

**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

May 15, 2014
Thursday, 8:30 a.m.

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The Board met in regular session and was called to order at 8:38 a.m.

Present: Dedic,(8:49), McCaffery, Munroe, D. Parker, M. Parker, Taylor (8:40)
Absent: Trustee Bernero, Boles, Kraus

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

Trustee Mark Parker presided.

There were no public comments.

Secretary=s Report. 3 new member(s), 0 reinstatement(s), 0 refund(s), 0 transfers,0 retired. Total active membership: 312. Total deferred: 65. 2 death(s) Karen Skutt died 1/1/2014, age 74, spouse of UAW retiree; Bruce H. Leavitt, (NonBargaining – Retired 10/21/1988), age 87, died 5/8/2014, spouse to receive 100%. Refunds made since the last regular meeting amounted to \$0.00. Retirement allowances paid for the month of April 2014, amounted to \$1,829,736.81. Total retirement checks printed for the ERS System: 890. Eligible domestic relations orders received: 0. Domestic relations orders pending: 0. Eligible domestic relations orders certified: 0.

It was moved by Trustee Taylor and supported by Trustee Munroe to approve the Official Minutes of the Employees' Retirement System Regular Meeting of April 17, 2014.

Adopted by the following vote: 6- 0

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

Nancy L. McNamara, (Public Service/UAW) – 20 years of service credits, age 60, effective May 14, 2014

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It was moved by Trustee Dennis Parker and supported by Trustee Taylor to approve the following request for Regular Age and Service (continued):

Robert Meyers (Public Service/UAW), 24 years, 7 months of service credits, age 59, effective May 17, 2014.

Douglas Halstead, (Planning/Teamster), 15 years, 1 month of service credits, age 74, effective May 31, 2014.

Troy Wood (Public Service/UAW) -27years of service credits, age 50, effective June 14, 2014.

Adopted by the following vote: 5 – 0.

Karen Williams reported that Applicant #2014-E0320 has requested to withdraw their application for duty disability retirement.

It was moved by Trustee Dennis Parker and supported by Trustee Taylor to accept Applicant #2014-E0320 request to withdraw their application.

Adopted by the following vote: 5 – 0.

Karen Williams reported that the medical report for Applicant #2013-E1017 had been received by the disability subcommittee for review.

Trustee Taylor reported that the disability subcommittee had met and recommended to concur with the medical report and approve the non duty disability of Applicant #2013-E1017.

It was moved by Trustee Dennis Parker and supported by Trustee Taylor to concur with the medical report and approve the non duty disability of Applicant # 2013-E1017.

Adopted by the following vote: 5 – 0.

Karen Williams reported that Applicant #2014-E0417 was listed as pending. The Retirement Office is waiting for the applicant's medical release and documents.

Karen Williams reported that Applicant #2014-E0515 requested to be evaluated for non-duty disability. Applicant #2014-E0515 was referred to the disability subcommittee

Karen Williams reported that Ms. Lin-Chi Wang, District Court Exempt hah requested a refund of accumulated contributions of \$1,712.48. Ms. Wang terminated her employment with the City and was not vested for retirement.

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It was moved by Trustee Dennis Parker and supported by Trustee Munroe to approve the request for refund of accumulated contributions for Ms. Lin-Chi Wang of \$1,712.48.

Adopted by the following vote: 5 – 0.

Ms. Williams updated the Employees Retirement System regarding the MAPERS Spring Conference, scheduled for May 18-20, 2014.

Trustee Dedic arrived and presided over the meeting.

Attorney Lane updated the ERS Board regarding the Invesco Mortgage Recovery investment requirement for paying taxes to the State of California. Invesco provided an Opt-Out form that could be completed because the ERS Retirement System is tax-exempt. Attorney Lane completed the form by the April 30, 2014 deadline, and was told that it should be kept on file with the City of Lansing. Attorney Lane provided the original forms to the Retirement Office.

Attorney Ken Lane distributed a Death Audit Policy and updated Record Retention Policy for review. Attorney Lane provided an overview of the Death Audit Policy and discussed the procedure for viewing information regarding retiree deaths by Board members.

It was moved by Trustee Mark Parker and supported by Trustee Munroe to approve the Death Audit Policy.

Adopted by the following vote: 6 – 0.

Attorney Lane discussed the updated Record Retention Policy and described how death audit material is supposed to be handled.

Trustee Taylor inquired where current retirement records are maintained.

Karen Williams reviewed where and how the current retirement and employees records are maintained.

Attorney Lane provided an update of the ERS Ordinance. Attorney Lane informed the Board that the ERS Ordinance is under review by the City Attorney's Office. Attorney Lane stated that Foster Swift had completed work on the Ordinance regarding the Teamster 214 amendments. Attorney Lane stated that those amendments are now with the City Attorney's Office.

Karen Williams reviewed the duty disability income verification policy and reported that certification forms were due April 30, 2014. All duty disability retirees had submitted their income certifications.

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Karen Williams distributed an Election posting for the Parks, Planning and Neighborhood Development Department Trustee that expires June 30, 2014. Petitions for the trustee position would be available May 19, 2014 and due June 19, 2014. The posting also outlined primary election and general election dates if needed. Trustee Carol Munroe holds the current trustee position.

It was moved by Trustee Mark Parker and supported by Trustee Taylor to approve the Election posting for the Parks, Planning and Neighborhood Development Department Trustee.

Adopted by the following vote: 6 – 0.

Angela Bennett submitted a memo and report to update the Employees Retirement System Board regarding the 911 Dispatch transfer. Ms. Bennett discussed the 911 actuarial determination and provided the actuarial report that was done by Ingham County in consultation with the ERS Board's actuary, Boomershine Consulting Group. Ms. Bennett reviewed the dispute over the calculation which centered on the change in actuarial assumption that took place subsequent to the 911 Dispatch transfer agreement. The April 2014 report affirmed the ERS Board opinion that the assumption changes should be included in the calculation and affirmed the amount Boomershine Consulting Group calculated for the transfer of \$968,348.

Ms. Bennett explained that the ERS Board took action at the ERS Board meeting of December 19, 2013 to transfer the \$968,348 to the Ingham County pension system. Ms. Bennett also reported that per previous discussion and the recommendations, the County had requested investment earnings for the elapsed time subsequent to the operational transfer to the County.

Ms. Bennett reviewed two options for investment earnings: as of June 27, 2012 and as of November 1, 2013. The Board discussed the two options.

It was moved by Trustee Dennis Parker and supported by Trustee Munroe to approve the transfer of \$102,510, as of November 1, 2013.

Adopted by the following vote: 6 – 0.

Karen Williams provided an update of the Arrivos Pension Software implementation. Tegrit will suspend work on the project for approximately 11 weeks due to resource constraints. Tegrit will set up User Testing in June, when the data goes live and death audit information should be available at that time. Tegrit will provide resume work on calculators in July.

Trustee Mark Parker reported that Tegrit is working to finalize data and information for the June "go live" date. Trustee Parker stated that Tegrit has some programming codes that it could not decipher. Trustee Parker asked Ms. Bennett if the accounting manager would be available to work with Tegrit for several hours on the programming code. Ms. Bennett stated that she needed to check with the accounting manager, but she supports the project and understands the need to have this data migration.

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Ms. Williams suggested that Tegrity put their questions in writing and she may be able to assist with questions. Trustee Mark Parker stated that Tegrity was gathering that information and should have it available to review.

Karen Williams reviewed the quarterly expenses report, and the securities lending report for the month of April 2014.

It was moved by Trustee Boles and supported by Trustee McCaffery to adjourn the meeting.

Adopted by the following vote: 6 – 0.

The meeting adjourned at 9:16 a.m.

Minutes approved on _____

Angela Bennett, Secretary
Employees Retirement System

Scott Dedic, Chairperson
Employees' Retirement System