

**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

September 20, 2018
Thursday, 8:30

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

Present: Dedic, Good, Kraus, Munroe (8:44), D. Parker, M. Parker, Sanchez-Gazella, Schor, Washington - 9
Absent: 0.

Others: Karen E. Williams, Angela Bennett, Finance Department; Eric Hassett, Public Service, Lynne Meade, IBT 243; Attorney Ken Lane (representing the Law Department).

It was moved by Trustee Washington and supported by Trustee Mark Parker to approve the Official minutes of the Employees' Retirement System Regular Meeting of August 23, 2018.

Adopted by the following vote: 8 – 0.

It was moved by Trustee Good and supported by Trustee Sanchez-Gazella to approve the Joint Police and Fire Retirement System Board and the Employees' Retirement System Board meeting of August 21, 2018.

Adopted by the following vote: 8 – 0

There were no public comments for items on the agenda.

1 new member(s), 0 reinstatement(s), 0 refund(s), 0 transfers, 1 retired. Total active membership: 413. Total deferred: 74. 2 death(s) Calvin Baxter, (retired 8/15/2017 – T243) died 9/10/2018, age 70, no beneficiary; Harold Armour, (retired 6/11/2018 – T243, Supervisory) died 8/14/2018, age 70, spouse to receive 100%. Refunds made since the last regular meeting amounted to \$23,247.87. Retirement allowances paid for the month of August 2018, amounted to \$1,918,656.26. Total retirement checks printed for the ERS System: 918. Total Retirement checks printed for both systems: 1659. Eligible domestic relations orders received: 1. Domestic relations orders pending: 0. Eligible domestic relations orders certified: 0.

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

Lizabeth A. Estlund Olson, (Management Services – T243), 10 years, 4 months of service credits, age 58, effective 10/1/2018.

Adopted by the following vote: 8 – 0

There were no requests for duty disability retirements.

There were no requests for non-duty disability.

It was moved by Trustee M. Parker and supported by the Trustee Kraus to approve the following request for Refund of Accumulated Contribution:

Denis Prisk, Police (Civilian), T243 Supervisory, not vested, \$8,671.79

Adopted by the following vote: 8 - 0

It was moved by Trustee Mark Parker and supported by Trustee Kraus to excuse Trustee Munroe from the September Employees' Retirement System meeting.

Adopted by the following vote: 8 – 0.

It was moved by Trustee Washington and supported by Trustee Good to excuse Trustee Dedic and Trustee Munroe from the Employees' Retirement System August meeting.

Adopted by the following vote: 8 - 0.

Trustee Mark Parker provided an oral report regarding the Asset Consulting Group (ACG) education forum, September 12, 2018. Trustee Parker stated that there were two speakers and the sessions included an actuarial review and economic outlook. He discussed the emergence of huge tech stocks. He reviewed the late cycle economic indicators.

Trustee Tammy Good gave an oral report regarding the ACG Education Forum. She enjoyed the actuary who presented and the historical economic trends.

Trustee Dennis Parker also attended the ACG and reviewed the effect techs on economies.

Karen Williams updated the Employees' Retirement System Board regarding the following conferences: MAPERS Fall Conference, September 22-25, 2018; NCPERS Public Safety Conferences, October 28-31; IFEBP Annual Conference, October 14-17, 2018.

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It was moved by Trustee Dedic and supported by Trustee Mark Parker to allow any member to attend the IFEBP Annual Conference.

Adopted by the following: 8 – 0.

Mr. Hassett, employee in Public Service Department spoke to the Employees' Retirement System Board regarding his eligibility for retirement. Mr. Hassett stated that he has worked for the City of Lansing 30 years, with 25 years as a full-time permanent employee. Mr. Hassett transferred from UAW to Teamster after eighteen months as a full-time hire. At the time of the transfer, he signed a document forfeiting his service credits. He believes that the eighteen months should be used for eligibility purposes to allow him to retire. Mr. Hassett believed that he has documentation that states eligibility was based on years of service. In 2012, Mr. Hassett requested a legal opinion to include the 18 months for calculation in which Attorney Ken Lane opined that the UAW time could not be used for retirement purposes.

Trustee Sanchez-Gazella indicated to the Employees' Retirement Board that Mr. Hassett is in a four-step grievance before the Human Resources Department.

Ms. Lynne Meade, IBT 243, indicated that she believed that Mr. Hassett was the only member who had this particular issue.

Attorney Lane indicated that he prepared a legal opinion that referenced the agreement that Mr. Hassett signed forfeiting his UAW service credits. Attorney Lane explained that if there were new documents or material available that he would be willing to review.

Trustee Washington inquired if it was appropriate for trustees should review the issue with a pending grievance before the Human Resources Department.

Attorney Lane also recommended that the Board discussion be delayed until the grievance process is completed. Attorney Lane discussed 292.15 restoration of service credits that discusses a member who leaves the City and comes back within four years. It indicates that the Board can restore service credits in special circumstances.

Trustee Schor also agreed that the member should complete the grievance process in accordance with the collective bargaining agreement.

Trustee Dennis Parker indicated that the Employees' Retirement Board could not overrule the Ordinance or collective bargaining agreements.

Attorney Lane reviewed the letter to inform MMRO of the Board's decision regarding the Medical Director request for proposal. Attorney Lane will prepare the letter for the chairperson's signature.

Attorney Lane discussed the duty disability re-examination policy that would detail a

written procedure and guidelines for Board review. Attorney Lane included some criteria in which a retiree would not be re-examined. He requested that members review the policy.

Trustee Dennis Parker inquired if the policy was needed because the Employees' Retirement System had a higher standard for approval. He asked if it would be a waste of resources to send duty disability retirees for re-examination each year.

Trustee Kraus expressed concern that the duty disability re-examination policy should be in place as a part of the Board's due diligence.

Trustee Mark Parker indicated the Employees' Retirement System should be slightly different from the Police and Fire Retirement System due to the types of disabilities.

Trustees Good, Sanchez-Gazella, and Washington concurred with Trustee Kraus that the duty disability re-examination policy should be in place.

Attorney Lane indicated that Trustee Schor requested that the duty disability re-examination policy reference the current policy that allows the Board to hire a private investigator in cases of fraud.

Attorney Lane also requested that the Employees' Retirement System Board review the contract employee policy at the next meeting.

Ms. Bennett provided an update of the Employees Retirement System Corrective plan. Ms. Bennett stated the Treasury Department provided further information and clarification regarding the process. The corrective plan would be submitted in November upon approval by the City Council.

Ms. Williams reviewed the Monthly Investment Report and the Securities Lending report for the month ending August 30, 2018.

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

Adopted by the following vote: 9 – 0.

The meeting adjourned at 9:19 a.m.

Minutes approved on _____

Angela Bennett, Secretary
Employees' Retirement System

Dennis R. Parker, Chairperson

Employees' Retirement System