

**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

July 23, 2015
Thursday, 8:30 a.m.

The Board met in regular session and was called to order at 8:36 a.m.

Present: Dedic, Good, Munroe, D. Parker, M. Parker, Wood – 6
Absent: Trustee Bernero , McCaffery, McIntyre

Others: Angela Bennett, Karen E. Williams, Finance Department.

It was moved by Trustee Wood and supported by Trustee Mark Parker to approve the Official Minutes of the Employees' Retirement System Board Regular Meeting of June 14, 2015.

Adopted by the following vote: 5 - 0

There were no public comments.

Secretary's Report. 1 new member(s), 0 reinstatement(s), 0 refund(s), 0 transfers, 2 retired. Total active membership: 316. Total deferred: 69. 1 death(s), Tsuyako DesRochers, died 7/7/2015, age 86, beneficiary of Teamster retiree. Refunds made since the last regular meeting amounted to \$0.00. Retirement allowances paid for the month of June 2015, amounted to \$1,903,877.64. Total retirement checks printed for the ERS System: 916. Eligible domestic relations orders received: 0. Domestic relations orders pending: 0. Eligible domestic relations orders certified: 0.

Trustee Wood requested that the total retirement checks printed for both systems be included in the secretary's report.

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

Cindy Fontus (District Court/Teamster), 11 years, 6 months of service credits, age 58, effective July 1, 2015. (From Deferred)

Adopted by the following vote: 6 – 0

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There were no requests for duty disability retirements.

There were no requests for non-duty disability retirements.

Karen Williams reported that Troy J. Stowell, Parks, Teamster, not vested had requested his accumulated contributions of \$19,852.01.

It was moved by Trustee Wood and supported by Trustee Munroe to approve the following request for refund of accumulated contributions:

Troy J. Stowell, Parks, Teamster, not vested \$19,852.01

Adopted by the following vote: 6 – 0.

Trustee Wood recommended that the Employees' Retirement System excuse Trustee McCaffery from the July meeting. Trustee Wood indicated that the City Council had not received information from the Mayor's Office regarding the McCaffery's resignation from the ERS Board. Trustee Wood stated that the City Charter provides 60 days for the Mayor to report the information to Council.

It was moved by Trustee Good and supported by Trustee Dedic to excuse Trustee McCaffery from the July Meeting of the Employees Retirement System Board.

Adopted by the following vote: 6 - 0

The Employees Retirement System Board noted that Attorney Ken Lane requested that he be excused from the July Meeting due to other work obligations.

The Employees Retirement System Board noted that Trustee McIntyre is an ex-officio member that does not need to be excused.

Karen Williams distributed conference information for the upcoming MAPERS Fall Conference and the NCPERS Public Safety Conference

Karen Williams reported that the Police and Fire Retirement Board voted to go have due diligence visits to Northern Trust and William Blair in early November Ms. Williams indicated once a decision had been made, the visits would need to be arranged in coordination with Asset Consulting Group (ACG).

Karen Williams reported that Trustee McIntyre informed her that the work on the Retirement Ordinance has been placed on hold due to outstanding issues with some of the union agreement.

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Karen Williams provided a legal counsel update of pending items. Ms. Williams discussed Attorney Lane's revision to the election policy that would prohibit no more than one such elected member from the same division in any one city department.

The ERS Board discussed the recommendation to the election policy provided by the legal counsel.

Trustee Dedic expressed concern on some of the language. He preferred at-large membership and a City Wide election for the elected members.

Trustee Munroe expressed concern about having balance on the Board, when re-organization changes membership in departments. Trustee Munroe recommended having at least one elected member designated as City-Wide.

Trustee Wood recommended that legal counsel work with the City Attorney's Office to provide an amendment to the Retirement Ordinance that had generic language allowing the ERS Board to modify the rules by policy. The Board requested that the election policy amendment be provided to City Council as soon as possible prior to the August Employees Retirement System Board meeting to bring the Board into compliance with the Ordinance.

Ms. Williams indicated that there was no movement of Senate Bill 280 since June.

Karen Williams distributed a recommendation from Asset Consulting Group to approve the amendment to the Invesco Mortgage Recovery Fund II. Ms. Williams reported that Attorney Ken Lane reviewed the amendment and provided a report that stated his consistent with the review by Asset Consulting Group. Attorney Lane did not have any concern with the amendment requested by Invesco.

It was moved by Trustee Dedic and supported by Trustee Good to approve the Invesco Mortgage Recovery Fund II amendment.

Adopted by the following vote: 6 – 0

Karen Williams provided a consent form to be signed by the chair of the ERS Board and submitted to Invesco.

Karen Williams informed the Employees Retirement System that the Retirement Office had received requests from organizations who wished to be linked to the web site. The Board decided to not allow links from outside nongovernmental agencies or organizations that were not vendors of the Retirement System due to security concerns.

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Trustee Mark Parker provided an update of the Tegrity software project. Trustee Parker reported that Tegrity and the City are working on security issues and have scheduled a go live for August.

Karen Williams reported that the Retirement Office is performing user acceptance testing on calculator, report, and actuarial processes. The Retirement Office will continue to work with Tegrity past the go live date to fine tune and continue the manual data migration. Ms. Williams also recommended that the Special Projects subcommittee meet to determine placement of the website estimator on the Retirement site.

Trustee Dennis Parker requested a status update on the actuarial data.

Ms. Bennett indicated that the financial data had been submitted to the actuary. Ms. Bennett reported that the demographic material had been submitted earlier and Boomershine would be reviewing the material and contacting the Finance department with the questions to complete the valuation.

Trustee Dedic reported that he would not be able to attend the August 20, 2015.

Ms. Williams presented Securities Lending Report for the month of June 2015.

It was moved by Trustee Wood and supported by Trustee Dedic to adjourn the Employees Retirement System Board meeting.

Adopted by the following vote: 6 – 0.

The meeting adjourned at 9:20 a.m.

Minutes approved on _____

Angela Bennett, Secretary
Employees Retirement System

Dennis R. Parker, Chairperson
Employees' Retirement System