

**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

June 21, 2012
Thursday, 9:30 a.m.

The Board met in regular session and was called to order at 9:35 a.m.

Present: Dedic, Kraus (9:50 am), McCaffery, Munroe, Parker, Rose, Taylor, Wood - 8
Absent: Trustee Bernero

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

It was moved by Trustee Rose and supported by Trustee Parker to approve the Official Minutes of the Employees Retirement System Board Regular Meeting of May 17, 2012.

Adopted by the following vote: 7 - 0

It was moved by Trustee Taylor and supported by Trustee Rose to approve the Official Minutes of the ERS and Police and Fire Retirement System Joint Board Official Meeting of May 17, 2012.

Adopted by the following vote: 7 - 0.

Secretary's Report. 0 new member(s), 0 reinstatement(s), 1 refund(s), 0 transfers, 2 retired. Total active membership: 455. Total deferred: 66. Refunds made since the last regular meeting amounted to \$2,954.94. Retirement allowances paid for the month of May 2012, amounted to \$1,706,526.07. Total retirement checks printed for the ERS System: 850. 2 death(s). Elizabeth Newhouse, died 5/17/2012, age 94, spouse of Exempt retiree; Karen K. Lalone, died 6/9/2012, (Police Civilian/911, retired 1/6/1996), age 67, beneficiary to receive 50. 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 Munroe to approve the following Request for Regular Age and Service Retirement:

Victoria A. Murdock, Finance/Teamster - 8 years, 3 months of service, age 58, effective May 1, 2012 (Deferred Retirement)

Adopted by the following vote: 7 - 0

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

Carol L. Walton, Police(Civilian)/Teamster 580 – 24 years, 4 months, age 43, 9 months, effective June 4, May 12, 2012. (Old Plan – 65 points).

Adopted by the following vote: 7 – 0.

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

Ruth Rasdale, Police 911/Teamster 580 – 25 years of service, age 48, effective June 15, 2012 (Old Plan – 65 points)

Adopted by the following vote: 7 - 0

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

Adrian Gilbert, Finance/UAW – 26 years of service, age 54, effective June 15, 2012.

Adopted by the following vote: 7 – 0.

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

Steven M. Hoard, Public Service/UAW – 24 years, 3 months of service, age 58, Effective June 16, 2012.

Adopted by the following vote: 7 – 0.

There were no requests for Non-Duty Disability retirement.

It was moved by Trustee Wood and supported by Trustee Parker to approve the following request for Refund of Accumulated Contributions:

Trevor Arnold, FOP 911, \$1,763.25

Anna S. Safarova, FOP 911, \$38,937.60

Tami Welt, FOP 911, \$31,664.63

Adopted by the following vote: 7 – 0.

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Trustee Mark Parker provided a review of the MAPERS Spring Conference. Trustee Parker discussed the legislative update for Public Act 314. Trustee Munroe felt that MAPERS Conference for very helpful for new Trustees.

Karen Williams informed Trustees that handouts from the Conference are available on the MAPERS website.

Ms. Williams reviewed the new Trustee Expense Reports and guidelines. Once the form has been finalized, it will be emailed to Trustees for their use.

The Board discussed the use of procurement cards for Retirement Board expenses. The Board discussed expanding the number of credit cards for Trustees.

Karen Williams reminded members that the MAPERS Fall Conference was scheduled for September 9 – 11, 2012.

Attorney Ken Lane provided a legislative update to Public Act 314. Attorney Lane updated the ERS Board regarding the status of the ERS Retirement Ordinance. Attorney Lane explained that there were unique retirement eligibility questions that have arisen regarding members who in the old plan who transfer to different bargaining units under the new plan. Attorney Lane requested to review these questions in closed sessions.

Karen Williams reported to the Employees Retirement System Board that the Secretary of the Board submitted a memo to certify the nominating petition and election results for the City Hall Trustees. Ms. Williams reported that the deadline for turning in nominating petitions for the term of office as City Hall Trustees was 4:00 p.m. Thursday, June 14, 2012. One petition was received from Mr. Mark Parker. Mr. Parker filed a valid petition and was running unopposed. He was declared the winner of the office of City Hall Department Trustee, for term ending June 30, 2016. The Employees Retirement System Trustees as Board of Canvassers must approve the election results.

It was moved by Trustee Wood and supported by Trustee Rose to approve the Secretary's Report naming Trustee Mark Parker to the Board of Trustees for the term ending June 30, 2016.

Adopted by the following vote: 7-0

Attorney Ken Lane requested that the Board go into closed session to review confidential legal opinions pursuant to the Open Meeting Acts, subsection H, of MCL 15.216.

Karen Williams updated the Board that Retirement Office has received requested documentation from Applicant #2012-E0419 and Applicant #2012-E0517 and the applicants are being scheduled to see the Medical Director.

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It was moved by Trustee Wood and supported by Trustee Taylor to go in close session to review confidential legal opinions regarding employee eligibility issues.

Adopted by the following roll call vote: 8 – 0

Yes: Dedic, Kraus, McCaffery, Munroe, Parker, Rose, Taylor, Wood.

No: 0

The session closed at 10:05 a.m.

The session resumed at 10:16 a.m.

It was moved by Trustee Wood and supported by Trustee Taylor to lift the confidentiality of legal opinions presented by Attorney Ken Lane and that these opinions can be shared with the respective employees.

Adopted by the following vote: 8 – 0.

Ms. Williams distributed the EFI assumption recommendation and informed that Employees Retirement System Board that Mr. Greg Stump can be available at the next meeting to review the recommendations and their implications.

Trustee Dedic added subcommittee assignments to the agenda as Item F. Trustee Dedic reviewed his subcommittee assignments for 2012 Calendar year.

Ms. Williams reported that valuation information regarding the 911 Center Transfer has been submitted to Mr. Greg Stump, EFI Actuaries for their review.

Trustee Wood inquired if EFI Actuaries were aware of the employees that have left the 911 Center since the valuation was completed.

Ms. Bennett stated that the information regarding the liability valuation was calculated for each individual employee, in order to eliminate employees who leave before the transfer.

Trustee Wood requested to the Chair that EFI Actuaries be forwarded updated information regarding current employees who will be included 911 Center transfer. Trustee Wood expressed concern that the valuation does not consider the employees that are no longer with the 911 Center that was included in the valuation.

Trustee Rose provided an update of the Pension Software Project. Trustee Rose stated that negotiations are ongoing and explained the Board would like consideration for new processes developed through the implementation of software for the City of Lansing Retirement Office. Tegrit will have the ability to market these processes.

Trustee Dedic inquired when was the last time a retirement conference was held for employees and retirees.

Ms. Williams informed the Board that the last conference was held in 2008.

Trustee Dedic requested that Retirement Conference for 2013 be added to the agenda for next month.

Karen Williams reviewed the Investment and Securities Lending Monthly report for May 2012.

The Employees Retirement System Trustees reviewed the memo from Asset Consulting Group to liquidate \$4.7 million to the Comerica bank account.

It was moved by Trustee Kraus and supported by Trustee Monroe to transfer funds per Asset Consulting Group recommendations of \$2.0 million from the Northern Trust S &P 500 Index Fund portfolio, \$1.4 million from the MD Sass portfolio and \$1.3 million from the Western Asset portfolio to fund the Employees Retirement System Request for cash needs and move those funds to the Comerica Bank Account.

Adopted by the following vote: 8 – 0.

Karen Williams informed the Board that Asset Consulting Group received a request that the Commission Recapture Distribution be made quarterly instead of monthly.

The Employees Retirement System agreed that the Commission Recapture Distribution could be made quarterly.

The meeting adjourned at 10:40 a.m.

Minutes approved on _____

Angela Bennett, Secretary
Employees' Retirement System

Scott Dedic, Chairperson
Employees' Retirement System