

**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

September 23, 2010  
Thursday, 8:30 a.m.

The Board met in regular session and was called to order at 8:37 a.m.

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

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 Joint Employees Retirement System and Police and Fire Retirement System Regular Meeting of August 17, 2010.

Adopted by the following vote: 6 – 0.

It was moved by Trustee Wood and supported by Trustee Parker to approve the Official Regular Meeting Minutes of August 19, 2010.

Adopted by the following vote: 6 – 0.

Secretary's Report. 0 new member(s), 0 reinstatement(s), 0 refund(s), 0 transfers, 1 retired. Total active membership: 522. Total deferred: 53. Refunds made since the last regular meeting amounted to \$ 0.00. Retirement allowances paid for the month of August, 2010 amounted to \$1,667,174.39. Total retirement checks printed for the ERS System: 846. 2 death(s) Goldie Fraker, died 9/8/2010, age 72, spouse of Public Service Exempt member; Donald E. Brown, died 9/12/2010, age 82, spouse of Public Service member. Eligible domestic relations orders received: 0. Domestic relations orders pending: 0. Eligible domestic relations orders certified: 0.

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

Denise Acker - NonDuty Death (Police/Civilian, Teamster 580), 11.23 years of service, age 55, effective 8/13/2010.

Karen Williams explained that Ms. Denise Acker's pension will be paid to her husband as allowed by the Employees Retirement System Ordinance. When a vested employee dies while in the employee of the City, the pension is paid to the Option A beneficiary as if the employee had died the day prior to his or her death.

Approved by the following vote: 6 – 0.

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

Terese Horn, (City Council Staff), 22 years, 10 months of service, age 58, effective 8/27/2010.

John Hodges, (Planning, Teamster 580), 14 years, 2 months of service, age 61, effective 9/29/2010. (purchase 5 years of universal-buy of service)

Adopted by the following vote: 6 – 0.

There were no Requests for Duty Disability Retirement.

There were no Requests for Non-Duty Disability Retirement.

There were no Requests for Refunds of Accumulated Contribution.

Karen Williams reported to the Board that Trustee Dedic contacted the Retirement Office and requested an excused absence from the meeting.

It was moved by Trustee Wood and Trustee Singleton to excuse Trustee Dedic from the Employees Retirement System Board meeting.

Trustee Kraus explained for the new members that the ex-officio members of the Board, the City Treasurer and Human Resource Director, were not required to be excused from meetings.

Adopted by the following vote: 6 – 0.

Karen Williams distributed registration material for the MAPERS Fall Conference. She informed the trustees that they should show their State tax exemption form to the hotel upon check out.

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The ERS Board reviewed the Subcommittee assignments. Trustee Kraus requested to be removed from the Education subcommittee. Trustee Kraus suggested that members to review the committee descriptions and decide what committees they wish to serve on for the next meeting.

Attorney Ken Lane provided an update regarding the Fraud Monitoring Firms. Attorney reviewed securities fraud monitoring for the new trustees. The City Attorney placed Robbins, Gellar, Rudman & Dowd, Milberg and Barack, Rodos on the outside legal counsel list. However, the Board will not be required to use Barack, Rodos.

Trustee Kraus updated the Board that the Special Projects subcommittee will review the 4 proposals for actuary services, Gabriel, Roeder, Smith; EFI; Milman; and Rodwin, once the scoresheet has been finalized.

Attorney Kenneth Lane reported that the approved draft Ordinance is with the City Attorney's review. Attorney Lane discussed the timeline with Attorney Jack Roberts, so that the draft review could be completed by the end of October. Attorney Lane will provide copies of the Ordinance draft for the new members.

Karen Williams informed the Board that Trustee Dedic will report to the Board regarding his resignation from the Parks position, once it has been finalized. He is working with the City Attorney's Office to complete the process.

Karen Williams reviewed the Investment and Securities Lending Monthly report for August.

Attorney Ken Lane requested permission and then informed the Board that the City Attorney has joined a state lawsuit regarding Michigan pharmacies. Attorney Lane discussed that the Board had some holding in the pharmacies that were named in the litigation. Attorney Lane opined that the Board did not have any direct involvement or prior knowledge of the lawsuit and therefore was not violating its fiduciary responsibilities.

Trustee Wood expressed concern that how lawsuit is settled may have an impact on investment. Attorney Lane stated that he would contact Asset Consulting to advise the Board regarding the impact on its holding.

It was moved by Trustee Wood and supported by Trustee Rose to have legal counsel draft a litigation policy that would provide a procedure to notify the Board of litigation that potentially impact security holdings of the retirement system.

Adopted by the following vote: 6-0.

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

The meeting adjourned at 9:07 a.m.

Minutes approved on \_\_\_\_\_

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Jerry Ambrose, Secretary  
Employees Retirement System

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Antonia Kraus, Vice Chairperson  
Employees Retirement System