

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

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

November 8, 2012
Thursday, 8:30 a.m.

The Board met in regular session and was called to order at 8:43 a.m.

Present: Dedic, Kraus, McCaffery, Munroe, Parker, Rose, Wood - 7
Absent: Trustee Bernero, Taylor

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

It was moved by Trustee Kraus and supported by Trustee Wood to approve the Official Minutes of the Employees Retirement System Boards Regular Meeting of October 16, 2012.

Adopted by the following vote: 7 - 0

There were no public comments.

Secretary's Report. 0 new member(s), 0 reinstatement(s), 0 refund(s), 0 transfers, 4 retired. Total active membership: 373. Total deferred: 68. Refunds made since the last regular meeting amounted to \$4,286.39. Retirement allowances paid for the month of October 2012, amounted to \$1,711,755.56. Total retirement checks printed for the ERS System: 854. 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 Kraus to approve the Request for Regular Age and Service Retirement:

Karl Holz (Public Service/UAW) – 26 years, 9 months of service credits,
age 57, effective November 3, 2012.

Laura M. Toebe, (Finance/Teamster) – 8 years, 6 months of service credits,
Age 58, effective December 1, 2012 (From Deferred)

Adopted by the following vote: 7 - 0

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Karen Williams updated the Retirement Board regarding the Duty Disability applications. Ms. Williams reported that applicant #2012-E0719 requested information has been received and the applicant has been scheduled to see the Medical Director. Applicant #2012-E1018 is pending, waiting for requested information.

There were no requests for non-duty disability retirements.

There were no requests for refunds of accumulated contributions.

Karen Williams reported that the MAPERS Annual Membership Fees are due for renewal. The \$100 renewal fee is paid from the Securities Lending account.

It was moved by Trustee Wood and Trustee Parker to renew the MAPERS Annual Membership and pay the fee from the Board's Administrative funds.

Adopted by the following vote: 7 – 0

Mr. Greg Stump presented the City of Lansing Employees Retirement System Annual Valuation Review and funding policy recommendations. Mr. Stump provided an update of the actuarial valuation for the period ending December 11, 2011. Mr. Greg Stump reviewed the Demographic and Investment Experience.

Mr. Stump discussed his recommendation for a ten percent funding increase each year over a five year period to account for the experience study. Mr. Stump explained his recommendation for a written funding policy, change in amortization and future funding.

Attorney Kenneth Lane informed the Board that the Police and Fire Retirement System approved Mr. Stump's recommendation for a ten percent funding plan pending legal review. Attorney Lane explained that there is a difference between what is actuarial contribution amount and the 10% percent contribution amount. Attorney Lane is reviewing state legislation to verify the legality of the funding recommendation.

Ms. Angela Bennett questioned if the numbers presented in the presentation are comparable. Ms. Bennett has requested additional information from Mr. Stump regarding the funding recommendation and the amount projected from the previous valuation. Ms. Bennett and Mr. Stump are reviewing the numbers and the impact of the assumption changes.

Mr. Greg Stump updated the ERS Board regarding the 911 Dispatch transfer to Ingham County. Mr. Stump reviewed the effective date of transfer and explained the asset transfer preliminary funded ratio.

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It was moved by Trustee Wood and supported by Trustee Rose to accept the 10% funding recommendation from EFI, contingent upon legal review.

Adopted by the following vote: 7 – 0

Mr. Greg Stump also reviewed the GASB Changes, written funding policy and administrative policies recommendation.

It was moved by Trustee Rose and supported by Trustee Munroe to accept the EFI recommendation for a written funding policy.

Adopted by the following vote: 7 – 0.

Trustee Wood requested that EFI schedule an education session for trustees next year.

Trustee Dedic read a memo from Ms. Angela Bennett regarding the 2012 Employees Retirement System Contribution. The memo stated: On November 1, 2012, \$8,194,000 was transferred by the City to the Employees Retirement System. That amount is \$500,000 less than the \$8,694,000 projected in the 2010 actuarial contribution valuation, as at the time the contribution was made, the 2011 actuarial valuation, containing the 2012 contribution amount, was not yet available. Once the 2012 contribution is finalized, the remaining amount will be transferred to the retirement system.

It was moved by Trustee Wood and supported by Trustee Parker to accept the 2012 Employees Retirement System Contribution.

Adopted by the following vote: 7 -0.

Attorney Kenneth Lane updated the Retirement Board regarding the state legislature changes to PA314. Attorney Lane stated the Senate Bill 797 was still pending for immediate effect. Attorney Lane informed the ERS Board that the Ordinance is being amended to accommodate the new Teamster 214 contract. Attorney Lane informed the ERS Board that Wasatch did not provide all the necessary forms for the investment. Attorney Lane has now received the forms and will have them signed by the chair so the Wasatch investment can be funded.

Ms. Karen Williams distributed the 2013 ERS Meeting Schedule for the Board's approval.

It was moved by Trustee Rose and supported by Trustee Kraus to accept the 2013 Employees Retirement System Meeting schedule.

Adopted by the following vote: 6 – 0.

The Retirement Conference Tegrity Pension Software Update discussion was moved to the Joint Board meeting.

Karen Williams distributed and reviewed the Employees Retirement System Quarterly Expenses report and the Securities Lending Report for the month of October, 2012.

The meeting adjourned at 9:29 a.m.

Minutes approved on _____

Angela Bennett, Secretary
Employees' Retirement System

Scott Dedic, Chair
Employees' Retirement System