General Employees Retirement System

The Retirement System is charged by law with the responsibility for the management of the assets of the System. The Retirement System shall discharge its duties solely in the interest of the participants and beneficiaries, with the care, skill, prudence and diligence under the circumstances then prevailing, that a prudent man, acting in a like capacity and familiar with such matters would use in the conduct of an enterprise of a like character with like aims.

The specific responsibilities of the Retirement System relating to the investment management of System assets include:

1. Projecting the System's financial needs, and communicating such needs to the investment managers on a timely basis.
2. Determining the System's risk tolerance and investment horizon, and communicating these to the appropriate parties.
3. Establishing reasonable and consistent investment objectives, policies and guidelines that will direct the investment of the System's assets.
4. Prudently and diligently selecting qualified investment of professionals, including investment manager(s), investment consultant(s), and custodian(s).
5. Regularly evaluating the performance of the investment manager(s) to assure adherence to policy guidelines and monitor investment objectives progress.
6. Developing and enacting proper control procedures.
7. Determining and implementing the Fund's asset allocation.

Responsibility of the Investment Consultant

The investment consultant's role is that of a non-discretionary advisor to the City of Harper Woods General Retirement System. The consultant acknowledges its responsibilities as a fiduciary. Investment advice concerning the investment management of System assets will be offered by the Investment Consultant, and will be consistent with the investment objectives, policies, guidelines and constraints as established in this statement.

1. Assisting in the development and periodic review of investment policy.
2. Conducting investment manager searches when requested by the Retirement System.
3. Providing "due diligence", or research, on the investment manager(s).
4. Monitoring the performance of the investment manager(s) to provide the Retirement System with the ability to determine the progress toward the investment objectives.
5. Communicating matters of policy, manager research, and manager performance to the Retirement System.
6. Reviewing System investment history, historical capital markets performance and the contents of this investment policy statement to members of the Retirement System.

7. Reviewing the System's asset allocation on a quarterly basis, and offering advice on recommended changes to same.

As amended January 2010

8. Providing copies of Quarterly Evaluation Summary to all investment managers on a timely basis.

Investment Manager Performance Review and Evaluation

Performance reports generated by the Investment Consultant shall be compiled at least quarterly and communicated to the Retirement System for review. The investment performance of total portfolios, as well as asset class components, will be measured against commonly accepted performance benchmarks. Consideration shall be given to the extent to which the investment results are consistent with the investment objectives, goals, and guidelines as set forth in this statement. The Retirement System intends to evaluate the portfolio(s) over at least a three-year period, but reserves the right to terminate a manager for any reason including the following:

1. Investment performance, which is significantly less than anticipated given the discipline employed and the risk parameters established, or unacceptable justification of poor results.
2. Failure to adhere to any aspect of this statement of investment policy, including communication and reporting requirements.
3. Significant qualitative changes to the investment management organization.

Responsibility of the Investment Manager(s)

Each Investment Manager acknowledges its responsibility as a fiduciary. Each investment manager will have full discretion to make all investment decisions for the assets placed under its control, while observing and operating within all policies, guidelines, constraints, and philosophies as outlined in this statement. Specific responsibilities of the investment manager(s) include:

1. Discretionary investment management including decisions to buy, sell, or hold individual securities, and to alter asset allocation within the guidelines established in this statement.
2. Reporting, on a timely basis, quarterly investment performance results.
3. Communicating any major changes to economic outlook, investment strategy, or any other factors, which affect implementation of investment process, or the investment objective progress of the System's investment management.
4. Informing the Retirement System regarding any qualitative change to investment management organization: Examples include changes in portfolio management personnel, ownership structure, investment philosophy, etc.
5. Voting proxies, on behalf of the Retirement System and consistent with Section 13a of Michigan Act 314-Public Acts of 1965 (as amended) regarding the

MacBride Principles and the Anglo-Irish Agreement, and communicating such voting records to the Retirement System on a timely basis.

As amended January 2010

SPECIFIC INVESTMENT GOALS

1. **Relative Performance** – Over a given market cycle, (typically defined as 3 to 5 years), the time weighted total rate of investment return should exceed for the total fund, an appropriately designed custom benchmark. The custom benchmark is based on the fund's and investment manager's investment style, actual asset allocations, and constructed with appropriate indices given the asset mix (i.e., 28.50% S&P 500 Index, 8.50% S&P 400 Midcap Index, 8% Russell 2000 Index, 5% OSX (Oil Services) Index, 10% MSCI ACWI ex US Index, 5% MSCI Emerging Markets – Free Index, 35% Barclays Capital US Intermediate Government/Credit Bond Index).
2. **Absolute Performance** – The Harper Woods General Retirement System's assets are intended to provide for the future retirement benefits of the City of Harper Woods retirees, their spouses and dependents pursuant to the terms of collective bargaining agreements and policies for non-union former employees. To satisfy this obligation, the Harper Woods General Retirement System should earn the actuarially assumed rate of return identified by the actuary annually, net of fees and expenses, and receive continued funding via employer contributions. The current actuarially assumed rate of return is 7.5%.

INVESTMENT GUIDELINES (for each investment manager)

The above stated goals are the objective of the entire Harper Woods General Retirement System, and are not meant to be imposed on each investment account. The goal of each investment manager, over the investment horizon, shall be to:

1. Meet or exceed the market index, or blended index, selected and agreed upon by the Board of Trustees that most closely corresponds to the style of investment management.
2. Display an overall level of risk in the portfolio, which is consistent with the risk associated with the benchmark specified. Risk will be measured by the standard deviation of quarterly returns.

Specific investment goals and constraints for each investment manager, if any, shall be incorporated as part of these Investment Policies. Each Investment Manager shall receive a written statement outlining his specific goals and constraints as they differ from those objectives of the entire Harper Woods General Retirement System.

3. **All investment guidelines and restrictions of Federal and Michigan law as well as the City of Harper Woods General Retirement System must be complied with, including specifically Act No. 314 -Public Acts of 1965.**

As amended January 2010

4. **Allowable Assets**
 - A. Cash Equivalents
 - a. Treasury Bills
 - b. Money Market Funds
 - c. STIF Funds
 - d. Commercial Paper
 - e. Banker's Acceptances
 - f. Repurchase Agreements
 - g. Certificates of Deposit
 - B. Fixed Income Securities
 - a. U.S. Government and Agency Securities
 - b. Corporate Notes and Bonds
 - c. Mortgage Backed Bonds
 - d. Fixed Income Securities of Foreign Governments and Corporations
 - e. Convertible Notes and Bonds
 - C. Equity Securities
 - a. Common Stocks
 - b. American Depository Receipts (ADRs) of Non-U.S. Companies
 - c. Stocks of Non-U.S. Companies (Ordinary Shares)
 - d. Preferred Stock
 - e. Convertible Preferred Stocks
 - D. Mutual Funds
 - a. Mutual Funds, which invest in securities as allowed in this document.
 - E. Exchange Traded Funds (ETFs)
 - a. ETFs which invest in securities allowed in this document.
 - F. Other Assets
 - a. GIC's
 - b. Real Estate Holdings
 - c. Private Equity Fund of Funds

5. Guidelines for Fixed Income Investments and Cash Equivalents

- A. Minimum 70% must be in the top three (3) major grades as determined by Standard & Poor's and Moody's. The balance must be in the top four (4) major grades, with the overall portfolio average be at least an AA quality or equivalent. In the case of a split rating between the services, the lower rating will prevail. In the event of a downgrading, which places the

security below the top four grades, the Investment Manager is to notify the Board of such downgrading and give recommendations as to holding or disposing of that security.

- B. Fixed income maturity restrictions may be no longer than 30 years.
 - C. Money Market Funds selected shall contain securities whose credit rating at the absolute minimum would be within the two (2) highest classifications as established by Standard and Poors and Moody's.
-
- 6. **Domestic Equity Percentage** -The portfolio is subject to limits on equity exposure amounting to sixty percent by election of the Retirement System, based on market.
 - 7. **International Equity Percentage** – The portfolio is subject to limits on equity exposure amounting to fifteen percent by election of the Retirement System, based on market.
 - 8. **Derivatives** -Investment managers must inform the Retirement System of any type of derivative they may buy or hold in their portfolio.
 - 9. **Individual Security Exposure** -All investment managers are restricted individually by Michigan Public Act 314 of 1965 (as amended).
 - 10. **Convertible Bonds** -Convertible bonds are authorized with a credit rating consistent with paragraph 2A above; however, the combination of common stocks and convertible bonds as a percentage of total portfolio at market must not exceed 55%.
 - 11. **Basket Clause** -All investments made under the "basket clause" shall be controlled by the Retirement System and not at the discretion of the money managers.

Prohibited Investments

The Harper Woods General Retirement System may invest in investments that would otherwise not be qualified under these Investment Policies, to the extent permitted under MCLA Section 38.1140d, however, that prohibited investments include, but are not limited to the following

- 1. Private Placements
- 2. Options
- 3. Interest-Only (IO), Principal-Only (PO), and Residual Tranche CMOs

Prohibited Transactions

Prohibited transactions include, those identified at Michigan Compiled Laws 38.1133(5) and those specifically identified below:

- 1. Short Selling
- 2. Margin Transactions
- 3. Agency Cross Trades

Stock Exchanges

To ensure marketability and liquidity, equity transactions will be executed through the following exchanges: New York Stock Exchange; American Stock Exchange; and NASDAQ over-the-counter market. In the event that an Investment Manager determines that there is a benefit or a need to execute transactions through exchanges other than those listed in this document, written approval is required from the Board of Trustees.

As amended January 2010

Definition of Risk

The Board of Trustees realizes that there are many ways to define risk. It believes that any person or organization involved in the process of managing the Harper Woods General Retirement System's assets understands how the Board defines risk so that the assets produce long-term investment results sufficient to meet the Harper Woods General Retirement System's objectives and investment strategy outlined in this document. The Board of Trustees defines risk as:

The probability of not meeting the Harper Woods General Retirement System's objectives and of losing money over the Plan's investment time horizon.

For any single twelve-month period, the worst tolerable return would be a loss of 10% and no investment loss of funds over the investment horizon of 10 years is tolerable.

Liquidity

To minimize the possibility of a loss occasioned by the sale of a security forced by the need to make a required payment, the Board of Trustees will periodically provide investment counsel with an estimate of expected net cash flow. The Board of Trustees will notify the investment consultant, who will inform the custodian and the investment managers in a timely manner, to allow sufficient time to build up necessary liquid reserves.

To maintain the ability to deal with unplanned cash requirements that might arise, the Board of Trustees requires that between 0 and 5% of total Harper Woods General Retirement System's assets shall be maintained in cash or cash equivalents including money-market funds or short-term U.S. Treasury bills.

Marketability of Assets

The Board of Trustees requires that all assets, excluding those invested in allowable investments, be invested in liquid securities, defined as Securities herein that can be transacted quickly and efficiently for the Harper Woods General Retirement System with minimal impact on price.

Asset Allocation Guidelines

Investment management of the assets of the City of Harper Woods General Employees Retirement System shall be in accordance with the following asset allocation guidelines:

1. Aggregate Fund Asset Allocation Guidelines (at market)

<u>Asset Class</u>	<u>Minimum</u>	<u>Maximum</u>	<u>Target</u>
Domestic Equities	30%	60%	50%
International Equities	0%	15%	10%
Emerging Markets	0%	10%	5%
Fixed Income	30%	55%	35%
Cash/Cash Equivalents	0%	10%	0%

2. The Retirement System may employ investment managers whose investment disciplines require investment outside the established asset allocation guidelines.

As amended January 2010

However, taken as a component of the aggregate System, such disciplines must fit within the overall asset allocation guidelines established in this statement. Such investment managers will receive written direction from the Retirement System regarding specific objectives and guidelines. Such investment managers will receive written direction from the Retirement System regarding specific objectives and guidelines.

PROCEDURES

1. Employee and City contributions will be deposited with the bank custodian. The custodian will immediately invest these funds in cash equivalents.
2. The bank custodian will disperse and receive funds for approved purchases and sales.
3. All investments initiated by an investment manager will subsequently be reported by the bank custodian to the Retirement System.
4. Investment managers will provide quarterly portfolio appraisals including the market value and cost of all assets as well as the estimated annual level of interest and dividend income. Periodically, investment managers will meet with the Retirement System to review the status of the portfolio they have under supervision, discuss the outlook for the economy and securities markets, and indicate anticipated portfolio changes.
5. Investment managers will be notified of any changes in the policy, investment objectives, guidelines, and procedures noted above. Additionally, the Retirement System will review the statement periodically.

Adopted this 25th date of January, 2010.

Signed: _____

For the City of Harper Woods General Employees Retirement System

As amended January 2010

**City of Harper Woods General Employees Retirement System
Addendum to Statement of Investment Policy, Objectives, and Guidelines
Investment Guidelines for Loomis Sayles Small Cap Value Fund**

The investment objectives and guidelines for the assets managed by Loomis Sayles Small Cap Value Fund for the City of Harper Woods General Retirement System are defined in this document and the Statement of Investment Policy, Objectives, and Guidelines. The policy items included in the investment policy statement are applicable for the entire System, but may not apply to each individual manager. Except for legal requirements, if a policy item in this document is in disagreement with a policy item in the investment policy statement, the item in this document shall apply. The manager is instructed to incorporate these guidelines into the investment policy.

Specific Investment Goals

Over the investment horizon established in the investment policy statement, it is the goal of the assets managed by Loomis Sayles Small Cap Value Fund to exceed:

Russell 2000 Value Index

Volatility (Risk)

Loomis Sayles Small Cap Value Fund is expected to exceed its objectives with a level of risk, which is consistent with the risk associated with the index stated above.

Contact name – Dave Sowerby

Phone number: 248-646-2100

As amended January 2010

**City of Harper Woods General Employees Retirement System Retirement System
Addendum to Statement of Investment Policy, Objectives and Guidelines
Investment Guidelines for Templeton Portfolio Advisors, a division of Franklin Templeton
Portfolio Advisors, Inc.**

The investment objectives and guidelines for the assets managed by Templeton Portfolio Advisors for City of Harper Woods Retirement System are defined in this addendum and the Statement of Investment Policy, Objectives and Guidelines. The policy items included in the investment policy statement are applicable to the entire Retirement System, but may not apply to each individual manager. If a policy item in this document is in disagreement with a policy item in the investment policy statement, the item in this document shall apply. The manager is instructed to incorporate these guidelines into the investment policy.

Specific Investment Goals

Over the investment horizon established in the investment policy statement, it is the goal of the assets managed by **Templeton Portfolio Advisors** to meet or exceed:

The MSCI ACWI – ex US Index

Volatility (Risk)

Templeton Portfolio Advisors International Equity Portfolio is expected to meet its objectives with a level of risk, which is consistent with the risk associated with the index state above. Risk will be measured by the standard deviation of returns over a market cycle.

Foreign Securities: Templeton Portfolio Advisors International Equity Portfolio may include Pink Sheet listed ADRs. Trades may also be executed through globally recognized foreign exchanges. The monitoring of this limit for the total plan assets is the responsibility of the Investment Management Consultant.

Asset Allocation Guidelines

<u>Asset Class</u>	<u>Maximum</u>	<u>Preferred</u>
Equities	100%	100%
Cash and Equivalents	10%	0%

Contact: Mike Wasz Phone: 800/822-8464 ext. 22096

I/We understand and accept the Statement of Investment Policy and this Addendum, acknowledge my/our status as an Investment Fiduciary, and will manage the City of Harper Woods General Employees Retirement System assets accordingly.

For Templeton Portfolio Advisors

Date

As amended January 2010

**City of Harper Woods General Employees Retirement System
Addendum to Statement of Investment Policy, Objectives, and Guidelines
Investment Guidelines for Orleans Capital Management Fixed Income**

The investment objective and guidelines for the assets managed by Orleans Capital Management for City of Harper Woods General Employees' Retirement System are defined in this document and the Statement of Investment Policy, Objectives, and Guidelines. The policy items included in the investment policy statement are applicable for the entire Fund but may not apply to each individual manager. If a policy item in this document is in disagreement with a policy item in the investment policy statement, the item in this document shall apply. The manager is instructed to incorporate these guidelines into the investment policy.

Specific Investment Goals

Over the investment horizon established in the investment policy statement, it is the goal of the assets managed by Orleans Capital Management to meet or exceed:

Barclays Capital Aggregate Bond Index

Volatility (Risk)

Orleans Capital Management is expected to meet its objectives with a level of risk, which is consistent with the risk associated with the index stated above.

Contact name - John Gordon Phone number: 504-592-4690

The undersigned hereby acknowledges receipt of City of Harper Woods General Employees' Retirement System Statement of Investment Policy, Objectives, and Guidelines and agrees to abide by the same.

Investment Manager (Signature) / Title

Date

As amended January 2010

**City of Harper Woods General Employees Retirement System
Addendum to Statement of Investment Policy, Objectives, and Guidelines
Investment Guidelines for Orleans Capital Management Energy Opportunities**

The investment objective and guidelines for the assets managed by Orleans Capital Management for City of Harper Woods General Employees' Retirement System are defined in this document and the Statement of Investment Policy, Objectives, and Guidelines. The policy items included in the investment policy statement are applicable for the entire Fund but may not apply to each individual manager. If a policy item in this document is in disagreement with a policy item in the investment policy statement, the item in this document shall apply. The manager is instructed to incorporate these guidelines into the investment policy.

Specific Investment Goals

Over the investment horizon established in the investment policy statement, it is the goal of the assets managed by Orleans Capital Management to meet or exceed:

50% OSX (Oil Services) Index / 50% IXE (AMEX Select Energy) Index

Volatility (Risk)

Orleans Capital Management is expected to meet its objectives with a level of risk, which is consistent with the risk associated with the index stated above.

Contact name - John Gordon

Phone number: 504-592-4690

The undersigned hereby acknowledges receipt of City of Harper Woods General Employees' Retirement System Statement of Investment Policy, Objectives, and Guidelines and agrees to abide by the same.

Investment Manager (Signature) / Title

Date

As amended January 2010

**City of Harper Woods General Employees Retirement System
Addendum to Statement of Investment Policy, Objectives, and Guidelines
Investment Guidelines for Edgewood Management, LLC - Large Cap Growth**

The investment objective and guidelines for the assets managed by Edgewood Management for City of Harper Woods General Employees' Retirement System are defined in this document and the Statement of Investment Policy, Objectives, and Guidelines. The policy items included in the investment policy statement are applicable for the entire Fund but may not apply to each individual manager. If a policy item in this document is in disagreement with a policy item in the investment policy statement, the item in this document shall apply. The manager is instructed to incorporate these guidelines into the investment policy.

Specific Investment Goals

Over the investment horizon established in the investment policy statement, it is the goal of the assets managed by Edgewood to meet or exceed:

Russell 1000 Growth Index

Volatility (Risk)

Edgewood Management is expected to meet its objectives with a level of risk, which is consistent with the risk associated with the index stated above.

Contact name – Gui Costin

Phone number: 610-764-0539

The undersigned hereby acknowledges receipt of City of Harper Woods General Employees' Retirement System Statement of Investment Policy, Objectives, and Guidelines and agrees to abide by the same.

Investment Manager (Signature) / Title

Date

As amended January 2010

**City of Harper Woods General Employees Retirement System
Addendum to Statement of Investment Policy, Objectives, and Guidelines
Investment Guidelines for Reinhart Partners - PMV**

The investment objective and guidelines for the assets managed by Reinhart Partners for City of Harper Woods General Employees' Retirement System are defined in this document and the Statement of Investment Policy, Objectives, and Guidelines. The policy items included in the investment policy statement are applicable for the entire Fund but may not apply to each individual manager. If a policy item in this document is in disagreement with a policy item in the investment policy statement, the item in this document shall apply. The manager is instructed to incorporate these guidelines into the investment policy.

Specific Investment Goals

Over the investment horizon established in the investment policy statement, it is the goal of the assets managed by Reinhart Partners to meet or exceed:

Russell 2500 Index

Volatility (Risk)

Reinhart Partners is expected to meet its objectives with a level of risk, which is consistent with the risk associated with the index stated above.

Contact name – Rick Plawecki

Phone number: 248-330-6363

The undersigned hereby acknowledges receipt of City of Harper Woods General Employees' Retirement System Statement of Investment Policy, Objectives, and Guidelines and agrees to abide by the same.

Investment Manager (Signature) / Title

Date

As amended January 2010

CITY OF HARPER WOODS
BOARD OF TRUSTEES
EMPLOYEES RETIREMENT SYSTEM
MAY 10, 2010

MEETING MINUTES

The Employees Retirement System Meeting was called to order by Chairperson Michael P. Monaghan at 7:00 p.m.

ROLL CALL

PRESENT: Chairperson Michael P. Monaghan, Vice Chairperson Maria Nawrocki and Trustee(s) Darren Harville, Robert Koss and John Szymanski.

ABSENT: Trustee(s) James Burke and Kenneth A. Poynter.

OTHERS PRESENT: Mickey D. Todd, Secretary and Michael Holycross of Morgan Stanley.

ERS 05-08-10

EXCUSE TRUSTEES

MOTION by Szymanski, SUPPORTED by Nawrocki:
To excuse Trustee(s) James Burke and Kenneth A. Poynter from today's meeting because of prior commitments.

ABSENT: Burke and Poynter.

MOTION CARRIED

ERS 05-09-10

MINUTES

MOTION by Szymanski, SUPPORTED by Nawrocki:
To receive, approve and file the minutes of the regular Board of Trustees Employees Retirement System meeting held January 25, 2010.

ABSENT: Burke and Poynter.

MOTION CARRIED

ERS 05-10-10

CONSENT AGENDA

RESOLUTION by Szymanski, SUPPORTED by Harville:

BE IT RESOLVED to approve Consent Agenda items (a) through (j):

- a. Receive and file the quarterly financial reports from Franklin Templeton Investments, Orleans Capital Management and Reinhart Partners, Inc.
- b. Approve quarterly payments to Franklin Templeton Investments (\$6,865.17), Orleans Capital Management (\$10,628.88) Edgewood Management, LLC (\$2,615.88) and Reinhart Partners, Inc (\$2,151.00).
- c. Approve quarterly payment to Morgan Stanley for Financial Consultant Services. (\$14,019.67)
- d. Receive and file the Financial Statements from Comerica Bank for the first quarter of 2010.
- e. Approve payment to Comerica Bank for Trustee Services for the first quarter of 2010. (\$4,821.75)
- f. Receive and file Retirement letter and Election of Type of Pension from retiree Cheryl Drouillard.
- g. Receive and file Retirement letter and Election of Type of Pension from retiree Barbara McKeown.
- h. Receive and file Retirement letter and Election of Type of Pension from retiree Timothy Matouk.
- i. Receive and file letter from Morgan Stanley regarding delivery of quarterly account statements.
- j. Receive and file Eligible Domestic Relations Order for employee Vincent Smith.

ROLL CALL VOTE

YES: Harville, Koss, Monaghan, Nawrocki and Szymanski.

NO: None.

ABSENT: Burke and Poynter.

RESOLUTION ADOPTED

MANAGER REPORT - ORLEANS CAPITAL MANAGEMENT

Mr. John Gordon of Orleans Capital Management, reviewed and discussed both the Bond Fund and the Energy Fund portfolios. No action was taken.

ERS 05-11-10 FINANCIAL CONSULTANTS MANAGED ACCOUNT
REPORT - MORGAN STANLEY SMITH BARNEY

RESOLUTION by Szymanski, SUPPORTED by Nawrocki:
BE IT RESOLVED to receive and file the Managed Account Report for the first quarter ending March 30, 2010, as submitted by Michael Holycross of Morgan Stanley Smith Barney, and furthermore, concur with his recommendation to re-balance the portfolio and move \$1.5 million from Orleans Capital to Cash in order to provide for the monthly pension obligations.
(Attachments #1 and #2)

ABSENT: Burke and Poynter.

MOTION CARRIED

Mr. Michael Holycross of Morgan Stanley Smith Barney presented the quarterly report, and answered any questions.

HEARING OF THE PUBLIC

None.

DISCUSSION BY TRUSTEES

None.

ERS 05-12-10 ADJOURNMENT

MOTION by Szymanski, SUPPORTED by Harville:
That the agenda of the regular Board of Trustees Employees Retirement System Meeting having been acted upon the meeting is hereby adjourned at 7:52 p.m.

ABSENT: Burke and Poynter.

MOTION CARRIED

MICHAEL P. MONAGHAN, CHAIRPERSON

MICKEY D. TODD, SECRETARY

CITY OF HARPER WOODS
BOARD OF TRUSTEES
EMPLOYEES RETIREMENT SYSTEM
AUGUST 5, 2010

MEETING MINUTES

The Employees Retirement System Meeting was called to order by Chairperson Michael P. Monaghan at 5:25 p.m.

ROLL CALL

PRESENT: Chairperson Michael P. Monaghan, Vice Chairperson Maria Nawrocki and Trustee(s) Darren Harville and John Szymanski.

ABSENT: Trustee(s) James Burke, Robert Koss and Kenneth A. Poynter.

OTHERS PRESENT: Mickey D. Todd, Secretary.

ERS 08-13-10

EXCUSE TRUSTEES

MOTION by Szymanski, SUPPORTED by Nawrocki:
To excuse Trustee(s) James Burke, Robert Koss and Kenneth A. Poynter from today's meeting because of prior commitments.

ABSENT: Burke, Koss and Poynter.

MOTION CARRIED

ERS 08-14-10

MINUTES

MOTION by Szymanski, SUPPORTED by Nawrocki:
To receive, approve and file the minutes of the regular Board of Trustees Employees Retirement System meeting held May 10, 2010.

ABSENT: Burke, Koss and Poynter.

MOTION CARRIED

ERS 08-15-10

CONSENT AGENDA

RESOLUTION by Szymanski, SUPPORTED by Harville:

BE IT RESOLVED to approve Consent Agenda items (a) through (i):

- a. Receive and file the quarterly financial reports from Franklin Templeton Investments, Orleans Capital Management and Reinhart Partners, Inc.
- b. Request quarterly payments to Franklin Templeton Investments (\$6,967.30), Orleans Capital Management (\$9,254.70) Edgewood Management, LLC (\$4,899.88) and Reinhart Partners, Inc (\$1,963.00).
- c. Request quarterly payment to Morgan Stanley for Financial Consultant Services. (\$14,159.53)
- d. Receive and file the Financial Statements from Comerica Bank for the second quarter of 2010.
- e. Request payment to Comerica Bank for Trustee Services for the second quarter of 2010. (\$4,708.80)
- f. Request payment to VanOverbeke, Michaud & Timmony, P.C. for legal services rendered (\$263.50)
- g. Receive and file Retirement letter and Election of Type of Pension from retiree Rico Foleta.
- h. Receive and file Retirement letter and Election of Type of Pension from retiree David Sheill.
- i. Receive and file Retirement letter and Election of Type of Pension from retiree Karen Kohler.
- j. Receive and file Retirement letter and Election of Type of Pension from retiree Mickey Todd.

ROLL CALL VOTE

YES: Harville, Monaghan, Nawrocki and Szymanski.

NO: None.

ABSENT: Burke, Koss and Poynter.

RESOLUTION ADOPTED

HEARING OF THE PUBLIC

None.

DISCUSSION BY TRUSTEES

None.

ERS 08-16-10

ADJOURNMENT

MOTION by Szymanski, SUPPORTED by Harville:

That the agenda of the regular Board of Trustees Employees Retirement System Meeting having been acted upon the meeting is hereby adjourned at 5:27 p.m.

ABSENT: Burke, Koss and Poynter.

MOTION CARRIED

MICHAEL P. MONAGHAN, CHAIRPERSON

MICKEY D. TODD, SECRETARY

CITY OF HARPER WOODS
BOARD OF TRUSTEES
EMPLOYEES RETIREMENT SYSTEM
NOVEMBER 22, 2010

MEETING MINUTES

The Employees Retirement System Meeting was called to order by Chairperson Michael P. Monaghan at 6:30 p.m.

ROLL CALL

PRESENT: Chairperson Michael P. Monaghan, Vice Chairperson Maria Nawrocki and Trustee(s) James Burke, Kenneth A. Poynter and John Szymanski.

ABSENT: Trustee(s) Darren Harville and Robert Koss.

OTHERS PRESENT: Mickey D. Todd, Secretary, Sandy Rodwin of Rodwin Consulting Services, Brian C. Green of Morgan Stanley, Michael A. Wasz of Franklin Templeton Investments and Rick Plawecki of Reinhart, Inc.

ERS 11-17-10

EXCUSE TRUSTEES

MOTION by Szymanski, SUPPORTED by Burke:

To excuse Trustee(s) Darren Harville and Robert Koss from today's meeting because of prior commitments.

ABSENT: Darren Harville and Koss.

MOTION CARRIED

ERS 11-18-10

MINUTES

MOTION by Poynter, SUPPORTED by Szymanski:

To receive, approve and file the minutes of the regular Board of Trustees Employees Retirement System meeting held August 5, 2010.

ABSENT: Harville and Koss.

MOTION CARRIED

ERS 11-19-10

CONSENT AGENDA

RESOLUTION by Poynter, SUPPORTED by Szymanski:

BE IT RESOLVED to approve Consent Agenda items (a) through (l):

- a. Receive and file the quarterly financial reports from Franklin Templeton Investments, Orleans Capital Management and Reinhart Partners, Inc.
- b. Request quarterly payments to Franklin Templeton Investments (\$6,113.79), Orleans Capital Management (\$10,007.09) Edgewood Management, LLC (\$2,658.13) and Reinhart Partners, Inc (\$2,132.00).
- c. Request quarterly payment to Morgan Stanley for Financial Consultant Services. (\$13,655.42)
- d. Receive and file the Financial Statements from Comerica Bank for the first quarter of 2010.
- e. Request payment to Comerica Bank for Trustee Services for the third quarter of 2010. (\$4,661.27)
- f. Request payment to Rodwan Consulting Company for normal actuarial services/annual actuarial valuation (\$8,900).
- g. Receive and file Retirement letter from William Snyder, Public Works Supt.
- h. Receive and file Retirement letter from Gerard Owczarzak, City Assessor.
- i. Receive and file Retirement letter and Election of Type of Pension from retiree Karen Kohler.
- j. Receive and file, and adopt Resolution as submitted by VanOverbeke, Michaud and Timmony, in regards to the Eligible Domestic Relations Order for employee Thomas Teatsorth.
- k. Receive and file, and adopt Resolution as submitted by VanOverbeke, Michaud and Timmony, in regards to the Eligible Domestic Relations Order for employee Thomas Silva.
- l. Receive and file the City of Harper Woods Retirement System Summary Annual Report to Members dated January 1, 2010. (Attachment #2)

ROLL CALL VOTE

YES: Burke, Monaghan, Nawrocki, Poynter and Szymanski.

NO: None.

ABSENT: Harville and Koss.

RESOLUTION ADOPTED

ERS 11-20-10 2009 ACTUARIAL PRESENTATION

MOTION by Szymanski, SUPPORTED by Poynter:

To receive and file the Actuarial Valuation as of December 31, 2009, for the City of Harper Woods Employees Retirement System as prepared by Rodwan Consulting Company.

ABSENT: Harville and Koss.

MOTION CARRIED

Sandy Rodwin, of Rodwin Consulting Services was present to review and discuss the Actuarial Valuation and answer any questions.

MANAGER PRESENTATION - FRANKLIN TEMPLETON

Mr. Michael A. Wasz, Franklin Templeton Advisors, reviewed and discussed the structure and philosophy of their investment strategy for the International Equity Fund.

MANAGER PRESENTATION - REINHART PARTNERS

Mr. Rick Plawecki, Reinhart Partners, reviewed and discussed the structure and philosophy of their investment strategy for the Small/Mid Core Fund.

ERS 11-21-10 FINANCIAL CONSULTANTS MANAGED ACCOUNT
REPORT - MORGAN STANLEY

MOTION by Poynter, SUPPORTED by Szymanski:

To receive and file the Managed Account Report for the third quarter ending September 30, 2010, as submitted by Michael Holycross of Morgan Stanley. (Attachment #1)

ABSENT: Harville and Koss.

MOTION CARRIED

Mr. Brian C. Green of Morgan Stanley presented the quarterly report, and answered any questions.

HEARING OF THE PUBLIC

None.

DISCUSSION BY TRUSTEES

None.

ERS 11-22-10

ADJOURNMENT

MOTION by Poynter, SUPPORTED by Szymanski:

That the agenda of the regular Board of Trustees Employees Retirement System Meeting having been acted upon the meeting is hereby adjourned at 7:55 p.m.

ABSENT: Harville and Koss.

MOTION CARRIED

MICHAEL P. MONAGHAN, CHAIRPERSON

MICKEY D. TODD, SECRETARY

<i>Calendar Investment Returns (%)</i>	<i>Trailing Current Qtr</i>	<i>Trailing YTD</i>	<i>Trailing 12 Months</i>	<i>Since 3 Years</i>	<i>5 Years</i>	<i>Inc</i>
Combined Account (<i>Inception 02/95</i>)	8.73%	5.52%	8.68%	-1.44%	3.73%	9.35%
Adopted Allocation Index*	8.41%	5.92%	9.36%	-1.91%	3.43%	7.45%
Custom Index**	8.69%	6.13%	8.84%	-2.13%	3.57%	7.12%
CPI+4%	1.22%	4.16%	5.17%	5.40%	5.81%	6.45%
Edgewood - LG (<i>7/2009</i>)	17.51%	2.63%	4.09%	N/A	N/A	6.37%
Russell 1000 Growth Index	13.00%	4.36%	12.65%	-4.36%	2.06%	16.81%
Reinhart - Sm/Mid Core (<i>7/2009</i>)	8.85%	11.73%	14.22%	N/A	N/A	20.36%
Russell 2500 Index	12.22%	10.32%	15.92%	-3.57%	2.36%	23.28%
S&P 100 - ETF (<i>11/2007</i>)	10.61%	1.69%	7.59%	N/A	N/A	-7.69%
S&P 100 Index	10.68%	1.77%	7.73%	-8.07%	0.47%	-7.61%
S&P 500 SPDR - ETF (<i>12/2004</i>)	11.21%	3.80%	10.07%	-7.15%	0.60%	0.99%
S&P 500 Index	11.29%	3.89%	10.16%	-7.16%	0.64%	1.03%
S&P Mid Cap 400 - ETF (<i>01/2006</i>)	13.04%	11.42%	17.57%	-1.72%	N/A	1.92%
S&P Mid Cap 400 Index	13.12%	11.57%	17.78%	-1.67%	3.77%	2.05%
Russell 2000 Growth ETF (<i>08/2008</i>)	12.81%	10.24%	14.78%	N/A	N/A	-2.18%
Russell 2000 Growth Index	12.83%	10.23%	14.79%	-3.75%	2.35%	-2.24%
Loomis Sayles - SV (<i>03/1998</i>)	11.91%	7.15%	11.39%	-3.63%	2.92%	6.42%
Russell 2000 Value Index	9.72%	7.92%	11.84%	-4.99%	0.73%	5.84%
Tradewinds Global - (<i>7/2009</i>)	11.48%	11.90%	17.46%	N/A	N/A	24.78%
MSCI World Index	13.89%	3.01%	7.31%	-7.75%	1.86%	13.80%
Templeton - Intl (<i>03/1998</i>)	15.94%	0.28%	1.98%	-8.68%	2.44%	4.65%
MSCI EAFE Index	16.53%	1.46%	3.71%	-9.06%	2.45%	3.75%
MSCI All World ex. U.S. Index	16.66%	4.06%	8.00%	-6.98%	4.72%	5.11%
MSCI EM - ETF (<i>01/2006</i>)	18.26%	8.12%	17.10%	-1.55%	N/A	8.22%
MSCI EM Index	18.16%	11.02%	20.54%	-1.20%	13.08%	9.85%
Orleans Capital - FI (<i>02/1995</i>)	2.60%	6.85%	8.80%	8.67%	6.93%	7.06%
BC Aggregate Bond Index	2.49%	7.95%	8.17%	7.43%	6.20%	6.76%
Orleans Energy Opportunities (<i>06/2006</i>)	19.79%	0.93%	8.61%	-5.27%	N/A	2.74%
Oil Services Index / IXE Index	20.37%	1.35%	2.58%	-12.54%	2.54%	-1.34%

	Current Quarter	Year to Date	Since Inception
Beginning Market Value	\$29,176,371	\$31,857,548	\$22,472,571
Contribution / Withdrawals	-\$1,128,363	-\$2,838,252	-\$41,078,217
Realized/Unrealized Gains/(Losses)	\$2,460,835	\$1,489,547	\$49,114,488
Ending Market Value	\$30,508,843	\$30,508,843	\$30,508,843

CITY OF HARPER WOODS RETIREMENT SYSTEM

SUMMARY ANNUAL REPORT TO MEMBERS JANUARY 1, 2010

Dear Retirement System Member:

With the passage of Public Act 485 of 1996, amending Public Act 314 of 1965, the Retirement Board is now required to provide an annual report to its members hi-lighting the previous year's activities. This summary is our attempt to provide you with this information, and we hope that you find it useful. If you have any suggestions on improving this summary, please contact your representative.

The Retirement System, which is managed by the Retirement Board, is designed to help you meet your financial needs should you become disabled, retire or die. The Board's fiduciary responsibility to you is to supervise the general administration of the System and invest its assets. Our Board retains professional consultants and money manager's to assist us in fulfilling these duties.

We hope you find this summary helpful, however, it obviously cannot cover all the details of the System, which is governed by the provisions of the City's Charter, the City's retirement ordinance, and the Board's policies. Additional information about the System and its financial operation is available in the City Clerk's Office.

Retirement Board of Trustees,

- Darren L. Harville, Citizen Trustee
- Robert Koss, Fire Rep.
- James Burke, Police Rep.
- John Szymanski, Mayor Pro tem
- Michael Monaghan, Councilman
- Kenneth A. Poynter, Mayor
- Maria Nawrocki, Gen. Emp. Rep.

Investment Consultants

Michael Holycross, of Morgan Stanley

Investment Manager's

S&P 100; 400; & 500 SPRD -ETF
 MSCI EM - ETF; Russell 2000 ETF;
 Orleans Capital Management, Edgewood
 Loomis Sayles, Tradewinds Global
 Franklin Templeton, Reinhart

Actuaries & Consultants

Rodwin Consulting Company, Actuaries

SUMMARY OF CURRENT ASSET INFORMATION	
Revenues & Expenditures	
2009	
Market Value Jan 1	\$28,232,691
Revenues	
Member Contributions	\$ 425,954
City Contributions	\$ 0
Gross Investment Income	\$ <u>5,967,887</u>
Total	\$ 6,393,841
Expenditures	
Benefit payments	\$ 2,746,805
Refund of contributions	\$ 255,164
Admin & investment exp.	\$ <u>11,000</u>
Total	\$ 3,012,969
Total Rev minus Exp	\$ 3,380,872
Market Value - Dec 31	\$31,451,932

INVESTMENTS

December 31, 2009

Cash & Equivalents	4.50%
Equities	53.00%
Fixed Income	42.50%
Other	0.00%

The market rate of return on assets for year ended December 31, 2009 was **21.96%**. The interest rate credited to employee contributions was **2.8%**.

ACTUARIAL VALUATION SUMMARY RESULTS

Your retirement system's financial objective is to establish and receive contributions which will remain approximately level from year to year and will not have to be increased for future generations of taxpayers. Contribution levels are expressed in terms of percent's of the City's active member payroll.

To determine an appropriate Employer contribution level for the ensuing year and to gauge how the system's funding is meeting this fundamental objective, an independent firm of actuaries and employee benefit consultants, Rodwin Consulting Company conducts annual actuarial valuations.

These valuations are based on your System's past experience, information about current participation and financial markets, and assumptions concerning the System's future demographic and economic activity. The results of the December 31, 2009 valuation, based on the established funding objective, are summarized below:

FISCAL YEAR 2009 EMPLOYEE CONTRIBUTION RATES AS A PERCENTAGE OF ACTIVE MEMBER PAYROLL

CONTRIBUTIONS FOR GENERAL MEMBERS

Normal Cost Of Benefits	
City portion	15.35%
Member portion	5.08%
Total	20.43%
Amortization of unfunded liability	7.76%
City's Net Contribution Rate	15.35%

CONTRIBUTIONS FOR POLICE & FIRE

Normal Cost Of Benefits	
City portion	17.81%
Member portion	7.06%
Total	24.87%
Amortization of unfunded liability	7.76%
City's Net Contribution Rate	24.87%

Funded Status \$ Millions

Actuarial accrued lib.	\$46.1
Actuarial value of assets	\$36.8
% funded	79.7

Actuary's Opinion

The actuary's opinion and comments on the financial condition of the Retirement System are available on page nine of 2009 Actuarial Valuation.

BRIEF SUMMARY OF PLAN PROVISIONS

Regular Retirement:

Eligibility - General: Age 60 with 10 or more years of service.

DPW and General Administrators: Age 60 with 10 or more years of service or age 55 with 25 or more years of service.

Police: Age 50 with 25 or more years of service or age 55 regardless of years of service.

Fire: Age 50 with 25 or more years of service or age 55 with 10 or more years of service.

Annual Benefit - Administrators:

2.25% of final average salary per year of service. Max benefit is 80% FAS.

DPW/General: 2.25% of final average salary per year of service.

Fire/Police: 2.75% of final average salary per year of service. Max benefit 80% of FAS.

Type of Final Average Salary:

DPW-General: Highest 5 consecutive years out of last 10.

Police Command and Administrators: Highest 3 consecutive years out of last 10.

Police Patrol/Fire: Highest 3 consecutive years out of last 5. Salary is defined in labor contracts.

Deferred Retirement (vested):

Eligibility - 10 or more years of service.

General: Benefits begin at age 60.

Police-Fire: Benefits begin at age 55.

Annual Benefit - Computed as regular retirement but based upon service and final average salary at time of termination. Fifty percent reduction for Police if service is less than 15 years.

Duty Disability Retirement:

Eligibility - Total and permanent disability, no age or service requirement. Workers' Compensation must become payable on account of disability.

Annual Benefit - Computed as regular retirement with a minimum benefit of 15% of final average salary. At termination of Worker's Compensation period, service credit will be given for the years in receipt of Worker's Compensation and pension will be re-computed.

Non-Duty Disability Retirement:

Eligibility - Total and permanent disability after 10 or more years of service.

Annual Benefit - Computed as regular retirement based upon service and final average salary at time of termination.

Duty Death Before Retirement:

Eligibility - No age or service requirement. Worker's Compensation must become payable on account of death.

Annual Benefit - Refund of accumulated contributions plus a benefit equal to the Worker's Compensation payment to the surviving spouse, unmarried children under 18 and dependent parents. Benefits are payable upon termination of Worker's Compensation and continue for life or until remarriage.

Non-Duty Death Before Retirement:

Eligibility - 10 years of service.

Annual Benefit - Computed as regular retirement but actuarially reduced in accordance with a 100% joint and

survivor election.

Member Contributions:

General: Clerical - 5% of gross pay.

Administrative - 5% of gross pay.

DPW - 5.25% of gross pay.

Fire - 7.25% of gross pay.

Police Patrol - 7.00% of gross pay.

Police Command - 7.00% of gross pay.

Gross Pay is defined in labor contracts.

ACTIVE MEMBERS DECEMBER 31, 2009

<u>Valuation Divisions</u>	<u>No</u>	<u>Payroll</u>
General Members	43	\$2,416,811
Police/Fire Members	50	\$4,316,613
Totals	93	\$6,733,424

GENERAL MEMBERS DECEMBER 31, 2009

<u>Attained Age</u>	<u>Number</u>	<u>Payroll</u>
25-29	1	\$ 36,719
30-34	2	\$ 90,894
35-39	2	\$ 92,024
40-44	6	\$284,483
45-49	9	\$532,764
50-54	8	\$487,457
55-59	11	\$662,887
60-64	2	\$106,753
65-69	2	\$122,830
Total	43	\$2,416,811

POL/FIRE MEMBERS DECEMBER 31, 2009

<u>Attained Age</u>	<u>Number</u>	<u>Payroll</u>
20-24	2	\$ 108,656
25-29	5	\$ 411,925
30-34	9	\$ 681,406
35-39	17	\$1,442,929
40-44	6	\$ 593,612
45-49	6	\$ 607,467
50-54	4	\$ 349,701
55-59	1	\$ 120,917
Total	50	\$4,316,613

**RETIREEES AND BENEFICIARIES
DECEMBER 31, 2009
BY TYPE AND PENSION BEING PAID**

<u>Type of Pension</u>	<u>No.</u>	<u>Amount</u>
Service Pension	84	\$2,663,054
Casualty Pension	11	157,467
Total Pensions	95	\$2,820,521

**INTEREST RATE CREDITED TO
EMPLOYEE CONTRIBUTIONS**

<u>YEAR</u>	<u>RATE</u>
1997	13.9%
1998	15.9%
1999	15.4%
2000	10.5%
2001	7.0%
2002	2.6%
2003	3.2%
2004	1.4%
2005	2.9%
2006	6.0%
2007	9.8%
2008	1.6%
2009	2.8%

**THE PURPOSE OF THIS
SUMMARY ANNUAL REPORT
IS TO PROVIDE A GENERAL
OVERVIEW OF THE
RETIREMENT SYSTEM. THE
OPERATION OF THE
RETIREMENT SYSTEM IS
GOVERNED BY THE
APPLICABLE PROVISIONS OF
THE RETIREMENT
ORDINANCE, COLLECTIVE
BARGAINING AGREEMENTS,
AND FEDERAL AND STATE
LAW WHICH ARE
CONTROLLING IN THE EVENT
OF A CONFLICT WITH
INFORMATION CONTAINED IN
THIS REPORT. THE
RETIREMENT BOARD HAS
RELIED ON THE ACCURACY
OF THE INFORMATION
CONTAINED WITHIN ITS
ACTUARIAL AND FINANCIAL
REPORTS IN PREPARING THIS
SUMMARY.**

