

**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

May 18, 2017
Thursday, 8:30 a.m.

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

Present: Dedic, Good, Houghton, Kraus, Munroe, D. Parker, M. Parker –7

Absent: Trustee Bernero, Riley

Others: Karen E. Williams, Angela Bennett, 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 Kraus supported by Trustee Good to approve the Official Minutes of the Employees' Retirement System Board Meeting of April 20, 2017.

Adopted by the following vote: 7 – 0

Secretary's Report:

2 new member(s), 0 reinstatement(s), 0 refund(s), 0 transfers, 2 retired. Total active membership: 368. Total deferred: 71. 1 death(s) James White, (retired 3/8/1999 – T214, died 4/11/2017, age 72, no beneficiary. Refunds made since the last regular meeting amounted to \$6,482.72. Retirement allowances paid for the month of April 2017, amounted to \$1,909,771.80. Total retirement checks printed for the ERS System: 906. Total Retirement checks printed for both systems: 1641. Eligible domestic relations orders received: 0. Domestic relations orders pending: 0. Eligible domestic relations orders certified: 0.

It was moved by Trustee Good and supported by Trustee Dedic to approve the following requests for Regular Age & Service Retirement:

John H. Klein, (Planning&Development/T243 CTP), 13 years, 11 months of service credits, age 58, effective May 1, 2017. (From Deferred)

Debra D. Miller (District Court/T243), 17 years, 6 months of service credits, age 62, effective May 6, 2017.

Adopted by the following vote: 7 - 0

There were no duty disability retirement requests.

There were no non-duty disability retirement requests.

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It was moved by Trustee Kraus and supported by Trustee Munroe to approve the following request for Refund of Accumulated Contributions:

Charles W. Bynum, T243 Supervisory, not vested, \$935.61

Adopted by the following vote: 7 – 0

Karen Williams reported that the Retirement Office received notification from Trustee Houghton, Monroe and Riley stated that they would not be able to come to the meeting. The trustees requested to be excused from the May meeting.

It was moved by Trustee Good and supported by Trustee Dedic to excuse Trustee Houghton, Trustee Munroe and Trustee Riley from the May meeting.

Adopted by the following vote: 7 – 0.

Karen Williams reported that MAPERS Annual Spring Conference is scheduled for May 20-23, 2017 in Acme, Michigan. Ms. Williams requested that members who were interested in attending to contact the Retirement Office.

Karen Williams reported that the IFEBP Annual Conference is scheduled for November 8-11, 2017. Ms. Williams indicated that approval must be provided by the Retirement Board for those members who wished to attend.

It was moved by Trustee Kraus and supported by Trustee Parker to allow members to attend the IFEBP Annual Conference

Adopted by the following vote: 7– 0.

Trustee Mark Parker distributed a preliminary agenda for members to review.

There are no public comments.

Attorney Ken Lane updated the Board that the Retirement Ordinance is under review in the City Attorney's Office.

Attorney Lane reviewed the Policy regarding the purchase of service credits. The policy lists the procedure and makes clear that the member must be employed as a city employee to buy service credits.

It was moved by Trustee Kraus and supported by Trustee Good to approve the amended budget for the Employees' Retirement System Board. .

Adopted by the following vote: 7 – 0.

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Attorney Lane reported that the Retirement Ordinance is still be worked on in the City Attorney's Office.

Attorney Lane reviewed the documents from the MAPERS One-Day Conference regarding issues raised ethics in financial markets workshop the Trustee Dedic attended. Attorney Lane reviewed the Board's Code of Conduct policy and opined the current policy is compliant with Public Act 314. Attorney Lane recommended no changes at this time.

Attorney Lane discussed Public Act 530 which amends Public Act 314 that requires pension and retirement health systems to provide an annual report to the State Treasurer's Office as of March 29, 2017. The State Treasury Department has posted official guidelines posted for submitting reports. Ms. Bennett, Secretary of the Board will submit the annual report that includes the actuarial valuation and the year-end financial report. Attorney Lane reported that the Board will need to provide a report to Treasury that details the action to improve the funding level.

Ms. Bennett reported that there may be an additional cost from Boomershine to provide the report.

Attorney Lane distributed the Frequently Asked Question document for Board trustee review. Attorney Lane recommended that the members update the Employees Retirement System handbook at a future meeting.

Karen Williams reported two nominating petitions were distributed for the position that Trustee Dennis Parker was elected that expires June 30, 2017. Nominating petitions are due June 15, 2017.

Ms. Bennett reported that the Segal Legacy Study has been completed and has been added to the Finance Department webpage. Ms. Bennett discussed the scope of the pension and health care review. Ms. Bennett indicated the pension evaluation was a higher level that looked at assumptions. Ms. Bennett also discussed the health care review. Segal provided recommendations in the report for review by the City.

Trustee Dennis Parker attended the ABS Conference regarding private equity. Trustee Parker discussed the workshops detailing emerging markets. Presenters reviewed the economies of Russia, Asia and Brazil markets. Trustee Parker attended a roundtable where presenters responded to questions.

Trustee Dedic also reported on the ABS Conference regarding private equity. Trustee Dedic discussed the presenter who contrasted the Asian and United States economies. Trustee Dedic stated the program was well-done and informative.

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Attorney Lane reported that the City Attorney's Office was working on a report regarding their review of contract employees who have retired from the City of Lansing for Employees' Retirement System Board. The Board has requested a copy of the report.

Karen Williams reported that she met with Trustee Rose and Angela Bennett to review the Gabriel Roeder Smith Minute Master service. Ms. Williams indicated that the City does not have anything similar at this time. The records are indexed and are searched for keywords. The cost to update Minute Master would be \$3,300. The cost for maintenance would be \$500.

Trustee Rose reported that he had the opportunity to review the Minute Master software. Trustee Rose noted that Retirement records are searchable and more detail and more in-depth information could be found quickly. Trustee Rose recommended that the Board update the Minute Master Service.

Ms. Bennett added that with the software, a user had the ability to research an issue back to 1944 and felt the system was more efficient.

Attorney Lane reported that he has used the Minute Master books before and have found the service useful.

It was moved by Trustee Munroe and supported by Trustee Kraus to approve the Minute Master Software update.

Adopted by the following vote: 7 – 0

Karen Williams reported that Retirement Office requested that the Chief Information Officer address trustee table or establishing a trustee portal on the City of Lansing Web Site at the next Joint Meeting.

Attorney Lane distributed the Medical Director Request for Proposal at the last meeting for Board review.

Kraus thought it would be more efficient to do the request for proposal at the same time.

Karen Williams reviewed the Quarterly Expenses Report and the Securities Lending Report for the month ending April 30, 2017. .

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

Adopted by the following vote: 7– 0.

The meeting adjourned at 9:12 a.m.

Minutes approved on _____

*Angela Bennett, Secretary
Employees' Retirement System*

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