

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

Regular Meeting  
10<sup>th</sup> Floor City Council Conference Room

September 14, 2021  
Tuesday, 9:30 a.m.

The Board met in regular session and was called to order at 9:39 a.m.

Present: Bahr, Carrigan, Dedic, Ebright, Kirkland, Kraus, Parker, Sanchez-Gazella, Schor –9

Absent: Wood - excused.

Others: Karen E. Williams, Human Resources Department; Attorney Aaron Castle, (legal counsel).

It was moved by Trustee Kraus and supported by Trustee Bahr to approve the Joint Official minutes of the Employees' Retirement System and the Police and Fire Retirement System meeting of August 17, 2021.

Adopted by following vote: 9 -0.

There were no public comments.

6 new member(s), 0 reinstatement(s), 0 refund(s), 0 transfers, 1 retired. Total active membership: 481. Total deferred: 74. 2 death(s) Steve W. Austin. (Public Service – UAW, retired 9/7/2012), died 8/11/2021, age 70, beneficiary to receive 100%; Sue Wager (Human Resources – NonBargaining, retired 9/16/1995, died 7/24/2021, age 72, no beneficiary. Refunds made since the last regular meeting amounted to \$0.00. Retirement allowances paid for the month of August 2021, amounted to \$2,023,781.40. Total retirement checks printed for the ERS System: 941. Total Retirement checks printed for both systems: 1701. Eligible domestic relations orders received: 0. Domestic relations orders pending: 0. Eligible domestic relations orders certified: 0.

There were no requests for regular age and service retirements.

Karen Williams reported that the retirement office was waiting for medical reports for applicant #2021-E0615 for the medical release and medical reports.

There were no requests for refund of accumulated contribution.

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Ms. Williams provided registration and conference updates for the following:

IFEBP Employee Benefits Conference, Denver, Colorado – October 17-October 20  
MAPERS Conference. Doubletree Hotel, Bay City, MI – September 18-21  
NCPERS Fall Conference, Scottsdale, Arizona – September 26-28

Karen Williams reported that Trustee Wood requested to be excused from the September ERS meeting.

It was moved by Trustee Dedic and supported by Trustee Kirkland to excuse Trustee Wood from the September Employees' Retirement System Board.

Adopted by the following vote: 9 - 0

Karen Williams provided retirement board September invoices (Income Research & Management, Northern Trust, Zoom) for approval in accordance with the new authorized signer's policy.

It was moved by Trustee Bahr and supported by Trustee Kirkland to approve the Employees' Retirement System invoices.

Adopted by following vote: 9 – 0.

Attorney Castle reviewed a draft Request for Proposals (RFP) for a death audit provider. Attorney Castle indicated the Board's provide, PBI, will phase out the death audit services currently offered to the Board at the end of the year. Attorney Castle also included a list of potential providers for the proposals. Attorney Castle reported the Police and Fire Retirement System Board approved the proposal.

Trustee Linda Sanchez-Gazella inquired if the City's purchasing office would be issuing the Request for Proposal.

Attorney Castle responded the retirement board has the option to issue its own RFP or it could be issued the City.

Trustee Sanchez-Gazella recommended that the Request for Proposal be issued by the City's purchasing office, for tracking purposes and consistency.

It was moved by Trustee Kraus and supported Trustee Sanchez-Gazella to approve the Request for Proposal for issuance.

Adopted by the following vote: 7 – 0.

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Attorney Castle will finalize the Request for proposal and provide it to the Retirement Office to coordinate with the City's purchasing office to issue the document.

Attorney Castle provided and reviewed a memo regarding the fiduciary and cyber liability coverage of the Employees Retirement System Board. The memo analyzed the coverage for the Boards of Trustees of the City of Lansing Retirement Systems and the individual Trustees serving on the respective Boards.

Attorney Castle reviewed the City's General Liability insurance policy, Indemnification and defense of claims and Cyber liability. Attorney Castle reported that he reviewed the Tegrity Group contract regarding cyber security and liability.

Attorney Castle concluded that based on the foregoing the City's policy appears to provide the Plans, the Boards, and the individual Trustees with partial coverage in the event of claims or losses pertaining to the management and administration of the Retirement System. The Tegrity Agreement also offers a limited level of protection in the event of a cyber security incident with respect to the pension administration software hosted by Tegrity.

Attorney Castle opined that the Boards may want to pursue retaining its own insurance broker to work to procure separate policies of fiduciary liability insurance, and possibly, cyber liability coverage.

Attorney Castle indicated that he was most familiar with Union Services Agency that specialize in insuring retirement boards. He stated that are limited insurance brokers who specialize in the cyber security and fiduciary liability insurance

Attorney Castle indicated that the Police and Fire Retirement System requested that Union Services Agency come to the next Joint meeting.

Trustee Dedic inquired if the coverage would be supplemental to the current City policy for fiduciary liability. He expressed concern regarding double coverage.

Trustee Schor questioned if the members are covered under their individual department/agencies through the respective City policies.

Attorney Abood reviewed Attorney Castle's memo and indicated that when the Board had the City Attorney as its legal counsel, the Board had another level of protection when it was receiving advice from the City Attorney under the City's liability coverage for the opinions provided. Attorney Abood had no comment upon the Cyber Liability coverage. Attorney Abood did not disagree a fiduciary liability policy may be appropriate as the retirement board does not have the same level of protection with outside legal counsel under the City policy.

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It was moved by Trustee Dedic and supported by Trustee Bahr to have Union Services Agency come to the November Joint meeting to answer questions for Trustees.

Trustee Carrigan requested to abstain from the discussion and voting because he had previously worked with Union Services Agency and had a personal interest

Trustee Sanchez-Gazella suggested that someone from the City's IT Department be included in the meeting.

Adopted by the following vote: 9 -0.

Trustee Linda Sanchez-Gazella presented a proposal to the Employees Retirement System Board to hire a part-time contract person to assist the retirement analyst for upcoming projects with a cost not to exceed \$4,000 shared between both boards.

Trustee Sanchez-Gazella expressed concern regarding the workload for the retirement analyst position and to establish succession plans for the position. Trustee Sanchez-Gazella indicated that the Board had paid for a support person in the past.

Karen Williams explained that the previous administrative support person had left the City after transitioning to full time employment in another department. The support person was initially paid by the Board to assist with data entry with Tegrity.

Trustee Kraus support the proposal and indicated the retirement office staff both retirement boards, deferred compensation, and defined contribution. Trustee Kraus expressed concern that the process for a support person is not delayed. Trustee Kraus believed that the support person discussion should be separate from the succession plan.

Trustee Sanchez-Gazella noted that the support person would be for a six-month time period that would be re-evaluated.

Trustee Sanchez-Gazella had not any discussion with Finance regarding succession plans.

Trustee Carrigan suggested the possibility hiring a contract person, such as a retired staff person from one of the third-party administrator.

It was moved by Trustee Kirkland and supported by Trustee Dedic to approve the proposal for a part-time support person and assign the chair to work with the Police and Fire Retirement System Board on implementation.

Adopted by the following vote: 9 -0.

Karen Williams reviewed the monthly investment report for the month ending August 31, 2021.

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

Adopted by following vote: unanimous

The meeting adjourned at 10:31 a.m.

Minutes approved on 10/12/2021

Karen E. Williams, Recording Secretary  
*Employees' Retirement System*

Dennis R. Parker, Chairperson  
Employees' Retirement System