

**MUNICIPAL EMPLOYEES RETIREMENT ACT OF 1984 (EXCERPT)**  
**Act 427 of 1984**

**38.1539 Retirement board as trustees of money and other assets; investments; investment counsel; purpose of investments; discretionary authority.**

Sec. 39. (1) The retirement board shall be the trustees of the money and other assets of the retirement system. The board shall have full power and authority to invest and reinvest the money and other assets of the retirement system subject to all terms, conditions, limitations, and restrictions imposed on the investment of assets of public employee retirement systems by Act No. 314 of the Public Acts of 1965, being sections 38.1132 to 38.1140i of the Michigan Compiled Laws. The retirement board may employ outside investment counsel to advise the board in the making and disposition of investments.

(2) All money and other assets of the retirement system shall be held and invested for the sole purpose of meeting disbursements authorized in accordance with the provisions of this act and shall be used for no other purpose. In exercising its discretionary authority with respect to the management of the money and other assets of the retirement system, the retirement board shall exercise the care, skill, prudence, and diligence under the circumstances then prevailing, that a person of prudence, acting in a like capacity and familiar with such matters, would use in the conduct of an enterprise of like character with like aims.

**History:** 1984, Act 427, Imd. Eff. Jan. 2, 1985;—Am. 1988, Act 500, Imd. Eff. Dec. 29, 1988.