

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

Regular Meeting
10th Floor, City Council Conference Room

January 17, 2023
Tuesday, 9:30 a.m.

The meeting was called to order at 9:34 a.m.

Present: Trustee Bahr, Dedic (9;43), Ebright, Jeffries, Kirkland, Parker, Schor – 7
Absent: Excused: Garza, Kraus, Sanchez-Gazella

Others present: Karen Williams, Human Resources Department; Attorney Joseph Abood, City Attorney's Office; Attorney Aaron Castle, VanOverbeke, Michaud & Timmony, P.C.

Karen Williams reported that City Council has appointed Jeremy Garza to Employees' Retirement System Board as City Council Representative.

It was moved by Trustee Bahr and supported by Trustee Kirkland to approve the Official Minutes of the Employee Retirement System Board meeting of December 20, 2022 as amended.

Adopted by the following vote: 6 -0

Secretary's Report

1 new member(s), 0 reinstatement(s), 0 refund(s), 0 transfers, 2 retired. Total active membership: 490. Total deferred: 74. 2 death(s) Nelson Gage (Public Service – Teamster, retired 1/5/1993), died 10/15/2022, age 75, no surviving beneficiary; Kenneth Scott (Public Service – UAW, retired 10/23/2004), died 1/4/2023, age 68, no surviving beneficiary; . Refunds made since the last regular meeting amounted to \$0.00. Retirement allowances paid for the month of December 2022, amounted to \$2,032,408.80. Total retirement checks printed for the ERS System: 943. Total Retirement checks printed for both systems: 1713. Eligible domestic relations orders received: 0. Domestic relations orders pending: 1. Eligible domestic relations orders certified: 0.

It was moved by Trustee Bahr and supported by Trustee Ebright to approve the following Request for Age and Service Retirement.

Alan Beland (Finance -Teamster 243), 19 years, 5 months of service credits, age 59, effective February 15, 2023

Mark Boyer (Public Service – UAW), 25 years, 8 months of service credits, age 50, effective February 18, 2023

It was moved by Trustee Bahr and supported by Trustee Ebright to approve the following Request for Age and Service Retirement (cont.).

Amy Lynch (Parks – Teamster 243), 21 years, 7 months of service credits, age 58, effective December 1, 2022 (From Deferred)

Adopted by the following vote: 6 – 0

Ms. Williams reported that the Retirement Office sent out a request for medical release for Applicant #2022 -E1220.

It was moved by Trustee Bahr and supported by Trustee Ebright to forward Applicant #2022-E1220 to the medical director for evaluation.

Adopted by the following vote: 6 -0.

There were no requests for non-duty disability.

Ms. Williams notified the Board of MAPERS One Day Seminar, March 3, 2023, in Troy, Michigan and MAPERS Spring Conference, May 20 -23, 2023 in Kalamazoo, Michigan.

Karen Williams noted that the NCPERS Annual Conference would be around the same time as MAPERS Spring Conference.

It was moved by Trustee Schor and supported by Trustee Bahr to excuse Trustees Dedic, Garza, Kraus from the Employees' Retirement System meeting.

Adopted by the following vote: 6-0

There were no public comments for items not on the agenda.

Ms. Williams provided the following invoices from Tegrity, \$7275; Asset Consulting Group, \$19,744.25; and PBI, \$2,000.

It was moved by Trustee Bahr and supported by Trustee Ebright to approve the Employees' Retirement System Invoices for January.

Adopted by the following vote: 9 – 0

Attorney Aaron Castle updated the Employees' Retirement System Board regarding the Principal Enhanced Property Fund. He informed the Board that the contractual documentation was submitted to Principal on December 20, 2022. Supplemental information requested by Principal was provided on December 23, 2022.

Attorney Castle discussed the Professional Advisor and Service Provider Review Policy. He discussed the review schedule starting with the medical director in 2023 followed by the investment consultant in 2024, actuary in 2025, legal counsel in 2026, death audit services in 2027 and retirement software in 2028.

Ms. Williams reported that she would bring some preliminary information on option for medical director services to the February Joint meeting.

Attorney Castle provided an overview of the federal SECURE Act 2.0. Attorney Castle provided an outline of the provisions of SECURE 2.0 that may be applicable to certain governmental plans, along with effect dates.

Karen Williams distributed the Retirement System board and Trustee Liability Coverage written opinion from the City Attorney's office. The opinion was requested to provide the Retirement system Board with the reason board members may face liability for actions they take beyond their authority based on, or against, the advice of legal counsel. The memorandum addressed the request and provided an overview of the Retirement Boards' and individual Trustee's exposure to liability.

Ms. Williams reported that the Retirement Office received confirmation from the Finance controller, Jeff Scharnowske that on December 21, 2022, \$11,664,889 was transferred by the City to the Comerica back account for the Employees' Retirement system for the fiscal year 2023 employer contribution. Mr. Scharnowske confirmed that \$529,797 was transferred to the VEBA account with Principal. He also noted that the employer contribution was 100% of the actuarially determined employer contribution amount from the 12/31/2021 Employees' Retirement System actuarial valuation. .

It was moved by Trustee Ebright and supported by Trustee Bahr to accept the fiscal year 2023 employer contribution.

Adopted by the following vote: 7 – 0.

Trustee Dedic inquired about the status of the State of Michigan grant monies to pension system.

Trustee Schor indicated that he anticipated that grant program should be opened by April of this year by statute. The City has been lobbying for the program to open earlier.

Attorney Castle indicated that State of Michigan has not clarified issues regarding funding value of the plan as of December 31, 2022

Karen Williams distributed the FY 2023 Employees' Retirement System Annual Budget for review.

It was moved by Trustee Bahr and supported by Trustee Kirkland to retain Dennis R. Parker as chairperson and Antonia Kraus as vice chairperson.

Adopted by the following vote; 7 -0

Karen Williams distributed the Employees' Retirement System Board subcommittees for review.

Trustee Parker requested that members contact the retirement office with their subcommittee requests. Trustee also recommended a new subcommittee for OPEB/Health Care issues.

Karen Williams updated the Employees' Retirement Board regarding the Northern Trust Account. The Board's new account manager, Clayton Robinson who has been invited to the February Joint meeting.

Ms. Williams reviewed the Monthly Investment Report for the month ending December 31, 2022.

It was moved by Trustee Bahr and supported by Trustee Ebright to adjourn the Employees' Retirement System Board January meeting.

The meeting ended at 10:05 a.m.

Minutes approved on 2/21/2023

*Desiree Kirkland, Secretary
Employees' Retirement System*

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