

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

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

May 24, 2018
Thursday, 8:30

The Board met in regular session and was called to order at 8:31 a.m.

Present: Dedic, Good, Munroe, D. Parker, M. Parker, Sanchez-Gazella, Schor, Washington - 8.

Absent: Kraus

Others: Karen E. Williams, Angela Bennett, Finance Department; Attorney Ken Lane, Clark Hill (representing the Law Department).

It was moved by Trustee Dedic and supported by Trustee Good to approve the Official minutes of the Employees' Retirement System Regular Meeting of April 19, 2018.

Adopted by the following vote: 8 – 0.

There were no public comments for items on the agenda.

2 new member(s), 0 reinstatement(s), 0 refund(s), 0 transfers, 0 retired. Total active membership: 402. Total deferred: 73. 2 death(s) William Dunlap (retired 6/1/1984 – T243), died March 22, 2018, age 88, beneficiary to receive 50; Thelma Steed (retired 10/10/1988 – Nonbargaining), died April 9, 2018; no surviving beneficiary. Refunds made since the last regular meeting amounted to \$0.00 Retirement allowances paid for the month of April 2018, amounted to \$1,927,712.23. Total retirement checks printed for the ERS System: 910. Total Retirement checks printed for both systems: 1654. Eligible domestic relations orders received:0. Domestic relations orders pending: 1. Eligible domestic relations orders certified: 0.

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

Harold V. Armour (Finance – Teamster 243 Supervisory), 18 years, 3 month of service credits, age 70, effective June 11, 2018.

Robert C. Davis (Police/Civilian – Teamster 243 CTP), 25 years 4 months of service, age 50, effective June 24, 2018.

Victor D. Rose (Public Service – Nonbargaining Supervisory), 2 years, 4 months of service credits, age 62, effective June 2, 2018. (Former Retiree)

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Ms. Williams explained that former retirees that are re-employed full-time by the City of Lansing become members of the retirement system. The retiree pension are suspended while an active employee. Once the member retires again, he resumes his first pension, and then a new pension is calculated for the years of service accrued during the re-employment.

Adopted by the following vote: 8 -0.

There were no requests for duty disability retirements.

There were no requests for refund of accumulated contribution.

It was moved by Trustee Good and supported by the Trustee Dedic to approve the following request for Refund of Accumulated Contribution:

Rachel Hiveley, Police/Civilian – Teamster 243, Not Vested, \$5,682.81

Adopted by the following vote: 8 - 0

Trustee Dedic provided his oral reports for his attendance the ABS, NCPERS and MAPERS Conferences in May. Trustee Dedic discussed the ABS Investor conference and attended workshops regarding long/short equity and emerging markets of Brazil, India, China and Russia. Trustee Dedic also reviewed the NCPERS conference that detailed the economic outlook and had workshops on trustee development, local municipalities' pension, ethical investing and investment with minority businesses. Trustee Dedic also discussed how the Opioid crisis has affected pension systems. Trustee Dedic attended MAPERS and attended the legislative sessions that reviewed the municipalities that did not receive retirement plan waivers from the State of Michigan Treasury.

Trustee Dennis Parker provided his oral reports for his attendance at the ABS and MAPERS conference in May. Trustee Parker also discussed the ABS Investor conference where he attended workshops regarding long/short equity and emerging markets. The conference happened after the U.S. tariffs were announced. Trustee Parker also discussed the MAPERS conference and the municipalities that did not receive retirement plan waivers.

Trustee Sanchez-Gazella provided her oral report for her attendance at the MAPERS Conference. Trustee Sanchez-Gazella attended the Actuary Hour and the Emerging Markets workshop. She enjoyed the Trustee Development seminar that provided a lot of important and useful information as she learns regarding the retirement system. Trustee Sanchez-Gazella was able to ask question of legal counsel that helped with the information.

Trustee Mark Parker provided his oral report for his attendance at the MAPERS Conference. He reviewed the workshop speaker that discussed risks and issues

associated the defined contribution plans. Trustee Parker also attended the Emerging Markets workshop.

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Karen Williams announced that Asset Consulting Group would provide new trustee training at the August Joint meeting.

Attorney Lane provided an oral report for his attendance at the MAPERS Conference. He attended the New Trustee Development that focused on disability retirement. He recommended a written policy that listed criteria with concrete steps for disability retiree re-exams. Attorney Lane distributed the revised election policy that includes electronic voting procedures.

Karen Williams distributed proposed electronic voting rules. The electronic voting would not require that voters have an email address. Voters would need to log in to the site using their name and employee id number.

Attorney Lane reported that the City Attorney's Office is working toward having a draft for the Employees' Retirement System Board Ordinance.

Angela Bennett reported that the City filed a waiver application for the Employees' Retirement System and the two retiree health care systems. Ms. Bennett stated that the waiver applications were denied and now the ERS System has 180 days to provide a corrective action plan. Ms. Bennett indicated that the email from the State included a corrective action plan format takes into account prospective changes, system design changes and additional funding. Ms. Bennett did include the actuarial valuation projections in the waiver application that showed when the ERS system would be 60% funded. The City also contributed an additional \$650,000 to the pension plan for the fiscal year.

Trustee Sanchez-Gazella requested future updates from those members who attend the Financial Health Team meetings.

Attorney Lane stated that the ERS system plan would have 60 days to resubmit if the corrective plan was not approved.

Ms. Williams reviewed the Quarterly Expenses Report and the Securities Lending report for the month of April 30, 2018.

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

Adopted by the following vote: 8 – 0.

The meeting adjourned at 9:20 a.m.

Minutes approved on _____

Angela Bennett, Secretary
Employees' Retirement System

Dennis R. Parker, Chairperson
Employees' Retirement System