

**CITY OF LANSING  
JOINT EMPLOYEES' RETIREMENT SYSTEM  
& POLICE AND FIRE RETIREMENT SYSTEM  
SPECIAL MEETING MINUTES**

Special Joint Meeting  
Via Zoom

December 9, 2020  
Tuesday, 8:30 a.m.

The meeting was called to order at 8:32 a.m.

A quorum of both Retirement Boards were present.

Trustees present (meeting remotely): (ERS), Bahr (Lansing), Dedic (Laingsburg), Ebright (Lansing), Kirkland (Lansing) Kraus (Delta Township), Parker (Lansing), Sanchez-Gazella (Lansing), – 7.

(Police & Fire), Kirkland (Lansing) Rose, 8:42 (Lansing), C. Wilcox (Haslett), R. Wilcox (Lansing), Wohlfert (Westphalia) –5.

Excused: ERS, Schor, Spadafore

Excused: Police & Fire, Lewandowsky, Schor, Wood

Others present: Karen Williams, Human Resources Department; Robert Widigan, Finance Department; Aaron L. Castle, VanOverbeke, Michaud & Timmony, P.C.; Nathan Burk, Asset Consulting Group; Dan Tranchita, Mark Hawthorne, Baird Advisors, Bill O'Malley, Jim Gubitosi, Nils Hegstad, Income Research and Management; Justin Rucker, Blake Morris, Wally Theado, JP Morgan.

It was moved by Trustee Kraus and supported by Trustee Kirkland to excuse Trustee Spadafore from the Employees' Retirement System Board meeting.

Adopted by the following vote: Yes: Bahr, Dedic, Ebright, Kirkland, Kraus, Parker, Sanchez-Gazella – 7.

No: 0.

Mr. Nathan Burk reviewed amendments to the Employees' Retirement System Board investment policy to include Core Fixed

It was moved by Trustee Kraus and supported Trustee Kirkland to approve the Employees' Retirement Board Investment policy as amended.

Adopted by the following vote: Yes: Bahr, Dedic, Ebright, Kirkland, Kraus, Parker, Sanchez-Gazella – 7.

No: 0.

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Mr. Nathan Burk reviewed amendments to the Police and Fire Retirement System Board investment policy

Mr. Dan Tranchita, Senior Portfolio Manager and Mr. Mark Hawthorne, Managing Director provided their presentation of the Core Fixed Income investment services offered by Baird Advisors. Mr. Tranchita and Mr. Hawthorne provided an overview of the organization, a review of their approach to the Core Fixed income investments.

Attorney Castle inquired if there would be a conflict of interest because Baird's finance division has worked with the City of Lansing. Attorney Castle also inquired if there were any current securities regulations investigations or issues.

Mr. Tranchita and Mr. Hawthorne indicated that Baird has five separate division and there is no collaboration between the division. Mr. Hawthorne and Mr. Tranchita indicated that there are no security regulation investigations or issues.

Mr. Nils Hegstad, Senior Vice President and Client Portfolio Manager, Mr. Bill o'Malley, CEO and Co-CIO, and Mr. Jim Gubitosi, Co-CIO and Senior Portfolio manager provided their presentation of the Core Fixed Income investment services offered by Income Research and Management. Mr. Hegstad provided an overview of the employee owned company, fee structure, current clients, and experience in the governmental sector. Mr. Gubitosi reviewed the company's core fixed income strategy and asset allocation.

Attorney Castle inquired if there were any ongoing regulatory investigations or litigation that would affect Income Research & Management's ability to service the City of Lansing.

Mr. Gubitosi indicated that there were no investigation or litigation regarding the Income Research and Management.

Ms. Blake Morris, Vice President, pension client advisor, Mr. Justin Rucker, Executive Director and Portfolio managers and Wally Theado, Vice President provided their presentation of the Core Fixed Income investment services offered by JP Morgan. Ms. Morris provided an overview of the JP Morgan management team. Mr. Theado reviewed asset management and the core bond income investment team. Mr. Justin Rucker provided information regarding the bond market, the core bond strategy and the portfolio performance. Ms. Blake discussed the fee structure.

Attorney Castle inquired if there were any ongoing regulatory investigations or litigation that would affect the JP Morgan's ability to service the City of Lansing.

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Ms. Morris indicated that there had been recent investigations, but it was a separate division and would have no effect on Core Bond strategy.

Mr. Bart Carrigan provided public comment regarding the Board taking into account previous investigation and litigation when making its decision, and the public perception.

Mr. Burk stated that Asset Consulting Group reviewed JP Morgan and did not think the issues would have any effect on the Core Fixed Income strategy. Mr. Burk provided an overview of the other companies, Baird and Income Research and Management.

The Police and Fire Retirement System Board and the Employees' Retirement System Board discussed the three Core Fixed Income presentations. The Board discussed the relative sizes of the firms, their sector allocations, liquidity of the investment.

It was moved by Trustee Rose and supported by Trustee Ryan Wilcox to retain Income Research & Management for its Core Fixed Income manager, subject to legal review and negotiation for the Police and Fire Retirement System Board.

Adopted by the following vote: Yes: Kirkland, Rose, C. Wilcox, R. Wilcox, Wohlfert – 5  
No: 0.

It was moved by Trustee Kraus and supported by Trustee Sanchez-Gazella to retain Income Research and Management for its Core Fixed Income manager, subject to legal review and negotiation for the Employees' Retirement System Board.

Adopted by the following vote: Yes: Bahr, Dedic, Ebright, Kirkland, Kraus, Parker, Sanchez-Gazella – 7.  
No: 0.

It was moved by Trustee C. Wilcox and supported Trustee Rose to approve the Police and Fire Retirement Board Investment policy as amended.

Adopted by the following vote: : Yes: Kirkland, Rose, C. Wilcox, R. Wilcox, Wohlfert – 5  
No: 0.

It was moved by Trustee C. Wilcox and supported by Trustee Rose to excuse Trustees Lewandowsky and Wood from the Police and Fire Retirement System Board meeting.

Adopted by the following vote: Yes: Kirkland, Rose, C. Wilcox, R. Wilcox, Wohlfert – 5  
No. 0.

It was moved by Trustee C. Wilcox and supported by Trustee Rose to adjourn the  
Police and Fire Retirement System Board meeting

Adopted by the following: 5 -0.

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

Adopted by the following vote; 7 -0.

The Meeting adjourned at 11:32 p.m.

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

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Robert Widigan, Secretary

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Dennis R. Parker, Chairperson  
Employees' Retirement System

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Eric P. Wohlfert, Chairperson  
Police and Fire Retirement System