

July 18, 2012
Regular Meeting Pension Plan B

The Board of Trustees, Pension Plan B, met on the above date.

President Rosenberg called the meeting to order at 6:28 p.m.

Present: President Rosenberg, Treasurer Morley, Trustees Buck, Doris G. Garcia, Herlihy, Klein, Meszoros and Rodriguez

Absent: Vice President Ana Garcia and Trustee Lee

Trustee Meszoros motioned to dispense with reading the minutes of the previous meeting; Trustee Buck seconded and the Board passed it unanimously.

Treasurer Report:

Trustee Buck motioned to accept the Treasurer's Financial Report for June 2012; Trustee Meszoros seconded and the Board passed it unanimously.

Old Business:

1. Trustee Klein motioned to table a Regular Pension Request to former FI Frank Gerardi, (Terminated 1/25/08), effective February 7, 2012 until his arbitration is resolved; Trustee Meszoros seconded and the Board passed it unanimously.

New Business:

1. None.

Trustee Klein motioned to add Hooker & Holcomb Report to Agenda to discuss and act on it; Trustee Meszoros seconded and the Board passed it unanimously.

President Rosenberg reported that based on the report and the 51 million, 626 thousand dollars was probably the recommendation that he felt and the Board felt they should go with.

Timothy Ryor confirmed that the figure was 50 million, 915 thousand dollars.

Trustee Klein motioned to retain the sum of 50 million, 915 thousand dollars in Pension Plan B and disburse the remaining funds to the State (MERS) Pension Plan; Trustee Meszoros seconded and the Board passed it unanimously.

Trustee Buck stated that it does seem that those individuals, over 200 individuals that are moving to the new plan, will be in a plan where they are actually funded into a pension at a much lower rate that we currently enjoy. In other words, the City will be responsible for that difference. I think it should be pointed out that that is what is happening and he's gotten many questions and feedback from guys on the job and he thinks that we are following appropriate guidelines, it is important for everyone to realize

that we need to keep the people currently in pay status with that safety net of the percentage they currently enjoy.

Treasurer Morley will instruct David Reiser to maintain 50 million, 915 thousand dollars in assets and to liquidate the balance into cash so that a check can be written to the State. (MERS)

Trustee Klein asked how they liquidate. David Reiser responded that they have to maintain their asset allocation so they will maintain it when they do the liquidation so they will proportionately liquidate. It will depend on the day and what is going on.

Trustee Herlihy asked if it would be beneficial to cut everything up right now and hold on to the cash or wait until the City decides what it is going to do.

Treasurer Morley asked if they were talking three, four days, weeks. David Reiser responded it would take him three days for the money to become available and on the fourth day they could send a fed wire to wherever they need to send it to and get it out. Treasurer Morley asked if the fed wire would be sent to the GE Credit Union and once the money is there, they will cut a check right to the State.

President Rosenberg stated that it might be best to hold off because the City might not be ready to implement this, he didn't know. Treasurer Morley responded it was a possibility. He knew contributions for everyone is going to the State right now.

Treasurer Morley said that he would like to have John Galliette inquire as to that. Trustee Buck responded that he would be concerned with holding money too long.

Trustee Buck stated that he didn't want there to be any negative impact to this Board by them saying well, on this date, this was the account balance, you voted to split the money and now that money is not available.

Treasurer Morley responded the risk is there no matter when you do it. If you wait two weeks the same risk is going to be there as if you do it tomorrow. It's market timing.

President Rosenberg responded that they should just go ahead and just do it and Treasurer Morley recommended that they go ahead and just do it. He has the name of the individual that will receive the money.

Treasurer Morley stated that the MERF Plan has a determination letter from the IRS, there are dangers if they send money off to an organization that has not been cleared by the IRS. Attorney Galliette responded that Pension Plan B is a qualified plan, those assets have to remain in a qualified status. You can transfer from one qualified plan to another. You want assurance from the State that their plan is qualified now. It could be an IRS determination letter; it could be an opinion from counsel for the State. Attorney Galliette will call to see if they have a qualified plan.

Trustee Klein motioned to pay outstanding bill for \$2,754.00 from Reid and Reige presented by Treasurer Morley; Trustee Meszoros seconded and the Board passed it unanimously.

2. There being nothing further to come before the Board, Trustee Meszoros motioned to adjourn the meeting; Trustee Klein seconded and the Board passed it unanimously.

The meeting was adjourned at 6:46 p.m.