

**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

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

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

Present: Dedic, McIntyre , Munroe, M. Parker, Wood – 5
Absent: Trustee Bernero, Good, McCaffery, D. Parker

Trustee Mark Parker presided.

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

It was moved by Trustee Dedic and supported by Trustee McIntyre to approve the Official Minutes of the Employees' Retirement System Board Regular Meeting of September 17, 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, 0 retired. Total active membership: 327. Total deferred: 70. 3 death(s), Edmund Bennett (NonBargaining, retired 5/19/1973), died 9/17/2015, age 83, no beneficiary; Bonita Schade (Teamster 243, retired 7/16/2010), died 9/23/2015, age 71, no beneficiary; Vera M. Horn, died 10/11/2015, age 93, spouse of NonBargaining retiree. Refunds made since the last regular meeting amounted to \$0.00. Retirement allowances paid for the month of September 2015, amounted to \$1,901,828.42. Total retirement checks printed for the ERS System: 915. Total Retirement checks printed for both systems: 1630. 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 McIntyre to approve the following requests for Regular Age and Service Retirements:

Karen Olds (Public Service/UAW), 13 years, 5 months of service credits, age 54, effective September 21, 2015. (Nonduty Death)

Brian R. Davis (Public Service/Teamster 243), 25 years, 5 months of service credits, age 57, effective October 24 ,2015.

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It was moved by Trustee Wood and supported by Trustee McIntyre to approve the following requests for Regular Age and Service Retirements (continued):

Terri Taylor (Human Resources/Executive Management), 8 years, 9 months of service credits, age 58, effective November 1, 2015. (From Deferred)

Zubair Ahmad, (Public Service/Teamster 214), 18 years, 1 months of service credits, age 66, effective November 2, 2015.

Adopted by the following vote: 5- 0

There were no requests for duty disability retirements.

There were no requests for non-duty disability retirements.

There were no refunds of refund of accumulated contributions

Karen Williams reported that Trustee Dennis Parker and Trustee Good contacted the Retirement Office and indicated that they would not be available for the October meeting.

It was moved by Trustee Carol Wood and supported by Trustee Dedic to excuse Trustee McCaffery and Trustee Dennis Parker from the October Meeting of the Employees Retirement System Board.

The ERS Board noted that Trustee Good is an ex-officio member and does not need to be excused.

Adopted by the following vote: 5 - 0

Trustee McIntyre left the meeting.

Attorney Ken Lane reviewed the amendment to the ERS Board election policy. The policy as revised to allow no more than one elected member from the same division in any one city department.

The election policy was moved to pending to allow time for trustees to review the document.

Trustee Mark Parker provided an oral report of his attendance at the MAPERS Fall Conference. Trustee Parker stated that the conference was dominated by actuaries. He reviewed the workshop he attended that featured Mr. Greg Stump, the Board's Actuary.

Trustee Dedic provided his oral report of his attendance at the MAPERS Fall Conference. Trustee Dedic discussed commodities and other asset classes.

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Attorney Lane reported that he attended the legislative breakfast at the MAPERS Fall Conference. He noted that SB 102 would affect the State Teachers public retirement plan and would switch them from a hybrid Defined Benefit/Defined Contribution Plan to a Defined Contribution Plan.

Attorney Lane also reported upon HB 4522/4523 that would expand subpoena powers of the Senate Oversight Committee to attain non-public records from public bodies throughout the state. Attorney Lane stated that public pension systems would fall under this bill.

Karen Williams reported that the due diligence visit to see Northern Trust and William Blair was being arranged for November 5. Members are traveling by train and the Retirement Office will coordinate hotel arrangement with Asset Consulting Group.

Attorney Ken Lane also updated the Employees Retirement Board regarding Tegrit's request to prepare a press release including the City of Lansing as one of its clients. Also, the request wanted to include the City of Lansing and its logo on the Tegrit website and promotional material.

Attorney Ken Lane requested a copy of the press release to be reviewed by the Retirement Boards prior to granting permission to use the City logo.

The Employees Retirement System Board reviewed the draft valuation for the year ending 12/31/2014.

Attorney Lane recommended that the ERS Board vote to maintain its 7.6% assumption rate when it votes upon the valuation.

Trustee Wood noted to that she gave a report to City Council regarding the retirement boards. She noted that the City contributions were approximately \$500,000 less this year.

Trustee Wood also discussed the Lansing Financial Health Team meeting and expressed concern that the team had not met with the Retirement Boards.

Trustee Wood recommended a joint Retirement Board meeting with the Financial Health Team, the actuary and investment advisor to address misinformation and other issues.

Trustee Dedic noted that there was no distinction or separation made between the two retirement system plans and health care plans when unfunded liabilities are reported. He noted that the majority of the unfunded liability was for current retirees. Trustee Dedic discussed that the ERS Board has taken corrective action on vesting, amortization schedules, and valuation returns that would impact future retirees.

Trustee Wood noted that there are still many funded vacancies within the City.

The SAS 70/Custody and Fund Services SOC 1 Report was distributed for Board review.

Ms. Williams presented Monthly Investment Report and the Securities Lending Report for the month of September 2015.

The meeting adjourned at 9:17 a.m.

Minutes approved on _____

Angela Bennett, Secretary
Employees Retirement System

Mark Parker, Vice Chairperson
Employees' Retirement System