



CITY OF PONTIAC
EMERGENCY FINANCIAL MANAGER
47450 Woodward Avenue
Pontiac, Michigan 48342
(248) 758-3133
(248) 758-3292

Louis H. Schimmel
Emergency Financial Manager

Dated: December 11, 2012

ORDER NO. S-246

RE: Ordinance to amend composition of GERS Board of Trustees

TO: Sherikia Hawkins, City Clerk
Ellen Zimmermann, Retirement System Administrator

The Local Government Fiscal Responsibility Act (Act 72 of 1990/MCL 141.1201, et. seq.) in Section 141.1219 empowers an Emergency Financial Manager to issue the orders a Manager considers necessary to accomplish the purposes of the Act and any such orders are binding on the local officials or employees to whom they are issued. Section 141.1221 (1) provides that an Emergency Financial Manager may take one or more additional actions with respect to a local government in which a financial emergency has been determined to exist including: ... (p) Exercise the authority and responsibilities of the chief administrative officer and governing body concerning the adoption, amendment, and enforcement of ordinances or resolutions affecting the financial condition of the local unit of government....

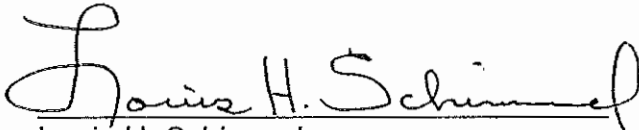
It is hereby ordered:

1. That the attached Ordinance No. 2273, an ordinance to amend the composition of the General Employee Retirement System Board of Trustees, is adopted and given immediate effect in accordance with Section 3.112(e) of the City Charter.
2. That the City Clerk shall take all actions required under the law to reflect the attached ordinance changes on the City books and records, including publication of the adopted ordinance.

The Order shall take immediate effect.

Copies of the documents referenced in this Order are to be maintained in the office of the City Clerk and may be reviewed and/or copies may be obtained upon submission of a written request consistent with the requirements of the Michigan Freedom of Information Act and subject to any exemptions contained in that state statute and subject to any exemptions allowed under that statute (**Public Act 442 of 1976, MCL 15.231, et. seq.**).

This Order is necessary in order to carry out the duties and responsibilities required of the Emergency Manager as set forth in the Local Government Fiscal Responsibility Act (Act 72 of 1990/MCL 141.1201, et seq.) and the contract between the Local Emergency Financial Assistance Loan Board and the Emergency Financial Manager.

A handwritten signature in cursive script that reads "Louis H. Schimmel". The signature is written in black ink and is positioned above a horizontal line.

Louis H. Schimmel
City of Pontiac
Emergency Financial Manager

cc: State of Michigan Department of Treasury
Mayor Leon B. Jukowski
Pontiac City Council

Ordinance No. 2273

An ordinance to amend the composition of the General Employee Retirement System Board of Trustees

The City of Pontiac ordains:

Section 1. Amendments.

Section 3 of the General Employee Retirement System ordinance shall be amended to read as follows:

ADMINISTRATION OF RETIREMENT SYSTEM

There is hereby created a Board of Trustees in whom is vested the general administration, management, and responsibility for the proper operation of the Retirement System and for making effective the provisions of this amendment. The Board shall be a quasi-judicial body consisting of five (5) Trustees as follows:

- (a) A member of the City Council to be selected by the City Council.
- (b) The Mayor of the City of Pontiac.
- (c) The Finance Director of the City.
- (d) One member appointed by the Mayor who has a background in accounting, finance, or investments.
- (e) One (1) retirant of the Retirement System to be appointed by the City Council.
- (f) All the above Trustees shall be appointed for one (1) year, and may be re-appointed for an unlimited number of successive one (1) year terms as provided above.
- (g) In exercising its fiduciary responsibilities, the Board shall act for the exclusive benefit of the Plan's participants and their beneficiaries and shall exercise the care, skill, prudence and diligence under the circumstances then prevailing, that an individual of prudence acting in a like capacity and familiar with such matters would use in the conduct of an enterprise of like character and similar objectives.
- (h) The Board shall indemnify to the extent authorized or permitted by law the members of the Board, their representatives, and any other

employees of the City who are deemed to be acting on behalf of the Retirement System and hold them harmless, against any and all liabilities, including legal fees and expenses, arising out of any act or omission made or suffered in good faith pursuant to the provisions of the plan, or arising out of any failure to discharge a fiduciary obligation imposed, other than a willful failure to discharge a fiduciary obligation of which the person was aware. There shall be no duty to indemnify where such person is judicially determined to have incurred liability due to fraud, gross negligence or malfeasance in the exercise and performance of their duties.

(i) Until such time that the Board meets and elects officers, the Mayor shall be designated the chair of the Board and shall have the authority to call a special meeting if necessary to address the business of the Board.

Section 2. Severability.

If any section, or provision of this Ordinance shall be declared to be unconstitutional, void, illegal, or ineffective by any Court of competent jurisdiction, such section, clause or provision declared to be unconstitutional, void or illegal shall thereby cease to be a part of this Ordinance, but the remainder of the Ordinance shall stand and be in full force and effect.

Section 3. Repealer.

All Ordinances or parts of Ordinances in conflict herewith are hereby repealed only to the extent necessary to give this Ordinance full force and effect.

Section 4. Emergency Declaration.

This Ordinance is hereby determined to be immediately necessary for the preservation of the public health, safety, and welfare and the financial condition of the City and shall be given immediate effect in accordance with Section 3.112(e) of the City Charter.