

**OFFICIAL PROCEEDINGS OF THE BOARD OF
TRUSTEES
CITY OF LANSING
EMPLOYEES' RETIREMENT SYSTEM**

COPY

Regular Meeting
Council Conference Room
10th Floor, City Hall
Lansing, MI

August 19, 2010
Thursday, 8:30 a.m.

The Board met in regular session and was called to order at 8:34 a.m.

Present: Trustees Dedic, McCaffery, Parker, Rose, Singleton (9:00), Wood – 6.
Absent: Trustee Bernero, Kraus

Others: Karen E. Williams, Finance Department; Attorney Kenneth Lane, Clark Hill Law Office (representing the Law Department).

It was moved by Trustee McCaffery and supported by Trustee Wood to approve the Official Minutes of the Employees Retirement System Regular Meeting of July 22, 2010.

Adopted by the following vote: 5 – 0.

Secretary's Report. 0 new member(s), 0 reinstatement(s), 0 refund(s), 0 transfers, 32 retired. Total active membership: 523. Total deferred: 53. Refunds made since the last regular meeting amounted to \$ 0.00. Retirement allowances paid for the month of July, 2010 amounted to \$1,657,668.36. Total retirement checks printed for the ERS System: 845. 0 death(s). Eligible domestic relations orders received: 0. Domestic relations orders pending: 1. Eligible domestic relations orders certified: 0.

It was moved by Trustee Wood and supported by Trustee Rose to approve the Regular Age & Service Retirement:

Donnie Cotton, (Public Service – UAW), 25 years of service, age 51, effective 8/14/2010.

Adopted by the following vote: 5 – 0.

There were no Requests for Duty Disability Retirement.

There were no Requests for Non-Duty Disability Retirement.

Karen Williams reported that Mr. Todd Richards had requested his accumulated contributions. Mr. Richards was not vested.

Regular Meeting
Council Conference Room
10th Floor, City Hall
Lansing, MI

August 19, 2010
Thursday, 8:30 a.m.

Page 2

It was moved by Trustee Wood and supported by Trustee McCaffery to receive the Request for Refund of Accumulated Contribution:

Todd Richards, Public Service (UAW), \$2,143.15

Adopted the following vote: 5 – 0.

Karen Williams distributed information regarding the MAPERS Fall Conference. She informed the trustees that they should submit application and room reservations by Friday, August 27. Ms. Williams discussed suggested room locations and requested direction from the Board regarding MAPERS delegates at the Conference.

Trustee Dedic suggested that Antonia Kraus and Terri Singleton should be delegates.

It was moved by Trustee Wood and supported by Trustee McCaffery to approve Trustee Antonia Kraus and Trustee Terri Singleton as delegates to the MAPERS Fall Conference.

Adopted by the following vote: 5 – 0.

Attorney Kenneth Lane reported that he worked with John Jackson of Asset Consulting to complete the review of the TRowe Price contracts. The contract has been signed and TRowe Price was funded August 4, 2010. Attorney Lane provided the original contract to the Retirement Office for filing.

Trustee Dedic reported to the Board that his resignation from the Parks position had not been finalized. He is working with the City Attorney's Office to complete the process. Trustee Dedic moved the Trustee Election Vacancy to pending.

Trustee Dedic requested that the subcommittee assignments move to pending until the new board member is elected. Trustee Wood requested that Karen Williams send out the current subcommittee assignments with a brief description of the subcommittee.

Trustee Wood updated the Board that the Special Projects subcommittee has completed a score sheet for the 4 proposals for actuary services, Gabriel, Roeder, Smith; EFI; Milman; and Rodwin. The Joint Special Projects subcommittee with the Police and Fire Retirement Board subcommittee will meet to review the actuary firms.

Regular Meeting
Council Conference Room
10th Floor, City Hall
Lansing, MI

August 19, 2010
Thursday, 8:30 a.m.

Page 3

Attorney Kenneth Lane reported that the approved draft Ordinance is with the City Attorney's review. Attorney Lane will try to get a timeline for the Board. Trustee Wood expressed concerns that the Ordinance be made available to the Ways and Means Committee by December, so that it can be voted upon before the council changes next year.

Attorney Kenneth Lane provided an explanation of the City Attorney's determination that to add Barrack, Rodos and Bacine as a fraud monitoring firm to the approved list to represent the Employees Retirement System Board. The City Attorney had concerns with the Robbins, Gellar, Rudman & Dowd firm. The City Attorney's Office expressed that as the legal counsel for the Board, the City Attorney has the authority to include outside legal counsel. Attorney Ken Lane reported to the Board that he contacted the IT representative reviewed the computer security concerns raised by the Board.

Trustee Wood provided a review for the Board and confirmed with Attorney Lane that his top choice was Milberg. Trustee Wood also confirmed with Attorney Lane that he suggested during the process that that most retirement system had more than one firm. At that point, the Board selected two firms, Robbins, Gellar, Rudman & Dowd, and the Milberg.

Trustee Dedic provided an explanation for the new trustees that securities lending is currently provided by Northern Trust as our depositor, but they do not specialize in fraud monitoring.

Trustee Wood reported that the Police and Fire Retirement System voted at the Joint Board meeting to proceed with the two firms that were selected.

It was moved by Trustee McCaffery and supported by Trustee Wood to affirm the selections of two Fraud Monitoring firms, Robbins, Gellars, Rudman & Dowd and Milberg, Inc.

Adopted by the following vote: 5 - 0

Trustee Singleton arrived to the meeting.

Trustee Dedic informed Trustee Singleton that she had been selected as the MAPERS representative with Trustee Kraus.

Trustee Dedic requested that the Joint meeting minutes reflect Mr. Mark Parker be excused from the Joint meeting because he did not get a notice.

Regular Meeting
Council Conference Room
10th Floor, City Hall
Lansing, MI

August 19, 2010
Thursday, 8:30 a.m.

Page 4

Attorney Ken Lane distributed letter to Ms. Denise Estee from the Board, informing her that her concerns regarding health care should be addressed by the City administration.

Karen Williams reviewed the Investment Monthly report for July. Ms. Williams also requested approval of \$5,000 for administrative expenses from Northern Trust Securities Lending.

It was moved by Trustee Wood and supported by Trustee Singleton to move \$5,000 from the Northern Trust Securities Lending to the Comerica account for administrative expenses.

Adopted by the following vote: 6 – 0.

It was moved by Trustee McCaffery and supported by Trustee Rose to adjourn the meeting.

The meeting adjourned at 9:02 a.m.

Minutes approved on _____

Jerry Ambrose, Secretary
Employees Retirement System

Scott Dedic, Chairperson
Employees Retirement System