

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

Special Meeting
Via Zoom Meeting

June 16, 2020
Tuesday, 9:30 a.m.

The Board met in regular session and was called to order at 8:30 a.m.

Present: Bahr, Cahill, Dedic, Kehler, Kraus, D. Parker, Sanchez-Gazella. –7

Absent: Trustee Schor, Spadafore. (Excused)

Others: Karen E. Williams, Angela Bennett, Finance Department; Eric Brewer, City Council; Attorney Kenneth Lane, Clark Hill (representing the City Attorney's Office).

It was moved by Trustee Kraus and supported by Trustee Bahr to approve the Official Minutes of the Joint Employees' Retirement System and Police and Fire Retirement Board Meeting of May 26, 2020.

Adopted by the following vote: unanimous

Secretary's Report

2 new member(s), 0 reinstatement(s), 0 refund(s), 0 transfers, 1 retired. Total active membership: 470. Total deferred: 74. 1 death(s), Sidney Worthington (City Council, retired 8/1/2004), died 3/19/2020, age 73, beneficiary to receive 100%. Refunds made since the last regular meeting amounted to \$20,427.17. Retirement allowances paid for the month of May 2020, amounted to \$2,017,067.53. Total retirement checks printed for the ERS System: 943. Total Retirement checks printed for both systems: 1695. Eligible domestic relations orders received:0. Domestic relations orders pending: 0. Eligible domestic relations orders certified: 0.

There were no requests for Regular Age & Service retirements.

There were no requests for non-duty disability.

There were no requests for refunds of accumulated contributions.

Karen Williams reported that MAPERS Fall conference was scheduled for September 12-15 at Mackinac Island. She requested that those who wished to attend the conference contact the Retirement Office.

It was moved by Trustee Sanchez-Gazella and supported by Trustee Kehler to excuse Trustee Spadafore and Trustee Schor.

Adopted by the following vote: unanimous

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Attorney Castle distributed an opinion regarding other income offsets in response to inquiries at the last month's meeting. Attorney Castle discussed Section 292.34 of the Retirement Ordinance that requires the Retirement System to reduce a disability retirement allowance if a disability retiree becomes engaged in other gainful employment.

Attorney Castle opined that additional income received through an inheritance or federal stimulus package does not constitute pay or remuneration from a gainful occupation, business or employment, and although disability retirees are required to report all income earned, the Retirement Board is not required to reduce such amounts from disability retirement allowances being paid by the Retirement System. Attorney Castle recommended amending the existing Duty Disability Income Verification Policy to include guidelines for defining earnings.

It was moved by Trustee Cahill and supported by Trustee Kehler to have Attorney Castle draft an amendment to the Duty Disability Income Verification Policy.

Adopted by the following vote: unanimous

Attorney Castle distributed an opinion regarding member trustee election. Trustee Cahill's position on the Board was scheduled to expire at the end of June. Attorney Castle reviewed if the retirement board has the authority to construe the provisions of the Retirement Ordinance and make a determination regarding the effect of the expiration of a member Trustee's term of office in the absence of an election to file the expiring term.

Attorney Castle reviewed at the last meeting, the Employee's Retirement System temporarily suspended its election procedures in light of the current health crisis of Covid-19, and the restrictions on public gathers and social distancing recommendations. Attorney Castle provided possible options: waiver of the primary election requirement; electronic or absentee voting only; reduction/removal of the member signature requirement; blind draw in the event of a tie.

Trustee Kraus expressed concern that members could not participate in the election process with the closure of City Hall. Members may not be able to gather signatures or have access to voting with some members who may be voluntarily furloughed, or still working at home.

Attorney Castle reported that virtual training for new trustee was scheduled for June 24, 2020.

Attorney Castle reported that he reviewed Bargaining Union Memorandum of Understanding regarding the voluntary furlough and made recommendations for an amendment in order for retirement service credits to continue to accrue for furloughed members. The memorandum have been amended.

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Karen Williams reported that members have the Retirement Ordinance for review. The Retirement Ordinance had been referred to the Special Project committee, but Ms. Williams explained that there had been additional labor agreements completed since the Board received the Ordinance. Ms. Williams will contact the City Attorney's Office to see if the Board has the latest Ordinance.

Karen Williams provided monthly investment report for the month ending May 31, 2020.

It was moved by Trustee Bahr and supported by Trustee Cahill to adjourn the meeting.

Adopted by the following vote: unanimous.

The meeting adjourned at 10:01 a.m.

Minutes approved on _____

*Shebi Frayer, Secretary
Employees' Retirement System*

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