

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

COPY

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

March 22, 2012
Thursday, 8:30 a.m.

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

Present: Dedic, Kraus, McCaffery, Munroe (8:46am), Parker, Rose, Taylor, Wood - 8
Absent: Trustee Bernero

Others: Angela Bennett, Karen E. Williams, Finance Department; Attorney Kenneth Lane, Clark Hill (representing the City Attorney's Office); Karen Earley, Gregory Stump, EFI Actuaries.

It was moved by Trustee Wood and supported by Trustee Parker to approve the Official Minutes of the Joint Police and Fire Retirement System and Employees Retirement System Boards Regular Meeting of February 21, 2012.

Adopted by the following vote: 7- 0

It was moved by Trustee Parker and supported by Trustee Taylor to approve the Official Minutes of the Employees Retirement System Board Regular Meeting of February 23, 2012.

Adopted by the following vote: 7 - 0

Secretary's Report. 2 new member(s), 0 reinstatement(s), 2 refund(s), 0 transfers, 3 retired. Total active membership: 473. Total deferred: 62. Refunds made since the last regular meeting amounted to \$0.00. Retirement allowances paid for the month of February 2012, amounted to \$1,709,198.48. Total retirement checks printed for the ERS System: 849. 2 death(s). Jack D. Gunther, died 2/7/2012, (Elected Official – retired 1/1/1982), age 90, no beneficiary; Henry Horst, died 3/6/2012, (UAW – retired 9/15/2005), age 64, beneficiary to receive 100% . 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 Taylor to approve the following Requests for Regular Age and Service Retirement:

Liane M. Zimny, Community Development – Teamster, 9 years of service credits, age 58, effective, March 1, 2012 (From Deferred)

**Employees Retirement System
Regular Meeting of March 22, 2012
Page 2**

It was moved by Trustee Wood and supported by Trustee Taylor to approve the following Requests for Regular Age and Service Retirement: (continued)

Carleen J. Teigeler, District Court – Teamster 580, 26 years, 4 months of service credits, age 62, effective March 10, 2012. (65 points, old plan)

Adopted by the following vote: 7 – 0.

Karen Williams announced to the Board that the Asset Consulting Group will provide Trustee Training, April 19, 2012.

The NCPERS Annual Conference is scheduled to be held in New York, May 5-10. John Jackson of Asset Consulting Group has recommended a due diligence visit to local Investment managers, May 7 for trustees planning to attend the Annual Conference.

The MAPERS Spring Conference is scheduled for May 20 – 22, 2012.

There were no requests for Duty Disability Retirements.

There were no requests for NonDuty Disability Retirements.

There were no requests for Refunds of Accumulated Contributions.

Trustee Munroe arrived to the meeting

Attorney Ken Lane updated the Board regarding the status of the ERS Ordinance. Attorney Lane stated that the City Attorney's Office is reviewing the Retirement Ordinance. Attorney Lane reviewed the amendment for Outside Legal Counsel policy for the Employees Retirement System. The amendment would recognize confidentiality that legal counsel must adhere to, but require legal counsel to inform the Chair regarding issues that concern the Board.

It was moved by Trustee Wood and supported by Trustee Munroe to approve the Outside legal Counsel policy amendment. The new Outside Legal Counsel Policy will supersede all other outside legal counsel policies and the policy will be added to the Trustee Book.

Adopted by the following vote: 8 – 0.

Attorney Lane updated the ERS Board regarding Senate Bill 97 that would amend Public Act 314. Attorney Lane informed the Board that there has been no movement with the Senate Bill.

Attorney Ken Lane requested and was granted permission to address the pending issues.

**Employees Retirement System
Regular Meeting of March 22, 2012
Page 3**

Attorney Lane updated the Board regarding the Pension Software. Attorney Lane has received the contract documents and will work with Eric Tumbarella, Information Technology manager to negotiate the contract.

Attorney Lane updated the Board regarding the 911 Center Transfer. Attorney Lane stated that a tentative agreement has been reached and be similar to the zoo employees' transfer. The City 911 employees will become Ingham County employees.

Ms. Karen Earley, EFI Actuaries provided a review of the 12/31/2010 report. Ms. Earley provided a definition and purpose of Asset Smoothing, and its parameters. Mr. Greg Stump reviewed the differences between Open and Closed amortization periods. Ms. Earley discussed the Employees Retirement System Economic Assumptions regarding inflation, salary increases and investment returns. Mr. Stump updated the Retirement Board regarding the Experience Study, the valuation as of 12/31/2011, new assumption recommendations and the impact of changes in assumption or other policy components.

Karen Williams distributed and reviewed the Securities Lending Monthly report for February 2012.

The meeting adjourned at 9:36 a.m.

Minutes approved on _____

Angela Bennett, Secretary
Employees' Retirement System

Scott Dedic, Chairperson
Employees' Retirement System