MINUTES OF THE GENERAL EMPLOYEE RETIREMENT BOARD
HELD ON FRIDAY, AUGUST 14, 2009

I. CALL TO ORDER

The regular meeting of the General Employees Retirement Board was called to order by Chairman, James Karman at 9:00a.m. on Friday, August 14, 2009, in the Central Fire Station EOC Room. In attendence were Trustee Peter Elwell, Lisa Gorman, Brett Madison, and Alvin Parven. Also in attendance were Board Attorney representative Matthew Ramenda, Human Resources Director and Plan Administrator William Crouse, and Callan Associates representative John Carr.

II. APPROVAL OF AGENDA

There was no further discussion and the motion carried unanimously.

Motion made by Peter Elwell, seconded by Brett Madison to approve Agenda. On roll call, the motion carried unanimously.

III. GENERAL COMMENTS BY BOARD MEMBERS

Mr. Karman briefly discussed the information that the Board was requested to provide to the Town Council. Mr. Karman also discussed nominating Ray Snow as the chairman of the Joint Board meeting taking place on Tuesday, August 18, 2009.

IV. APPROVAL OF MINUTES OF QUARTERLY MEETING OF MAY 8, 2009.

May 8, 2009 Meeting
Motion made by Brett Madison, seconded by Lisa Gorman to approve the minutes of quarterly meeting of May 8, 2009. On roll call, the motion carried unanimously.

V. ADMINISTRATORS REPORT (William Crouse)

Administrators Report
Mr. Crouse explained to the Board that the minutes will be taken using the software Granicus. He also presented the names of those retiring this quarter. Mr. Crouse discussed the Joint Meeting in which the General and Police Retirement Boards will be meeting officially and the Fire Retirement Board will be participating from the audience. Mr. Crouse presented the Audited Financial Statement, a brief discussion followed, and the motion to approve carried unanimously. Ms. Gorman and Mr. Madison were reminded not to meet together when speaking with

employees regarding retirement and Ms. Gorman explained that she wants the employee's to know that they can ask her for assistance at anytime.

Motion made by Brett Madison, seconded by Peter Elwell to approve the Administrators Report. On roll call, the motion carried unanimously.

VI. APPROVAL OF ACTUARYS FEE (William Crouse)

GRS
Mr. Crouse presented a report and a discussion followed.

Motion made by Brett Madison, seconded by Lisa Gorman to approve the actuarys fee. On roll call, the motion carried unanimously.

VII. MONEY MANAGER - PERFORMANCE REPORTS

A. MADISON SQUARE INVESTORS Formerly NYLIM - (Veda Pai-Panandiker, Director Client Services and Tony Elavia, Chief Executive Officer and CIO)

Madison Square Investors
A report was presented by Veda Pai-Panandiker and Tony Elavia. A discussion followed regarding the name change, the structure of the organization, economic impact, investment strategies, portfolio review, and overall performance. Mr. Karman requested that Mr. Carr and the representatives of Madison Square Investors discuss performance.

B. THOMPSON-SIEGEL & WALMSLEY (Tracy Musser, Institutional Client Service Manager)

TS&W
A report was presented by Tracy Musser and a handout was provided and submitted to the record. A discussion followed regarding the firm such as the organization, ownership, and employees. An in-depth conversation ensued about portfolio selection, investment process, and returns.

VIII. STATUS REPORT: INTERNATIONAL EQUITY INDEX FUND PERFORMANCE UNDER SSgA AND THE STATUS OF PYRAMIS GLOBAL ADVISORS

A. SSgA INTERNATIONAL EQUITY INDEX FUND (PASSIVE FUND) PERFORMANCE (Allison Corbally, Vice President of SSgA)

SSga

Allison Corbally presented a report and a discussion followed regarding performance and process of withdrawing funds.

B. DISCUSSION REGARDING STATUS OF PYRAMIS GLOBAL ADVISORS AND WITHDRAWAL RESTRICTIONS BY SSgA (John Carr, Callan; John McCracken, Town Attorney and Allison Corbally, Vice President of SSgA)

A discussion took place regarding the investment parameters of Pyramis Global Advisors, financing, and fee's. Mr. Carr gave advice on investing. A motion was made to not transfer money until after January to see if there are any changes.

Motion made by Peter Elwell, seconded by Brett Madison to approve waiting until January to transfer money. On roll call, the motion carried unanimously.

IX. QUARTERLY REPORTS (John Carr, Callan)

A. GENERAL OVERVIEW ANNUAL PERFORMANCE

Callan Associates Inc

A report was presented and discussed. The board discussed the presentations that were made by the managers during the meeting.

B. DISCUSSION ON THE TOWNS QUARTERLY INVESTMENT PERFORMANCE REPORT COMPARING GENERAL RETIREMENT PERFORMANCE TO POLICE AND FIREFIGHTER RETIREMENT SYSTEM

Update on Investment Performance
Historical Performance Attribution

Reports were presented and an in-depth conversation took place regarding the different investment styles and which will perform better in different investment environments.

C. DISCUSSION OF THE BOARDS CURRENT ASSET ALLOCATION IN COMPARISON WITH THE POLICE AND FIRE BOARDS

Asset Allocation Review

A report was presented and discussed. The board continued to discuss the different investment styles and emphasized asset allocation option three, presented by Callan. The board suggested another asset allocation option to Mr. Carr that the board would like to review at the next meeting. At 11:37am, Mr. Parven left the meeting by ending his conference call.

D. DISCUSSION REGARDING DIVESTING FROM COMPANIES DOING BUSINESS WITH SUDAN OR IRANS ENERGY SECTOR

Mr. Carr discussed divesting, gave an opinion, and his advice. The board requested that the Attorney prepares a Best Efforts Resolution. Action agreed upon unanimously.

X. APPROVAL OF ANNUAL RATE OF INTEREST TO BE CREDITED MEMBER CONTRIBUTIONS (Jane Struder, Director of Finance)

Memo-Annual Rate of Interest to be credited to Member Contributions

Information presented by Jane Struder.

Motion made by Peter Elwell, seconded by Brett Madison to approve a 3.53% annual interest rate. On roll call, the motion carried unanimously.

XI. REPORT ON QUARTERLY EXPENDITURES (Jane Struder, Director of Finance)

Memo- Retirement Cash Flow Projection and Operating Expenses - General Employees

Information presented by Jane Struder.

Motion made by Peter Elwell, seconded by Lisa Gorman to approve quarterly expenditures. On roll call, the motion carried unanimously.

XII. ANY OTHER MATTERS

No other matters discussed.

XIII. ADJOURNMENT

Motion made by Brett Madison, seconded by Lisa Gorman to adjourn. On roll call, the motion carried unanimously.