

# 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

January 22, 2015  
Thursday, 8:30 a.m.

The Board met in regular session and was called to order at 8:32 a.m.

Present: Dedic, Kraus(8:33), McCaffery, McIntyre, Munroe, D. Parker, M. Parker, Wood  
– 8

Absent: Trustee Bernero

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

It was moved by Trustee Dennis Parker and supported by Trustee McIntyre to approve the Official Minutes of the Employees' Retirement System Board Regular Meeting of December 18, 2014.

Adopted by the following vote: 6 - 0

There were no public comments.

Secretary's Report. 3 new member(s), 0 reinstatement(s), 0 refund(s), 0 transfers, 2 retired. Total active membership: 298. Total deferred: 68. 4 death(s) Robert C. VanNess (Planning/NonBargaining, retired 7/23/1988), died 10/13/2014, age 88, spouse to receive 50%; Maurice Acker, died 11/20/2014, age 69, spouse of Teamster retiree; Kathryn Hoffmaster, died 11/28/2014, age 92, spouse of NonBargaining retiree; Richard F. Warner (Public Service/UAW, retired 6/12/1993), died 12/17/2014, age 83, no beneficiary; George Taylor, (Civic Center/NonBargaining, retired 5/31/1986), died 1/5/2015, age 89, no surviving beneficiary. Refunds made since the last regular meeting amounted to \$529.60. Retirement allowances paid for the month of December 2014, amounted to \$1,875,557.17. Total retirement checks printed for the ERS System: 909. Eligible domestic relations orders received: 0. Domestic relations orders pending: 0. Eligible domestic relations orders certified: 0.

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It was moved by Trustee Kraus and supported by Trustee Mark Parker to approve the requests for Regular Age and Service retirements:

Leroy Barber, (Public Service/UAW), 16 years, 7 months of service credits, age 58, effective January 24, 2015.

Adopted by the following vote: 8-0

There were no requests for duty disability retirements.

Ms. Williams reported that the Medical Director contacted the Retirement Office and requested additional documents from Applicant #2014 – E0619. Ms. Williams contacted the applicant with the Medical Director's request.

There were no requests for Refunds of Accumulated Contributions.

Trustee Scott Dedic announced that MAPERS is sponsoring a One-Day Conference, March 13, 2015. Members who wished to attend should contact the Retirement Office.

Attorney Ken Lane distributed to the Board the updated Employees Retirement System Investment Policy. Attorney Lane stated that he will provide a copy of the actuarial funding policy to the Board once the updated version has been received by Boomershine Consulting Group.

Attorney Ken Lane updated the Employees' Retirement System Board regarding drafting amendments to the Report Policy that would include target dates to streamline the actuarial valuation process. Attorney Lane updated the Board that Ms. Bennett contacted the Police and Fire Retirement System Board to inform trustees that she was working with Boomershine to discuss and create a schedule for the actuarial process. The Police and Fire Retirement delayed their discussion on the revised Report Policy until the next meeting.

Trustee Kraus indicated that she would prefer that Ms. Bennett and the actuary work out a timeline and present the schedule to Board.

Trustee Dedic moved the item to pending.

Attorney Lane updated the Employees Retirement System Board that the Invesco Mortgage Recovery Investment, Part II contracts had been executed and forwarded to Invesco for processing and the lower fee schedule.

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Attorney Lane updated the Employees Retirement System Board regarding a former member, Sherry Longoria, who transferred to Ingham County as a part of the 911 Dispatch Center agreement.. At the time of Ms. Longoria's transfer to Ingham County, she had an Eligible Domestic Relation Order on file with the Retirement Office. Attorney Lane sent a letter to Ms. Longoria and Mr. Longoria regarding the EDRO. Attorney Lane reviewed a letter with ERS Board that detailed a required amendment to the EDRO that would change the retirement system listed from City of Lansing Employees Retirement System to the Municipal Employees Retirement System of Michigan. Attorney Lane had not received a response from either party and requested direction from the ERS Board. Attorney Lane suggested sending a second sterner letter of request. Attorney Lane opined that the ERS System would not pay any monies in response to the EDRO.

The ERS Board directed Attorney Lane to send a second letter as recommended.

Attorney Lane updated the Board regarding the elected employee position on the Board. Attorney Lane indicated that since the City reorganized, the Central garage division was moved from Finance to Public Service. Currently, there are two members from Public Service on the ERS Board. Attorney Lane stated that the ERS Board should review and modify its rules and policy to reflect the re-organization.

Trustee Dennis Parker recommended that the ERS Board wait until after the budget discussion to see if there are further re-organizations of city divisions and departments.

Trustee Mark Parker indicated that the re-organization happened in 2012. Trustee Mark Parker was initially elected as City Hall Trustee and re-elected prior to the transfer of the Central Garage to Public Service. After the re-organization, two elected members were of the same department.

Trustee Kraus indicated that she spoke with Karen Williams of the retirement office regarding the next election. Trustee Kraus wanted the ERS Board to be proactive before for the next election time, so that the retirement board can have appropriate representation based upon how the City of Lansing departments are organized.

Trustee Wood requested that the minutes reflect that the Employees Retirement System Board of Trustees understands that the Board is currently out of compliance with its policy. Trustee Wood further requested that a footnote be added to the policy that the ERS Board is working on rectifying the issue.

Trustee Wood inquired about the status of the Employees Retirement System Ordinance.

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Attorney Ken Lane reported that the Attorney Jack Roberts within the City Attorney's office is working on revising and updating the ERS Ordinance.

Trustee McIntyre reported to the ERS Board that other priorities have delayed the completion of the Ordinance by the City Attorney's Office. Trustee McIntyre wanted to ensure that a thorough review of the Retirement Ordinance was done.

Trustee Scott Dedic announced that he would not seek re-election as Employees Retirement System Board chairperson. Trustee Dedic opened nominations.

Trustee Mark Parker nominated Trustee Dennis Parker for ERS Board chairperson.

Trustee Antonia Kraus nominated Trustee Mark Parker for ERS Board chairperson.

It was moved by Trustee Kraus and supported by Trustee Munroe to close nominations.

Adopted by the following vote: 8 – 0.

Trustee Dennis Parker accepted the nomination for ERs Board chairperson

Trustee Mark Parker declined the nomination for ERS Board chairperson.

It was moved by Trustee Wood and supported by Trustee Munroe to elect Trustee Dennis Parker as Employees Retirement System Board chairperson by acclamation.

Adopted by the following vote: 8 – 0.

Trustee Dedic opened the nominations for vice chairperson.

Trustee Munroe nominated Trustee Carol Wood for ERS Board vice chairperson.

Trustee Wood declined the nomination for ERS Board chairperson.

Trustee Wood nominated Trustee Mark Parker for ERS Board vice chairperson.

It was moved by Trustee Dennis Parker and supported by Trustee McIntyre to close nominations.

Adopted by the following vote: 8 – 0

Trustee Mark Parker accepted the nomination for the ERS Board vice chairperson.

It was moved by Trustee Kraus and supported by Trustee Wood to elect Trustee Mark Parker as Employees Retirement System Board vice chairperson by acclamation.

Adopted by the following vote: 8 – 0

Trustee Dedic referred the subcommittee assignments to the new chairperson.

Karen Williams reported that the Employees Retirement System Board had received communication from Angela Bennett, the finance director regarding the pension contribution. The communication indicated that on December 30, 2014, \$247,556 was transferred by the City to the Employees' Retirement system for the balance of the FY 2015 contribution. The total actuarial valuation-calculation contribution for FY 2015 was \$10,547,556.

It was moved by Trustee Wood and supported by Trustee Mark Parker to accept the \$247,556 that was transferred by the City to the Employees' Retirement System for the balance of the FY 2015 contribution.

Adopted by the following vote: 6 – 0.

Trustee Dedic reported that Angela Bennett was not available for the meeting and requested to review the GASB 67 report at the next meeting.

Trustee Mark Parker updated the Employees' Retirement System Board regarding Tegrity Pension Software project. Trustee Parker reported that a key resource had left Tegrity and the company and indicated one of their top developers would take over beginning in February. Trustee Parker indicated that the timeline may need to be adjusted and that the Retirement Office continues to work with Tegrity on phases 3,4 5 that include software for the retirement calculator , processes and workflow phases of the project.

Karen Williams reviewed the City of Lansing Employees Retirement System Monthly Investment Report for the month ending December 2014.

The meeting adjourned at 9:07 a.m.

Minutes approved on \_\_\_\_\_

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Angela Bennett, Secretary  
Employees Retirement System

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Scott Dedic, Chairperson  
Employees' Retirement System