

CITY OF LANSING
JOINT EMPLOYEES' RETIREMENT SYSTEM
And POLICE AND FIRE RETIREMENT SYSTEM
MEETING MINUTES

Joint Meeting Minutes
10th Floor Conference Room

August 20, 2024
Tuesday, 8:30 a.m.

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

Trustees present: (ERS) Bahr, Ebright, Jeffries, Kraus, O'Leary (8:45), Parker, Thomas –
7

(Police & Fire) Moore, Taylor, Thomas, Wilcox, Wohlfert – 5

Excused: (ERS), Dedic, Garza, Schor

Excused: (Police & Fire) Garza, Kreft, Schor

Others present: Karen Williams, Thomas Lindemann, Human Resources Department,
Attorney Aaron L. Castle, VanOverbeke, Michaud & Timmony, P.C., and Mr. Nathan
Burk, Asset Consulting Group.

It was moved by Trustee Moore and supported by Trustee Taylor to excuse Trustee Garza
and Trustee Kreft of the Police and Fire Retirement System Board from the August Joint
Meeting.

Adopted by the following vote: 5 – 0.

It was moved by Trustee Ebright and supported by Trustee Bahr to excuse Trustee Dedic
and Trustee Garza of the Employees' Retirement System Board from the August Joint
Meeting.

Adopted by the following vote: 6- 0.

It was moved by Trustee Wilcox and supported by Trustee Moore to approve the Official
Minutes of the Police and Fire Retirement System Board meeting of July 16, 2024.

Adopted by the following vote: 6 – 0.

It was moved by Trustee Kraus and supported by Trustee Ebright to approve the Official
Minutes of the Employees' Retirement System Board meeting of July 16, 2024, with
corrections.

Adopted by the following vote: 6 – 0.

There were no public comments for items on the agenda.

Secretary's Report (**Police & Fire**):

0 sworn police member(s), **2** reinstatements(s), **0** refund(s), **0** transfer(s), **1** retired. Total: Active membership **347**. **1** death(s) **Richard Miles**, Retired FOP Supervisor, died 7/4/2024, Age 86, NO Surviving Beneficiary, Refunds made since last regular meeting amounted to **\$0.00**. Reimbursements to the System year-to-date amount to **\$0.00**. Retirement allowances of July 2024 amounted to **\$3,401,645.14**. Total retirement checks printed for P&F System **817**. Total retirement checks printed for both systems: **1736**. Domestic relations orders received: **0**. Domestic relations orders pending: **0**. Eligible Domestic Relations Order Certified: **0**.

Secretary's Report (**Employees' Retirement System**):

12 new member(s), **0** reinstatement(s), **0** refund(s), **0** transfers **1** retired. Total active membership: **427**. Total deferred: 68; **4** death(s) **Pamela Fowler**, Mayoral Staff, retired 12/5/1993, died 7/4/2024, age 80, NO Beneficiary; **Buford Crittenden**, UAW, retired 1/5/1994, died 3/18/2024, age 93, NO Beneficiary; **Sherrill McConnell-Cody**, Teamsters 243 CTP, retired 9/15/2005, died 6/30/2024, age 73, Beneficiary Surviving Spouse 50%. **Jack Cary**, Non-Bargaining CTP, retired 11/1/2000, died 7/24/2024, age 84, NO Beneficiary; Refunds made since last regular meeting amounted to **\$1,740.39**. Retirement allowances for the month of July 2024 amounted to **\$2,034,637.93**. Total retirement checks printed for ERS System: **919**. Total retirement checks printed for both systems: **1736**. Eligible domestic relations orders received: 0. Domestic relations orders pending: **1**. Eligible domestic relations orders certified: 0.

There were no applications for Regular Age and Service Retirement for the Police and Fire Retirement System.

It was moved by Trustee Ebright and supported by Trustee Bahr to approve the following applicants for Regular Age and Service Retirement of the Employees' Retirement System:

John Bauer, (SR Management Supervisor, T-243 Supervisory), 20 years 10 months of service credit, Age 67, effective 8/17/2024

Adopted by the following vote: 9 – 0.

There were no requests for duty disability retirement for the Police and Fire Retirement System.

Karen Williams reported that the Employees' Retirement System tabled the request for Duty Disability Retirement of Applicant #2023-E0621 to allow the applicant to submit medical reports requested by Dr. Roth.

Attorney Castle inquired if the Employees' Retirement System Board had provided a deadline to Applicant #2023-E0621 to submit medical documentation. Attorney Castle recommended sending a final letter allowing the applicant sixty days to provide the requested information or the Board would act on the documentation that has already been received.

It was moved by Trustee Bahr and supported by Trustee Kraus to send a letter to Applicant #2023-E0621 permitting sixty days for the applicant to submit requested medical documentation.

Adopted by the following vote: 7 -0.

Karen Williams reported that Applicant #2024-E0718 has been sent a request letter for a signed medical release and medical information.

There were no requests for Non-Duty Disability Retirement for the Police and Fire Retirement System.

There were no requests for Non-Duty Disability Retirement for the Employees' Retirement System.

There were no requests for refunds of accumulated contributions for the Police and Fire Retirement System.

There were no requests for refunds of accumulated contributions for the Employees' Retirement System.

Karen Williams reported that the MAPERS 2024 Fall Conference was scheduled for September and requested that trustees who wished to attend to contact the retirement office. Karen Williams also reported that the NCPERS 2024 Public Safety Conference in October and IFEBP in November.

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

Ms. Williams reported the Police and Fire Retirement System invoices for August: Boomershine Consulting Group, \$2,760.00; Income Research + Management, \$21,521.62; VanOverbeke, Michaud and Timmony, P.C., \$2,398.50 with itemized services for the 2nd quarter.

It was moved by Trustee Taylor and supported by Trustee Wilcox to approve the Police and Fire Retirement System invoices for August 2024.

Adopted by the following vote: 5 – 0.

Ms. Williams reported the Operating Expenses for the 2nd Quarter from April 1 thru June 30, 2024, for the Police & Fire Retirement System. The gross payroll was \$10,067,708.55. Investment fees for the quarter was \$327,537.10 and contractual fees was \$1,687.50. Total operating and administrative expenses for the quarter was \$10,433,401.05.

Ms. Williams reported the Employees' Retirement System invoices for August: Boomershine Consulting Group, \$3,310.00; Income Research + Management, \$11,990.92, VanOverbeke, Michaud & Timmony, P.C., \$2,487.50 with itemized services for the 4th quarter.

It was moved by Trustee Ebright and supported by Trustee Bahr to approve payments for the Employees' Retirement System invoices for August 2024.

Adopted by the following vote: 7 - 0.

Ms. Williams reported the Operating Expenses for the 2nd Quarter from April 1 thru June 30, 2024, for the Employees' Retirement System. The gross payroll was \$6,096,220.39. Investment fees for the quarter was \$102,250.74, contractual fees was \$14,962.50. Total operating and administrative expenses for the quarter was \$6,234,899.13.

Attorney Castle provided an update on the service provider investment consultant review. Attorney Castle discussed with Asset Consulting Group regarding the Boards' discussion on the fees. Asset Consulting Group indicated that they would be willing to lock in the current annual rate through March 31, 2029.

Trustee Wohlfert indicated that the review was a part of the fiduciary responsibilities and state that there were no issues with Asset Consulting Group. Trustee Wohlfert also outlined that if the Boards considered the annual increases of the other firms, the pricing would be similar compared to the proposal offered by Asset Consulting Group.

It was moved by Trustee Wilcox and supported by Trustee Taylor to approve the proposal offered by Asset Consulting Group to lock in the current annual rate through March 31, 2029, for the Police and Fire Retirement System.

Adopted by the following vote: 7 -0.

It was moved by Trustee Kraus and supported by Trustee Bahr to approve the proposal offered by Asset Consulting Group to lock in the current annual rate through March 31, 2029, for the Employees' Retirement System.

Adopted by the following vote: 7 -0.

Attorney Castle indicated that the current Asset Consulting Group contract had been in place since 1998. He requested with agreement of the Board to re-state the current contract.

Karen Williams provided an itinerary for the retirement conference to be held September 12, 2024. The Retirement Board reserved the Lansing Center and provided a budget of \$30,000. Ms. Williams also discussed trustee assignments for the day, registration, and trustees to assist vendors and presenters.

Mr. Nathan Burk reviewed the quarterly cash flow withdrawal recommendations. Both the ERS request for \$6.5 million and the Police and Fire request for \$10.5 million would be withdrawn from the Northern Trust Reserve Cash Account.

It was moved by Bahr and supported by Trustee Ebright to withdraw \$6.5 million from the Northern Trust Reserve Cash Account for the Employees' Retirement System cash flow withdrawal request.

Adopted by the following vote: 7 -0.

It was moved by Trustee Moore and supported by Trustee Taylor to withdraw \$10.5 million from the Northern Trust Reserve Cash Account for the Police and Fire Retirement System cash flow withdrawal request.

Adopted by the following vote: 5 -0.

Mr. Nathan Burk referred to the Market Snapshot of the 2nd Quarter Investment report. Mr. Burk discussed the financial performance of the Employees' Retirement System and the Police and Fire Retirement System for the period ending June 30, 2024. Mr. Tarlas reviewed current market environment and discussed the inflation, risk, and interest rates.

Mr. Burk reviewed the Employees' Retirement System and The Police and Fire Retirement System Asset Allocation. He reviewed the portfolio's goals and objectives and confirmed strategic asset allocation targets and expectation of continued uncertainty and focus on the longer term. Mr. Burk explained changes in Asset Consulting Group assumptions regarding valuations and yields.

Mr. Burk discussed fixed income allocation adjustments to the retirement systems portfolios. He discussed core plus within the asset categories. Mr. Burks discussed risk and return factors for the strategy and provided a comparison against other asset classes. Mr. Burk recommended the replacement of Western Asset due to under performance and personnel changes. Asset Consulting Group suggested rolling the monies into Income Research and Management core plus strategy.

It was moved by Trustee Wilcox and supported by Trustee Taylor to replace the Income Research and Management Core with its Core Plus Strategy for Police and Fire Retirement System subject to legal review.

Adopted by the following vote: 5- 0.

It was moved by Trustee Bahr and supported by Trustee Ebright to replace the Income Research and Management Core with its the Core Plus Strategy for the Employees' Retirement System subject to legal review.

Adopted by the following vote: 7 – 0.

Mr. Burk discussed a couple of investment manager recommendations to replace Western Asset as a Core Bond Plus manager. Mr. Burk reviewed Janus Investment management and Loomis Investment management.

It was moved by Trustee Kraus and supported by Trustee Bahr to interview Janus Investments and Loomis Investments to replace Western Asset for the Employees' Retirement System.

Adopted by the following vote: 7 – 0.

It was moved by Trustee Taylor and supported by Trustee Wilcox to interview Janus Investment and Loomis Investment to replace Western Asset for the Police and Fire Retirement System.

Adopted by the following vote: 5 -0.

It was moved by Trustee Wilcox and supported by Trustee Taylor to adjourn the Joint Retirement System Board meeting for the Police and Fire Retirement System.

Adopted by the following vote: unanimous.

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

Adopted by the following vote: unanimous.

The Meeting adjourned at 10:38 a.m.

Minutes approved on 9/17/2024.

Desiree Kirkland, Secretary

Dennis R. Parker, Chairperson
Employees' Retirement System

Eric P. Wohlfert, Chairperson
Police and Fire Retirement System