

**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

August 17, 2017
Thursday, 8:30 a.m.

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

Present: Good, Kraus, D. Parker, M. Parker, Riley –5

Absent: Trustee Bernero, Dedic, Houghton, Munroe

Others: Karen E. Williams, Finance Department; 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 July 20, 2017.

Adopted by the following vote: 5 – 0

Secretary's Report:

1 new member(s), 0 reinstatement(s), 0 refund(s), 0 transfers, 0 retired. Total active membership: 374. Total deferred: 73. 4 death(s), Robert Cool, (retired 1/5/1993 – Non Bargaining), died 7/22/2017, age 73, beneficiary to receive 100%; Charlotte I. Smith, (retired 8/20/1981 – Non Bargaining), died 7/22/2017; age 98, no surviving beneficiary; Marilyn Sperry, died 7/24/2017, 82, spouse of Teamster retiree; Jane Freeman, died 8/3/2017, age 97, spouse of Non Bargaining retiree.. Refunds made since the last regular meeting amounted to \$4,473.30. Retirement allowances paid for the month of July 2017, amounted to \$1,915,999.61. Total retirement checks printed for the ERS System: 908. Total Retirement checks printed for both systems: 1643. Eligible domestic relations orders received:0. Domestic relations orders pending: 0. Eligible domestic relations orders certified: 0.

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

Calvin L. Baxter, (Public Service/T243 Supervisory), 14 years, 9 months of service credits, age 69, effective August 18, 2017.

Adopted by the following vote: 5 – 0

There were no duty disability retirement requests.

**Employees' Retirement System
Regular Meeting of August 17, 2017
Page 2**

Karen Williams reported that there was a request for non-duty disability for Applicant 2017-E0817.

It was moved by Trustee Good and supported by Trustee Riley to refer the Applicant 2017-E0817 to the medical director for evaluation upon receipt of his medical records.

Adopted by following vote: 5 – 0

Karen E. Williams reported that there were three requests for refund of accumulated contributions: Brian F. Moore, UAW, not vested, \$359.02; Steven Deines, UAW, vested, \$8,520.82; and Rhonda Mensch, FOP 911, vested, \$34,166.62.

It was moved by Trustee Mark Parker and supported by Trustee Kraus to approve the following requests for refunds of accumulated contributions:

Brian F. Moore, UAW, not vested, \$359.02
Steven Deines, UAW, vested \$8,520.82
Rhonda Mensch, FOP 911, vested, \$34,166.62

Adopted by the following vote: 5 - 0

Trustee Dennis Parker reported that he received notification from Trustee Dedic and Trustee Munroe that they would not be able to come to the meeting. Karen Williams reported that Trustee Houghton contacted the Retirement Office and requested an excuse from the meeting.

It was moved by Trustee Mark Parker and supported by Trustee Kraus to excuse Trustee Dedic, Houghton and Munroe from the August meeting.

Adopted by the following vote: 5 – 0.

Karen Williams reported that MAPERS Fall Conference is scheduled for September 16-19, 2017. Ms. Williams requested that members who wished to register for the conference could contact the Retirement Office.

Karen Williams distributed an updated City of Lansing Travel Policy.

Attorney Lane added that the Retirement Board automatically adopts the City Travel policy and includes it by reference in the Board's retirement policy

There were no public comments.

Attorney Lane reported that the Retirement Ordinance is under review.

Employees' Retirement System
Regular Meeting of August 17, 2017
Page 3

Attorney Lane updated the Employees Retirement System Board regarding 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. The legislation also required an action list from the Board that would improve the funding level. Attorney Lane reviewed the action list that will be forwarded to the State Treasury upon final review from the Board.

It was moved by Trustee Good and supported by Trustee Kraus to accept the City of Lansing Funding information Report as amended.

Adopted by the following vote: 5 -0

Attorney Lane also distributed updated City Charter, updated Public Act 314 and other statutes for the Trustee Handbook.

Attorney Lane reported to the Board that the death check vendor, PBI was purchased by the ITM TwentyFirst Companies. Attorney Lane reviewed the notice from PBI and the contract and found no substantive changes.

Attorney Lane reviewed the Invesco Self-Certification for Entities Form and has the document ready for the chair's signature.

Karen Williams reviewed the Asset Consulting Group Quarterly Cash flow recommendations to meet retirement system obligation of \$6 million:

- Redeem \$2 million from William Blair
- Redeem \$1 million from Integrity

It was moved by Trustee Good and supported by Trustee Mark Parker to approve the quarterly cash flow redemption of \$6 million as recommended by Asset Consulting Group and to redeem \$15,000 from Securities Lending for the Board's Administrative Expenses.

Adopted by the following vote: 5 – 0.

Karen Williams reviewed that Asset Consulting Group has recommended that the final settlement of \$547,173 be invested with ABS.

It was moved by Trustee Mark Parker and supported by Trustee Good to approve the investment of \$547,173 as recommended by Asset Consulting Group.

Adopted by the following vote: 5 – 0.

Karen Williams provided dates for the due diligence visits to Wasatch, Franklin Templeton and Western Asset as recommended by Asset Consulting Group. The proposed trip would be scheduled for the week of December 11-15.

Attorney Lane reported that the City Attorney's Office has reviewed all of the contract employees. The current contracts are in accordance with IRS regulations and a procedure has been put in place going forward.

The Board requested written notification of the City Attorney's finding regarding the contract employees.

Karen Williams updated the Board regarding the remote access for Trustees. The Information Technology department requested a VPN form be completed and submitted to implement the remote access.

Karen Williams reviewed the Quarterly Expenses Report for the period ending June 30 2017 and the Securities Lending Report for the month ending July 31, 2017. .

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

Adopted by the following vote: 5 – 0.

The meeting adjourned at 8:59 a.m.

Minutes approved on _____

*Angela Bennett, Secretary
Employees' Retirement System*

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