

**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

November 10, 2016  
Thursday, 8:30 a.m.

The Board met in regular session and was called to order at 8:37 a.m.

Present: Dedic, Good, Kraus (8:38), Munroe, D. Parker, M. Parker, Wood. –7

Absent: Trustee Bernero, Riley.

Others: Karen E. Williams, Finance Department; Trustee Robert Rose, Police and Fire Retirement System Board; Attorney Kenneth Lane, Clark Hill (representing the City Attorney's Office).

It was moved by Trustee Wood and supported by Trustee Good to approve the Official Minutes of the Employees' Retirement System Board Meeting of October 20, 2016.

Adopted by the following vote: 6 - 0

It was moved by Trustee Wood and supported by Trustee Mark Parker to take up all voting items on the agenda, out of order.

Adopted by the following vote: 6- 0

Karen Williams indicated that the Employees' Retirement System Board maintains memberships with several professional organizations. The respective dues for 2017 are MAPERS, \$100; NCPERS, \$250; IFEBP, \$497.50 and are paid with administrative funds.

It was moved by Trustee Mark Parker and supported by Trustee Munroe to approve the payment of Employees' Retirement System Board membership fees for MAPERS, NCPERS and IFEBP for 2017.

Adopted by the following vote: 6-0.

Karen Williams distributed the actuarial valuation for the period ending 12/31/2015 for Board acceptance.

Trustee Wood explained that Mr. Greg Stump reviewed the actuarial valuation at the October meeting. Trustee Wood indicated that the experience study would be available for review at the next meeting. She recommended acceptance of the Board report.

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It was moved by Trustee Wood and supported by Trustee Good to accept the Employees' Retirement System actuarial valuation for the period ending 12/31/2015.

Adopted by the following vote: 7 – 0.

Trustee Dedic left the meeting.

There were no public comments.

4 new member(s), 0 reinstatement(s), 0 refund(s), 0 transfers, 0 retired. Total active membership: 335. Total deferred: 72. 1 death(s), Steven G Chapela, died 10/8/2016, age 89, spouse of District Court retiree. Refunds made since the last regular meeting amounted to \$0.00. Retirement allowances paid for the month of October 2016, amounted to \$1,894,787.13. Total retirement checks printed for the ERS System: 907. Total Retirement checks printed for both systems: 1637. Eligible domestic relations orders received:0. Domestic relations orders pending: 0. Eligible domestic relations orders certified: 0.

There were no requests for regular age and service retirements.

Karen Williams reported that Applicant #2016-E0721 request for duty disability retirement is listed as pending. The Medical Director has seen the applicant and requested direction regarding the report provided to the Board. Dr. Roth asked the Retirement Office if the medical director was responsible for making the determination of duty or non-duty disability.

Ms. Williams indicated that she contacted legal counsel and received a copy of the legal memorandum indicating the Medical Director responsibilities. The legal opinion reviewed that the Medical Director was responsible for determining if the applicant is disabled or not. It was the Employees Retirement System Board's decision to determine if the disability was duty related or non-duty related. The memo was provided to Dr. Roth.

Attorney Ken Lane opined that under the Retirement Ordinance, the Board has the final determination if a disability is duty related. In the past the Medical Director has provided his opinion if the disability was duty related or non-duty, and the Retirement Board can rely on the opinion if provided.

Trustee Dennis Parker clarified that he was aware of the issue. The problem arose because the City denied the applicant's worker's compensation initially. The issue would be settled within the next few weeks.

Karen Williams reported that Applicant #2016-E0915 for Non-Duty disability retirement is listed as pending. The Retirement Office is waiting for requested medical release and documents.

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Trustee Wood mentioned that the Police and Fire Retirement Board were planning to review the medical director Request for Proposal. Trustee Wood recommended that the medical director be reviewed in accordance with the Employees' Retirement System Board policy. Trustee Wood requested a report on all ERS Board vendors.

Attorney Lane clarified that the ERS Policy indicates that all vendors should be evaluated every five years. Attorney Lane indicated that the investment managers do come in periodically for performance reports.

There were no requests for refunds of accumulated contributions.

Ms. Williams indicated that Trustee Riley contacted the Retirement Office and would not be able to attend the November meeting.

Attorney Lane reported that the Employees' Retirement System Ordinance is still being reviewed and updated by Human Resources.

Attorney Lane distributed the amended Frequently Asked Questions documents for Board review. Attorney Lane also discussed updating election policy prior to the next election in June.

Attorney Lane reviewed the SAS 70/Custody and Fund Services SOC 1 Report that was distributed for Board review. He opined that there are no substantive changes in the report. The Report reviews the security procedures taken to protect assets.

The Employees' Retirement Board requested that the report be provided to the Information Technology director for review. The Board also requested that the IT Director be invited to the next board meeting to discuss cyber security.

Ms. Williams reported that the Retirement Board webpage has been updated to make it more user-friendly, so the public could find agendas, minutes and Board documents.

Ms. Williams distributed the 2017 Schedule of Board meetings.

Attorney Ken Lane indicated that employee contracts have been redacted and should be available at the December meeting for review.

Karen Williams reported that she contacted Gabriel, Roeder, Smith regarding providing a link to Minute Manager and a process to approve users for archived minutes. Gabriel, Roeder, Smith explained that the process to approve and maintain users would be detailed and costly.

Karen Williams indicated that the Police and Fire System tasked Trustee Rose with contacting the City Clerk to provide options for reviewing and searching archived minutes.

Trustee Rose explained that he had a preliminary conversation with the City Clerk's Office. The City Clerk's Office has future plans to coordinate archived minutes with the various departments and boards.

Karen Williams provided the Quarterly Expense Report and Securities Lending Report for the month of October.

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 9:10 a.m.

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

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*Angela Bennett, Secretary  
Employees' Retirement System*

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