

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

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

December 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, Dedic, Ebright, Kirkland, Kraus, Parker, Wood –7  
Absent: Carrigan – excused, Sanchez-Gazella, Schor

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

It was moved by Trustee Wood and supported by Trustee Dedic to approve the Official minutes of the Joint Employees' Retirement System and the Police and Fire Retirement System meeting of November 9, 2021, as amended.

Adopted by following vote: 7 -0.

There were no public comments.

8 new member(s), 0 reinstatement(s), 0 refund(s), 0 transfers, 1 retired. Total active membership: 483. Total deferred: 75. 1 death(s) William H. Martin, Jr. (Public Service – UAW, retired 7/1/2010), died 10/28/2021, age 66, beneficiary to receive 100%; Refunds made since the last regular meeting amounted to \$6,291.75. Retirement allowances paid for the month of November 2021, amounted to \$2,019,312.93. Total retirement checks printed for the ERS System: 937. Total Retirement checks printed for both systems: 1702. Eligible domestic relations orders received: 0. Domestic relations orders pending: 0. Eligible domestic relations orders certified: 0.

It was moved by Trustee Wood and supported by Trustee Bahr to approve the following request for regular age and service retirement:

Ricardo Gomez (Public Service – UAW), 24 years, 1 month of service credits, age 59, effective December 4, 2021.

Adopted by the following vote: 7 -0.

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Karen Williams reported that Applicant #2021 -E1108 was sent a letter requesting medical release and documents to be forwarded to the medical director.

Karen Williams reported that Applicant #2021-E1214 has requested to be evaluated for non-duty disability. The letter of request was forwarded to the disability subcommittee for review.

Trustee Bahr stated that the disability subcommittee had reviewed the applicant's request and recommended that the applicant be sent to the medical director for evaluation.

It was moved by Trustee Bahr and supported by Trustee Kraus to refer Applicant #2021-E1214 to the medical director for nonduty disability evaluation.

Adopted by the following vote: 7 -0.

There were no requests for refund of accumulated contribution.

Trustee Parker attended the 2<sup>nd</sup> Annual Michigan Institutional Forum Report in East Lansing. He provided an oral report and discussed real estate and regional malls were coming back. There was discussion on Crypto currency.

Karen Williams reported that Trustee Carrigan requested to be excused from the December ERS meeting.

It was moved by Trustee Bahr and supported by Trustee Ebright to excuse Trustee Carrigan from the December Employees' Retirement System Board.

Adopted by the following vote: 8 - 0

Karen Williams provided retirement board December invoices (Asset Consulting Group, Tegrity, Zoom) for approval in accordance with the new authorized signer's policy.

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

Adopted by following vote: 7 – 0.

There was no legal counsel report for December.

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Karen Williams distributed the Tegrit fee increase proposal and project change options for the Board consideration. Tegrit proposed two cost options to accommodate the City of Lansing bargaining unit changes in the pension software. Tegrit provided a change request that outlined the high-level requirement and offered a fixed fee cost. Tegrit also included fee increase to the Board's contact that could incorporate the bargaining unit changes. The contract fee change would cover through 2023. Annual cost of hosting and maintenance would increase, with the opportunity to purchase additional hours.

Trustee Wood requested not to exceed language be added to the contract proposal. She requested that legal counsel review the proposal and determine appropriate questions to ask.

It was moved by Trustee Wood and supported by Trustee Bahr to have a Joint meeting in January with Tegrit to review the contract proposals.

Adopted by the following vote: 7 – 0.

Mr. Jeffrey D. Scharnowske, Finance department, submitted a memo regarding FY2021 Employees' Retirement System Pension Employee Contribution. The memo indicated that on December 10, 2021, \$442,276.46 was transferred by the City of Lansing to the Employees' Retirement System. The amount represented a FY2021 correction of underpayments to the Employees' Retirement System Plan.

Trustee Dedic inquired if these were employee deductions that were not submitted to Employees' Retirement System.

Trustee Wood indicated that the Police and Fire System had a much small amount. Trustee Wood recommended that Finance come to the meeting to provide an explanation.

Trustee Kraus recommended that Finance Department provided an explanation, and that ACG or Boomershire determine interest that was missed.

It was moved by Trustee Wood and supported by Trustee Kraus to have the Finance Department representative attend the next meeting to provide an explanation regarding the FY 2021 underpayment.

Adopted by the following vote: 7 -0.

It was moved by Trustee Wood and supported by Trustee Bahr to accept the FY 2021 Employees' Retirement System Employee Contribution as of June 30, 2021.

Adopted by the following vote: 7 -0.

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Karen Williams reported that Trustee Carrigan requested his letter regarding his relationship with Union Services Agency be submitted to the Employees' Retirement System:

To: Board of Trustees, City of Lansing,  
Karen Williams, Aaron Castle  
From: ERS Trustee Bart Carrigan  
Re: Union Services Agency & Bart Carrigan – Relationship

Date: December 7, 2021

As I mentioned at the October and November Trustee meeting, I am employed as a consultant by Sally Corbin of Union Services Agency.

While not a full-time employee, I receive a monthly fee, and I am eligible for additional compensation when the Agency acquires new business that I assist with.

At the prior meetings, I declared that I would abstain from the Board's discussions about hiring Union Services Agency because of a possible conflict of interest.

In addition to abstaining from discussions about hiring USA, I have made arrangements with the Agency owner, Sally Corbin, to eliminate my possible compensation if the Agency is hired by then Pension plan.

This is being done so that my role as Trustee is in accordance with the City of Lansing's ethics ordinance, the Lansing Police and Fire Retirement System, and the Lansing Employees Retirement System's code of conduct. As a Fiduciary to the retirement system, I realize that I must prudently administer the system for the sole and exclusive benefit of its members, retirees, and beneficiaries.

Before the next meeting in January, I plan to submit a memorandum of agreement signed by Sally Corbin and myself, pledging that I will receive no compensation that could violate our Funds guidelines and my fiduciary responsibility.

I will continue to abstain from discussing this matter and follow the plan's guidelines to the best of my ability.

I appreciate your consideration.

Sincerely,

Bart Carrigan

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Karen Williams also distributed Trustee Carrigan agreement with Sally Corbin, Union Services Agency.

Trustee Wood inquired when Trustee Carrigan would file his letter with the Ethic Boards.

Karen Williams reported that she would contract Trustee Carrigan and relay the information.

Trustee Wood inquired and expressed concern that Trustee Carrigan could receive future compensation when other companies or entities that choose Union Service Agency based upon City of Lansing retirement board becoming a client.

Commented [WK1]:

Trustee Kraus stated that there would be no way to determine if another company chose Union Service Agency based upon a contract with the City of Lansing retirement board.

Trustee Wood indicated that the City of Lansing retirement boards were looking into obtaining additional fiduciary liability insurance based upon possible gaps in the City's insurance for Board members.

Trustee Wood reported that she requested a written opinion from the City Attorney's office regarding the fiduciary liability coverage provided by the City.

Karen Williams reviewed the monthly investment report for the month ending November 30, 2021.

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

Adopted by following vote: unanimous

The meeting adjourned at 11:04 a.m.

Minutes approved on 2/15/2022

Desiree Kirkland, Secretary  
*Employees' Retirement System*

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