

**CITY OF LANSING  
JOINT POLICE AND FIRE RETIREMENT  
SYSTEM BOARD  
and  
EMPLOYEES' RETIREMENT SYSTEM  
BOARD MEETING MINUTES**

Joint Meeting  
Council Conference Room  
10th Floor City Hall  
Lansing, MI

February 20, 2018  
Tuesday, 9:15 a.m.

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

A quorum of the Employees' Retirement System Board and Police and Fire Retirement System Board was present.

Trustees present: (ERS), Dedic (10:30), Kraus, Munroe, D. Parker, M. Parker, Schor. – 6.  
(Police & Fire), Fabus, Rose, Schor, C. Wilcox, Wohlfert, Wood - 6

Others present: Karen E. Williams, Finance Department; Ken Lane, Clark Hill Law Office (representing the City Attorney's Office); Greg Stump, Boomershine Consulting Group; Nathan Burk, George Tarlas, Asset Consulting Group; James Dominguez, Tara Patrick, William Blair Investments.

It was moved by Trustee Mark Parker and supported by Trustee Kraus to excuse Trustees Dedic and Washington.

Adopted by the following vote: 5 – 0.

It was moved by Trustee Wood and supported by Trustee Christopher Wilcox to excuse Trustee Ryan Wilcox.

Adopted by the following vote: 6 – 0

Ms. Williams distributed information for a new voice recorder to meetings minutes. The current recorder can no longer be used with the current computer operating system. The new recorder can be used with Windows 7 and later.

It was moved by Trustee Wood and supported by Trustee Christopher Wilcox for the Police and Fire Retirement System to approve the purchase of the voice recorder and split the cost with the Employees Retirement System Board.

Adopted by the following vote: 6 - 0.

It was moved by Trustee Mark Parker and supported by Trustee Munroe for the Employees' Retirement System to approve the purchase of the voice recorder and the split the cost with the Police and Fire Retirement System Board.

Adopted by the following vote: 5- 0

Karen Williams distributed a notice form Tegrity regarding an upcoming technology change. Tegrity has requested permission to change its preferred hosting provider. Karen Williams reported that she provided the notice to the City's Information Technology director and to legal counsel.

Attorney Lane expressed that he reviewed the notice and reviewed the issues expressed by the IT director. There were no issues with the particular provider change but there are some issues to discuss regarding security, technical and legal issues of employee data. There were some security details that the IT Director thought would best be addressed in a closed session.

Attorney Lane opined that the change would be substantive and the Board could cancel the contract.

Trustee Wood inquired if the Board could seek damages if they needed to cancel the contract.

Trustee Schor inquired why the retirement system had a separate system from Human Resources.

Trustee Kraus explained that at the time, Human Resources did not have any system that implemented retirement data. Retirement calculations were done manually.

The Board requested that Tegrity come to a future meeting to explain what they are doing.

Attorney Lane stated that he could review the legal issues surrounding the security, and technical details regarding confidential employee data. The Boards could have a closed session to discuss these issues.

It was moved by Trustee Kraus and supported by Trustee Mark Parker for the Employees Retirement System to have Attorney Lane review the information and provide a legal opinion regarding securing employee data.

Adopted by the following vote: 5 - 0

It was moved by Trustee Wood and supported by Trustee Fabus for the Police and Fire Retirement Board to have Attorney Lane review the information and provide a legal opinion regarding securing employee data.

Adopted by the following vote: 6 -0.

Mr. Gregory Stump, Boomershine Consulting Group, provided an annual actuarial update for the Employees' Retirement System and the Police and Fire Retirement System. Mr. Stump discussed the current funding status, the impact of the 2018 investment, implementation of the 7.25% assumption and five year projections.

Mr. Stump reviewed the funding progress, contributions and the plan maturity of both system. He discussed the investment return impact and the gains of 2017 on contributions.

Mr. James Dominguez, William Blair Investment manager provided an overview of the company. He reviewed the assets under management within the small-mid cap growth strategy and portfolio team.

Ms. Tara Patrick, William Blair portfolio specialist discussed the investment performance of the 'Employees' Retirement System and the Police and Fire Retirement System portfolios. Ms. Patrick discussed the philosophy and the SMID growth investment process, portfolio characteristics and holdings.

Mr. Nathan Burk, Asset Consulting Group discussed the reduction of fees procured from Integrity.

Mr. Nathan reviewed the Asset Consulting Group transparency letter. The letter describes the limits regarding Trustee meals.

Mr. Burk and Mr. Tarlas reviewed the market environment and total portfolio analysis. Mr. Burk discussed the financial performance of the Employees' Retirement System and the Police and Fire Retirement System for the period ending December 31, 2017. Ms. Mr. Burk and Tarlas provided an analysis of the portfolios equity, fixed income, and real estate investments. Mr. Burk reviewed the January monthly financial report.

The meeting adjourned at 11:40 a.m.

Minutes approved on \_\_\_\_\_

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Angela Bennett, Secretary

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Dennis R. Parker, Chairperson  
Employees' Retirement System

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Eric Wohlfert, Chairperson  
Police and Fire Retirement System