

**OFFICIAL PROCEEDINGS OF THE BOARD OF  
TRUSTEES  
CITY OF LANSING  
EMPLOYEES' RETIREMENT SYSTEM**

Regular Meeting  
Council Conference Room  
10th Floor, City Hall  
Lansing, MI

November 9, 2017  
Thursday, 8:30 a.m.

The Board met in regular session and was called to order at 8:33 a.m.

Present: Dedic, Good, Houghton, Kraus, Munroe (8:49), D. Parker, M. Parker - 7.  
Absent: Trustees Bernero, Riley

Others: Karen E. Williams, Angela Bennett, Finance Department; Attorney Ken Lane, Clark Hill (representing the Law Department); Greg Stump, Boomershine Consulting Group; Nathan Burk, Asset Consulting Group.

It was moved by Trustee Good and supported by Trustee Dedic to approve the Official minutes of the Employees' Retirement System Regular Meeting of October 19, 2017.

Adopted by the following vote: 6 – 0.

13 new member(s), 0 reinstatement(s), 0 refund(s), 0 transfers, 0 retired. Total active membership: 394. Total deferred: 75. 1 death(s), Barbara Scott, died October 4, 2017, age 79, spouse of NonBargaining retiree. Refunds made since the last regular meeting amounted to \$0.00. Retirement allowances paid for the month of October 2017, amounted to \$1,911,682.57. Total retirement checks printed for the ERS System: 906. Total Retirement checks printed for both systems: 1640. Eligible domestic relations orders received:0. Domestic relations orders pending: 0. Eligible domestic relations orders certified: 0.

It was moved by Trustee Kraus and supported by Trustee Good to approve the following requests for regular age and service retirements:

Marilyn Brown, (Teamster), 8 years, 4 months of service credits, age 58, effective November 1, 2017 (From Deferred)

Elizabeth Barnhill, (Police/Civilian –Teamster 243), 12 years, 9 months of service credits, age 58, effective December 1, 2017 (From Deferred)

Kevin J. GoForth (Fire/Civilian -Teamster 243), 9 years, 10 months of service credits, age 58, effective December 1, 2017 (From Deferred)

Adopted by the following vote: 6 – 0.

Karen Williams reported there was a request for Duty Disability retirement from Applicant 2017-E1109.

**Employees Retirement System  
Regular Meeting of November 9, 2017  
Page 2**

The request for duty disability was referred to the disability subcommittee for review.

It was moved by Trustee Kraus and supported by Trustee Dedic to recess the Employees Retirement System meeting to allow the disability subcommittee to meet.

Adopted by the following vote: 6 – 0.

The meeting recessed at 8:37.

The meeting resumed at 8:40

It was moved by Trustee Good and supported Trustee Kraus to refer the applicant 2017-E1017 to the medical director for duty disability evaluation.

Adopted by the following vote: 6 -0.

Karen Williams updated the Retirement Board regarding Applicant #2017-E0817 request for nonduty disability and Applicant 2017 –E1017 request for duty disability. The Retirement Board is waiting for the applicants' medical records.

There were no requests for refunds of accumulated contributions.

It was moved by Trustee Good and supported by Trustee Kraus to excuse Trustee Monroe from the November Employees Retirement System Board meeting.

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 2018 are MAPERS, \$100; NCPERS, \$250; IFEBP, \$512.50 and are paid with administrative funds.

It was moved by Trustee Good and supported by Trustee Kraus to approve the payment of Employees' Retirement System Board membership fees for MAPERS, NCPERS and IFEBP for 2018.

Adopted by the following vote: 6-0.

Trustee Dedic reported to the Board that he attended the IFEBP Conference. He provided an overview of the conference, attended workshops crossing generational divides, how to relate to millennials, health care issues, and how commodities can enhance investments.

Trustee Dennis Parker also attended the IFEBP Conference, He also attended the workshop about crossing generational divides, and he discussed workshops regarding understanding the actuarial math.

**Employees Retirement System  
Regular Meeting of November 9, 2017  
Page 3**

Mr. Greg Stump provided a letter to the City of Lansing Employees' Retirement System Board to provide general comments regarding the information in the Pension Plan Analysis report published by Segal on May 11, 2017. Mr. Stump noted that the statements in the report are accurate and provide validation of the assumptions and methods currently used by each System.

Mr. Greg Stump, Boomershine Consulting Group, presented the City of Lansing Employees' Retirement System Actuarial Valuation as of December 31, 2016. He reviewed the current status of the system, recent changes and the future.

Mr. Stump discussed the system funding and cash flow. He discussed key valuation results and provided an overview of the past and current plan participants. Mr. Stump reviewed the demographic and investment experience. He also discussed the assumption changes. Mr. Stump has recommended that the Employees Retirement System adoption at return assumption of 7.25%. He also reviewed the changes in funding progress and city contribution from last year.

Mr. Stump provided the following conclusion.

1. As a trend, contributions still increasing, although not this year
2. Unrecognized losses with drive cost up somewhat
3. Benefit changes will do the opposite, gradually
4. Funding improving slowly, will take a long time due to heavy negative cash flows.
5. Still have very significant portion of the liability due to retirees, legacy costs.
6. New assumption basis will equal stronger funding

Attorney Ken Lane reported that Dr. Roth was forwarded a copy of the Medical Director Request for Proposal (RFPs). He has submitted his RFP. Attorney Lane stated that the RFP deadline would be November 30, 2017 and that the RFPs would be brought to the next meeting.

Attorney Ken Lane reviewed the Northern Trust Custody Report that includes details regarding the security measures of the Board's custodial bank. He found no substantive changes, but he has forwarded the document for the IT department to review

Karen Williams distributed the 2018 Meeting schedule for review.

It was moved by Trustee Dedic and supported by Trustee Good to approve the 2018 Meeting Schedule.

Adopted by the following vote: 7 -0.

Attorney Ken Lane reported that he requested a written memo from the City Attorney's Office regarding their review of the contract employees. Since June 30, 2017, all the contracts have been renewed and are compliant.

Karen Williams reviewed the Quarterly Expenses Report and the Securities Lending Account report..

Mr. Nathan Burk, Asset Consulting Group reviewed the Investment Report for month ending October 31, 2017.

It was moved by Trustee Dedic and supported by Trustee Good to adjourn the November meeting of the Employees' Retirement System Board.

Adopted by the following vote: 7 – 0.

The meeting adjourned at 9:16 a.m.

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

\_\_\_\_\_  
Angela Bennett, Secretary  
Employees' Retirement System

\_\_\_\_\_  
Dennis R. Parker, Chairperson  
Employees' Retirement System