

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

The Board met in regular session and was called to order at 8:35 a.m.

Present: Dedic, Good, Kraus, D. Parker, M. Parker, Wood. –6

Absent: Trustee Bernero, Munroe, Riley

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

It was moved by Trustee Mark Parker and supported by Trustee Good to approve the Official Minutes of the Employees' Retirement System Board Meeting of June 16, 2016.

Adopted by the following vote: 6 - 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: 326. Total deferred: 71. 0 death(s). Refunds made since the last regular meeting amounted to \$0.00. Retirement allowances paid for the month of June 2016, amounted to \$1,904,654.65. Total retirement checks printed for the ERS System: 914. Total Retirement checks printed for both systems: 1645. 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 Mark Parker to take item seven (7) out of order.

Adopted by the following vote: 6 – 0.

The Board moved to Request for Duty Disability.

Karen Williams reported that Applicant #2016 – E0317 submitted a letter requesting to withdraw the application from duty disability after seeing the medical director. The applicant had reached the age of 58 and wanted to retire. Ms. Williams indicated that the Employees Retirement System Board does not have a formal policy for withdrawal, so she contacted the Board chair and legal counsel for direction.

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Attorney Ken Lane opined that although the Employees Retirement System Board does not have a formal policy, a member can withdraw an application until a decision has voted upon the request.

It was moved by Trustee Wood and supported by Trustee M. Parker to approve the withdrawal of Applicant #2016 –E0317 request for duty disability.

Adopted by the following vote: 6 – 0.

Attorney Lane recommended that ERS Board have a disability withdrawal policy drafted similar to the Police and Fire Retirement System policy.

Karen Williams reported that Applicant #2016 –E0721 has submitted a letter of request for duty disability retirement.

Trustee Dennis Parker referred the item to the disability subcommittee.

The Employees Retirement System Board recessed to all the disability subcommittee to meet. The Board recessed at 8:37 a.m.

The Board resumed at 8:40 a.m.

It was moved by Trustee Good and supported by Trustee Mark Parker to refer Applicant #2016-E0721 to the medical director for evaluation.

Adopted by the following vote: 6 – 0.

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

Steven James (Public Service/UAW), 16 years, 6 months of service credits, age 58, effective June 28, 2016.

John McAllister (Planning/Teamster), 12 years, 9 months of service credits, age 66, effective August 14, 2016.

Adopted by the following vote: 6 - 0

There were no requests for Non-Duty Disability Retirement.

There were no requests for Refund of Accumulated Contributions.

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Karen Williams reported that Trustee Munroe contacted the Retirement Office and chair to request an excuse for the meeting due to an appointment.

It was moved by Trustee Kraus and supported by Trustee Wood to excuse Trustee Munroe from the Employees Retirement System July meeting.

Adopted by the following vote: 6 – 0.

Karen Williams distributed the agenda and registration materials for the MAPERS Fall Conference, September 17 – September 20, 2016.

Attorney Ken Lane reported that the Retirement Ordinance is under review with the City Attorney's Office. Attorney Lane informed Human Resources and the City Attorney's Office that the Retirement Ordinance regarding the 90 –day requirement after City Council ratifies collective bargaining agreements.

Karen E. Williams distributed a report regarding the Retirement Board Trustee Election. The deadline for turning in nominating petitions for term of office as Trustee of the Employees Retirement System Board was Thursday, June 16, 2016. One petition was received from Mr. Mark Parker, and has been certified by the Secretary of the Board. Since there was only 1 candidate for the position, it was not necessary to conduct a Primary or General election in accordance with the Employees Retirement System Board Election rules. Mr. Mark Parker filed a valid petition and ran unopposed. He was declared the winner for the office of Employees Retirement Board Trustee, with his term expiring June 30, 2020.

It was moved by Trustee Wood and supported by Trustee Kraus to approve and confirm Mr. Mark Parker to the office of Employees Retirement System Board Trustee, with a term that expires June 30, 2020.

Adopted by the following vote: 6 -0.

Angela Bennett reported that council staff requested that she bring to the Police and Fire Retirement Board an outstanding amount on a Boomershine bill. Ms. Bennett did not believe that the outstanding amount of \$1710 was a retirement board expense.

Trustee Wood explained that the Boards discussed the importance of having Boomershine present to the council. Trustee Wood indicated that the City Council did pay for the actuary's travel expenses. Trustee Wood indicated that the preparation and materials were the same that was provided to Retirement Board.

Trustee Good expressed concern that future presentations should be coordinated and the amount determined in advance.

It was moved by Trustee Wood and supported by Trustee Good to pay the costs of the outstanding bill from the Police and Fire Retirement System and split the costs with the Employees Retirement System.

Adopted by the following vote: 6 - 0

Karen E. Williams distributed recommendation from Asset Consulting Group for \$6 million dollars quarterly cash flow needs by redeeming 3 million dollars from Northern Trust S & P Index portfolio and redeem \$3 million from the TRowe Price portfolio.

It was moved by Trustee Mark Parker and supported by Trustee Wood to redeem \$3,000,000 from the Northern Trust S & P 500 index, and \$3,000,000 from the T. Rowe Price fund for quarterly cash flow needs.

Adopted by the following vote: 6 -0

Karen Williams indicated that Asset Consulting Group Due Diligence could be held September 26-27. The Employees Retirement System Board requested additional dates October 3 -4 for consideration to accommodate more members.

Trustee Kraus recommended sending an email and polling the members to see who could attend the September dates.

The ERS Board discussed obtaining employee contracts for retirees who have returned to work for the City. The Board requested to review the individual contracts. Human Resources indicated that there was some concern regarding the release of the information and was checking with the City Attorney's Office.

Attorney Lane stated that some information may need to be redacted before Board review. The contracts are being reviewed to make sure it complies with the current IRS guidelines. Attorney Lane indicated that the IRS code is still being reviewed and may be amended to provide a safe harbor for retirees as contract employees.

Karen Williams provided the Monthly Investment Report for the month of June 2016.

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

Adopted by the following vote: 6 – 0.

The meeting adjourned at 9:11 a.m.

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

*Angela Bennett, Secretary  
Employees Retirement System*

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