

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

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

July 21, 2011
Thursday, 8:30 a.m.

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

Present: Dedic, McCaffery, Munroe, Parker, Rose - 5
Absent: Trustee Bernero, Kraus, Robinson, Singleton

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

It was moved by Trustee Parker and supported by Trustee Rose to approve the Official minutes of the Employees Retirement System Regular Meeting of July 21, 2011.

Adopted by the following vote: 5 - 0

Secretary's Report. 0 new member(s), 0 reinstatement(s), 0 refund(s), 0 transfers, 1 retired. Total active membership: 503. Total deferred: 56. Refunds made since the last regular meeting amounted to \$0.00. Retirement allowances paid for the month of June, 2011 amounted to \$1,660,202.09. Total retirement checks printed for the ERS System: 840. 3 death(s), Marcella M. Swagler, died 6/24/2011, (Public Service – retired 8/22/1977), age 93, no beneficiary; Lillie M. Thornton, died 6/18/2011, age 90, spouse of Exempt retiree); Doris M. Ball, died 7/18/2011 (Public Service –retired 1/3/1986), age 87, no beneficiary. Eligible domestic relations orders received: 0. Domestic relations orders pending: 0. Eligible domestic relations orders certified: 0.

There were no public comments for items on the agenda.

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

Steven G. Maloney (Planning – T580), 23 years, 9 months of service, age 58, effective June 27, 2011.

Carla Eno, (Planning – T580), 21 years, 2 months of service, age 47, effective July 1, 2011. (65 points)

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It was moved by Trustee McCaffery and supported by Trustee Parker to approve the following Requests for Regular Age and Service Retirement (cont.):

Sandra M. Schultz (911 Center – FOP 911), 23 years, 1 months of service, age 53 effective 7/1/2011 (used additional 5.58 years of reciprocal retirement Act service credits to qualify)

Susan M. Topping (Finance – T580), 24 years, 9 months of service, Age 56, effective July 1, 2011 (65 points)

Richard J. Berends (Finance – T580), 11 years, 11 months of service age 67, effective July 1, 2011.

Michael Haley (Public Service – UAW), 21 years of service, age 60, effective July 1, 2011

Adopted by the following vote: 5 – 0.

There were no requests for duty disability retirements.

There were no Non-Duty Disability retirements.

It was moved by Trustee Rose and supported by Trustee Parker to approve the Request for Refunds of Accumulated Contributions:

Janell Shepherd, (Human Resources – NonBargaining), \$21,869.26

Adopted by the following vote: 5 – 0

Karen Williams announced that MAPERS registrations had been distributed by electronic mail. Hotel registrations would be forwarded as soon as they were available. She asked that members inform her of their decision to attend no later than August 30, 2011.

Attorney Ken Lane reviewed the Election Policy. Attorney Lane suggested combining Parks and Recreations and Planning and Neighborhood Development as one unit. Trustee Munroe expressed concern that the Parks Department would not be represented due to the small number of employees. The Retirement Analyst provided technical amendments to the Policy.

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It was moved by Trustee Rose and Trustee Parker to approve the Election Policy as amended and that it supersedes any previous Election Policy and will be placed in the Trustee Handbook.

Adopted by the following vote: 5 – 0.

Attorney Ken Lane updated the Board regarding the Disability Application Review Policy. Trustee Singleton needed to review the policy on behalf of the Human Resources Department.

Attorney Lane provided a draft for the Frequently Asked Question Document for the Employees Retirement System. The Board requested another month to review with corrections made by the Retirement Office.

Attorney Lane reviewed the Fraud Monitoring Policy. John Jackson also discussed that he was checking with other firms to advise the Board regarding a dollar amount for the policy. Attorney Lane suggested a \$50,000 dollar amount threshold in which the fraud monitoring firms would not bring litigation issues to the Board. The policy was tabled until next month.

It was moved by Trustee Parker and supported by Trustee Munroe to approve the Vendor Review Policy. The Vendor Review Policy would supersede any previous policy and would be placed in the Trustee Handbook.

Adopted by the following vote: 5 -0.

Attorney Ken Lane provided a legislative memo that summarized the pending Michigan House and Senate Bills. He reviewed Senate Bill 7 and Substitute H6. The bill would create the Publicly Funded Health Insurance Contribution Act. The requirement of the Act would not apply to employees covered under a collective bargaining agreement that is inconsistent with its provisions until the collective bargaining act expires.

Attorney Ken Lane provided an overview of the SAS 70 report compiled by Northern Trust that discusses the safety precautions in place regarding their system. Attorney Lane suggested that John Jackson of Asset Consulting Group to review the safety precautions and a final opinion for the view.

Karen Williams updated the Board that she talked with the Greg Stump of EFI to determine if EFI has Minute Master Services. EFI did not have these services, but would be willing to look into these services in the future. Trustee Dedic suggested that the Board review the Minute Master proposal from Gabriel, Roeder, Smith.

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Trustee Rose updated the Board that the Special Projects subcommittee reviewed a proposal from the State of Michigan to develop pension software for the City of Lansing from scratch. The State determined that the Clarety system used by their retirement system would be too expensive to implement for Lansing. The pension software would be purchased by the City of Lansing but hosted on the State of Michigan system. The subcommittee narrowed the list down to five vendors.

Trustee Munroe expressed concerns regarding the State of Michigan proposal and requested an opportunity to view the other Requests for Proposals that were submitted.

Karen Williams distributed the Investment and Securities Lending Monthly report for June.

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

Adopted by the following vote: 5 -0.

The meeting adjourned at 11:01 a.m.

Minutes approved on _____

Jerry Ambrose, Secretary
Employees' Retirement System

Scott Dedic, Chairperson
Employees' Retirement System