

**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

April 21, 2016
Thursday, 8:30 a.m.

The Board met in regular session and was called to order at 8:44 a.m.

Present: Dedic, Munroe, D. Parker, M. Parker, Riley (8:56), Wood – 6

Absent: Trustee Bernero, Good, Kraus

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

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: 329. Total deferred: 70. 2 death(s), Bonnie Foster, died 3/15/2016, age 85, spouse of Teamster retiree; Stanley Curtis (retired 7/22/1989/Nonbargaining), died 3/23/2016, spouse to receive 50%. Refunds made since the last regular meeting amounted to \$0.00. Retirement allowances paid for the month of March 2016, amounted to \$1,911,400.84. Total retirement checks printed for the ERS System: 916. Total Retirement checks printed for both systems: 1635. Eligible domestic relations orders received:0. Domestic relations orders pending: 1. Eligible domestic relations orders certified: 0.

There were no requests for Regular Age and Service retirements.

Karen Williams reported that the Retirement Office was waiting for documentation for the Applicant #2016-E0317 to submit the Medical Director for processing.

There were no requests for Non-Duty Disability Retirement.

There were no requests for Refund of Accumulated Contributions.

Karen Williams stated that Trustee Good was unable to attend the April Employees Retirement System Board meeting due to training. Karen Williams also reported that Trustee Kraus requested to be excused from the April Employees Retirement System Board meeting.

Trustee Wood noted that Trustee Good did not need to be excuse because she is ex-officio.

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It was moved by Trustee Wood and supported by Trustee Munroe to approve the official minutes of the Employees' Retirement System Board Meeting of March 17, 2016.

Adopted by the following vote: 5 – 0.

It was moved by Trustee Mark Parker and supported by Trustee Wood to excuse Trustee Kraus from the April Employees Retirement System Board meeting.

Adopted by the following vote: 5 - 0

Karen E. Williams reported that MAPERS Spring Conference will be held May 20 – May 24, 2016. She requested that members who wished to attend should contact the Retirement Office.

Attorney Ken Lane reported that the Retirement Ordinance is under review with the City Attorney's Office and should be completed for review at the next meeting.

Attorney Ken Lane inquired if members had an opportunity to review the amended Employees Retirement System Board Plan Summary document to include new trustees. The Board will review at the next meeting.

Trustee Riley entered the meeting.

Karen Williams reviewed a request for employee, Michael Keith, for his ERS accumulated contributions that have expired. MMs. Williams explained that Mr. Keith was a former member of the ERS system as a dispatcher. Mr. Keith was advised by Retirement Staff at the time that he could use the reciprocal retirement act to combine his ERS time with the Police and Fire System to collect both pensions. Mr. Keith was not vested in the ERS system.

Attorney Ken Lane discussed his legal opinion that members could not combine their Employees Retirement System service with Police and Fire Retirement System service through the Reciprocal Retirement Act. Attorney Lane explained the case was similar to a case with police officer who had former ERS time.

It was moved by Trustee Mark Parker and supported by Trustee Wood based upon the legal counsel recommendation that ERS contributions balance be refunded to Mr. Michael Keith upon his retirement or separation of service from the City of Lansing.

Adopted by the following vote: 6- 0

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Karen Williams distributed a draft agenda for the Asset Consulting Group (ACG) Educational Forum, May 11, 2016. Ms. Williams requested suggestions from the Trustees regarding agenda topics to be forwarded to ACG.

Karen Williams distributed a memo from Asset Consult Group recommendation for moving Comerica account to the "J" fund. Mr. George Tarlas also provided a recommendation that monies in excess of the quarterly cash flow needs be invested in the portfolio.

Trustee Mark Parker expressed concern that there was a missed opportunity to invest the monies in the portfolio. Trustee Parker explained that the Employees Retirement Board delayed action on the recommendation so that ACG could contrast the treasurer's recommendation of certificate of deposits and the "J fund" versus investment in the portfolio due to the volatile market.

It was moved by Trustee Wood and supported by Trustee Mark Parker to approve the recommendation from Asset Consulting Group to invest \$1,000,000 into the Integrity portfolio, invest \$1,000,000 into the William Blair portfolio, invest \$4,400,000 into the Lazard portfolio, and invest \$1,000,000 into the Earnest Partners portfolio.

Adopted by the following vote: 6-0.

Trustee Wood expressed concern regarding the bonding of the data entry position. Trustee Wood requested that legal counsel review the bonding status.

Attorney Lane inquired if the data entry position would be contracted through the Retirement Board or through the City of Lansing.

Ms. Angela Bennett stated that it would be the Retirement Board's decision to contract with Personnel World.

Karen Williams provided the monthly investment report and Securities Lending report for the month of March 2016.

Ms. Bennett wanted to clarify that she recollected the recommendation from Trustee Good regarding the "J Fund" was not a proposal for the excess cash, but informative for the Comerica account in general. Ms. Bennett explained that she recollected the concern of the Retirement Board was due to the volatility of the market and the timing of the investment.

Trustee Mark Parker expressed concern that the Retirement Board missed out on the investment gains for the previous month by waiting.

Trustee Dedic provided his report on the One Day Mapers Seminar.

It was moved by Trustee Mark Parker and supported by Trustee Munroe to adjourn the meeting.

Adopted by the following vote: 6 – 0.

The meeting adjourned at 9:17 a.m.

Minutes approved on _____

*Angela Bennett, Secretary
Employees Retirement System*

*Dennis R. Parker, Chairperson
Employees' Retirement System*