August 13, 2020

NOTICE OF MEETING

There will be a meeting of the Board of Trustees of the Police and Fire Retirement System Board & Employees Retirement System Board as follows:

Date: August 18, 2020
Time: 8:30 a.m.

Location: Dial from your phone: +1 312 626 6799 US (Chicago) OR +1 646 876 9923 US (New York)
Topic: Meeting ID: 832 1988 8216

Join Zoom Meeting
https://us02web.zoom.us/j/83219888216

Meeting ID: 832 1988 8216

With Executive Order 2020-4, Governor Whitmer declared a statewide state of emergency due to the spread of the novel coronavirus (COVID-19). To mitigate the spread of COVID-19 and to provide essential protections to vulnerable Michiganders and this state’s health care system and other critical infrastructure, it is crucial that all Michiganders take steps to limit in-person contact, particularly in the context of large groups. Therefore, this meeting will be conducted via audio/video conference.
https://us02web.zoom.us/j/83219888216

This meeting is being held electronically in accordance with the Open Meetings Act in an effort to protect the health and safety of the public. Members of the public wishing to participate in the meeting may do so by logging into or calling into the meeting using the website or phone number, and meeting id provided above. Michigan Executive Order 2020-129 provides temporary authorization of remote participation in public meetings and hearings. You may direct any questions or comments to the Retirement Board via email at karen.williams@lansingmi.gov.

Persons with disabilities who need accommodation to fully participate in this meeting should contact the Retirement Office at (517) 483-4508. 24 hour notice may be needed for certain accommodations. An attempt will be made to grant all reasonable accommodation requests.

“Equal Opportunity Employer”
Public Participation Notes

To Make Public Comment?

Join Zoom Meeting from Computer https://us02web.zoom.us/j/83219888216

(Note: this option requires downloading Zoom software. If you have not already installed the software, this may take a few minutes.)
Meeting ID: 832 1988 8216

Dial from your phone: +1 312-626-6799 US (Chicago) OR +1 646-876-9923 US (New York)
Meeting ID:832 1988 8216

Written public comments may be submitted to Karen.Williams@lansingmi.gov by the end of the public period.

Persons with disabilities who need accommodation to fully participate in this meeting should contact the Retirement Office at (517) 483-4508. 24 hour notice may be needed for certain accommodations. An attempt will be made to grant all reasonable accommodation requests.
CITY OF LANSING
JOINT EMPLOYEES’ RETIREMENT SYSTEM
AND POLICE AND FIRE RETIREMENT
SYSTEM BOARDS AGENDA

Joint Meeting
Via Zoom Meeting
https://us02web.zoom.us/j/83219888216

Meeting Dial-In Number: +1 312 626 6799 US (Chicago) OR +1 646 876 9923 US (New York)
Meeting ID: 832 1988 8216

1. Call to Order.

2. Roll Call:

ERS: Bahr, Cahill, Dedic, Fox, Kraus, D. Parker, Sanchez-Gazella, Schor, Spadafore. – 9

P&F: Fox, Lewandowsky, Rose, Schor, C. Wilcox, R. Wilcox, Wohlfert, Wood. – 8

3. Excusing of Board Members (Police and Fire)

4. Excusing of Board Members (Employees’ Retirement System)


6. Reading of the Official Minutes of the Employees’ Retirement System Board Regular Meeting of July 21, 2020. (Employees’ Retirement System)

7. Public Comments for Items on the Agenda

Those wishing to make public comments will need to raise their hands or submit written comments to karen.williams@lansingmi.gov by the end of the public comment period:
To Raise Your Hand: On the phone: Dial *9; On a Mac: Option Y;
Windows: Alt Y

8. Secretary’s Report (Police and Fire):

0 new sworn fire member(s), 0 new sworn police members, 0 reinstatement(s), 0 refund(s), 0 transfers, 0 retired. Total: Active membership: 375. 2 death(s): Ted Barger, Police, died 7/11/2020, age 73, no beneficiary; Carroll Lee, Police, died 8/4/2020, age 91, surviving spouse to receive 50%. Refunds made since the last regular meeting amounted to $0.00. Reimbursements to the System year-to-date amount to $19,644.35. Retirement allowances paid for the month of July 2020, amounted to $2,924,008.08. Total retirement checks printed for the P&F System: 760. Total retirement checks printed for both systems: 1,707. Domestic relations order received: 0. Domestic relations orders pending: 0. Eligible Domestic Relations Order Certified: 0.
9. Secretary’s Report (Employees’ Retirement System):

4 new member(s), 0 reinstatement(s), 0 refund(s), 0 transfers, 2 retired. Total active membership: 482. Total deferred: 76. 2 death(s): Violet Clark, died 7/11/2020, age 82, beneficiary of UAW retiree; Joseph Swanson, Parks, retired 7/24/1993, died 7/28/2020, age 90, no surviving beneficiary. Refunds made since the last regular meeting mounted to $0. Retirement allowances paid for the month of July 2020, amounted to $2,022,919.08. Total retirement checks printed for the ERS System: 947. Total Retirement checks printed for both systems: 1,707. Eligible domestic relations orders received: 0. Domestic relations orders pending: 0. Eligible domestic relations orders certified: 0.

10. Applicant for Regular Age & Service Retirement (Police and Fire):

11. Applicant for Regular Age & Service Retirement (Employees’ Retirement System):

Kevin Lytle (Public Service – UAW), 25 years, 3 months of service credits, age 58, effective 9/30/2020

Sid Scrimger (Public Service – T580 SUP), 8 years, 8 months of service credits, age 62, effective 8/15/2020

Aaron Winchell (Public Service – UAW), 25 years, 8 months of service credits, age 50, effective 8/14/2020

12. Request for Duty Disability Retirement (Police and Fire):

Applicant #2020 – PO818

13. Request for Non Duty Disability Retirement:

14. Training and Education

   Pension and Retiree Health Care (OPEB) Local Government Retirement Webinar-August 18 (2:00 p.m. – 3:30 p.m.)
   MAPERS Online Seminars/Training
   MAPERS Fall Conference – CANCELLED

15. Request for Refund of Accumulated Contributions
16. Public Comments for items not on the Agenda

Those wishing to make public comments will need to raise their hands or submit written comments to karen.williams@lansingmi.gov by the end of the public comment period:
To Raise Your Hand: On the phone: Dial *9; On a Mac: Option Y;
Windows: Alt Y

17. Police and Fire Business:

Legal Counsel Report
Retirement Audit
Service Credit Contribution Repayment
Pension Beneficiary Change

18. Employees' Retirement System Business:

Legal Counsel Report
Trustee Election update

19. Joint Business:

Zoom License
Quarterly Expenses Reports

20. Lazard Presentation – Tom Franzeze & Mike Powers


22. Actuarial Valuation update – Greg Stump, Boomershine Consulting Group

23. Asset Consulting Group – Nathan Burk

2nd Quarter Investment Performance
July Investment portfolio performance
Quarterly Cash Flow Withdrawals

24. Adjourn
Dear Karen E.,

Due to the COVID-19 global pandemic, the State of Michigan's emergency and disaster declarations, the Executive Orders issued by Michigan's Office of the Governor, and for the safety and wellbeing of all, the 2020 Fall Conference scheduled for September has been cancelled.

Hotel reservations at the Grand Hotel have been canceled and a full refund will be issued to your original form of payment. The Grand Hotel is offering a special discounted rate of $179 per person over our conference dates if you still wish to visit the island, mention 2020 MAPERS outing when calling: (906) 847-3331.

We have requested that our plan members allow us to transfer their conference registration payment to our 2021 Spring or Fall Conference. A detailed credit invoice will be sent to your plan administrator later this month.

Due to the conference cancelation we will host our Annual Business Meeting virtually on Monday, September 14th at 11:00 AM. At this meeting we will review our business and programming plans for the coming year and provide a legislative update from MAPERS lobbyists from Capitol Services and a legal update from MAPERS attorneys from VanOverbeke, Michaud & Timmony. Watch the events page of our website and your email for registration information for this event.

Two four-year MAPERS Board Member positions, currently held by Chairman James Haddad and Secretary-Treasurer Lauri Siskind, are up for election this year. Both candidates will be seeking re-election. We are currently accepting nominations for any additional Plan members interested in serving on the MAPERS board. Board members are expected to attend meetings on a semi-monthly basis (typically 4-6 per year); keep abreast of legislative issues pertaining to public employee retirement issues; assist in planning annual conferences and seminars; attend and serve as moderator at conferences; suggest and obtain speakers for conferences; be available to attend national conferences; keep informed of current, former, and potential Corporate members; adhere to MAPERS Board policies and procedures; perform other related duties as assigned.

Interested members should mail/email a formal letter of interest along with a resume of pension related experience to the MAPERS office by August 24, 2020. Please include your current job position, position on your plan member board, and any other information you think we might find important (other organizations you belong to, conferences you attend, etc.). Individuals should also plan to be available for a virtual interview by the nominating committee. Results of the board election will be announced at the Business Meeting on 9/14/20.

Plan Administrators will be asked in a separate email message to submit the names of two individuals to serve as delegates for the business meeting and board member election.

Please contact our office if you have any questions regarding this message.

MAPERS
525 E. Michigan Ave. #409
Saline, MI 48176
Phone: 734-944-1144
TO: BOARD OF TRUSTEES OF THE CITY OF LANSING EMPLOYEES’ RETIREMENT SYSTEM

FROM: AARON L. CASTLE

RE: LEGAL REPORT FOR AUGUST 18, 2020 MEETING

DATED: AUGUST 12, 2020

This Legal Report was prepared for distribution to the Board prior to the referenced meeting date. Additional legal items not appearing in this Report but which may require immediate attention may be presented and discussed at the meeting under Section VII of this Report.

New matters and/or updates to continuing matters are indicated in bold type.

I. INVESTMENT RELATED MATTERS

II. PLAN & BENEFITS ADMINISTRATION MATTERS
   A. Disability Retirement Offsets

   See draft Certification of Earnings form, attached as Addendum A.

III. NEW LEGAL MATTERS

IV. ONGOING LEGAL MATTERS

V. LEGISLATIVE UPDATE
ADDENDUM A

If you have any questions concerning this form, please feel free to contact the Retirement Office, Eighth Floor, City Hall, at (517) 483-4508.

City Ordinance, Charter Section 292.34(b)(c)(e): “It shall be the duty of each disability retirant to shall file with the Board of Trustees, at least annually, a statement of earnings on forms furnished by the Board of Trustees, a statement of his or her earnings, together with such supporting data schedules as may be requested by the Board to establish a basis for determining earnings for operations of this section. The Board may from time to time adopt rules and regulations for defining earning computation for purposes of application of this section. Failure to file by a disability retirant to submit required information upon written request by the Board may, at the discretion of the Board, subject the disability retirant to suspension of retirement allowance payments.”
The Board met in special session and was called to order at 9:30 a.m.

Present: Bahr, Cahill, Dedic, Fox, Kraus, Schor, Spadafore, –7
Absent: Trustee Parker, Sanchez-Gazella (excused)
Others: Karen E. Williams, Human Resources Department; Attorney Aaron Castle, (legal counsel).

Karen Williams read into the minutes the following letter from the Office of Mayor regarding staffing changes.

July 14, 2020
City of Lansing Employees’ Retirement Board
c/o Ms. Karen Williams
124 W. Michigan Ave. 8th Floor
Lansing, MI 48909

Dear Board Members:

Please note some of the changes in our staffing and the corresponding effect on your board membership.

I have named Judy Kehler as the new Chief Strategy Officer to fill the spot left by Shelbi Frayer’s resignation.
Cheryl Fox will serve as the interim Treasurer and will fill the Treasurer role on the ERS board as required by ordinance.
Jake Brower is the interim finance director and will fill the role of non-voting secretary for the July meeting.
In August, Rob Widigan will come on board as the Finance Director and take the non-voting Secretary spot.

Please let me know if you need further information regarding these positions, or if there are any concerns.

Sincerely,
Andy Schor
Mayor
Employees’ Retirement System  
Special Meeting of July 21, 2020  
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It was moved by Trustee Spadafore and supported by Trustee Bahr to approve the Official Minutes of the Employees’ Retirement System Board Meeting of June 16, 2020.

Adopted by the following vote: unanimous

There were no public comments.

Secretary’s Report:

1 new member(s), 0 reinstatement(s), 0 refund(s), 0 transfers, 1 retired. Total active membership: 478. Total deferred: 74. 3 death(s) Robert Ayles, (UAW, retired 3/1/1997), died 6/21/2020, age 83, beneficiary to receive 50%; Ruth Cutler (Teamsters, retired 9/23/1987), died 5/17/2020, age 94, no surviving beneficiary; Kenneth Harris (NonBargaining, retired 9/15/1987), died 5/29/2020, age 94. Refunds made since the last regular meeting amounted to $20,427.17. Retirement allowances paid for the month of June 2020, amounted to $2,017,067.53. Total retirement checks printed for the ERS System: 944. Total Retirement checks printed for both systems: 1696. Eligible domestic relations orders received: 0. Domestic relations orders pending: 0. Eligible domestic relations orders certified: 0.

It was moved by Trustee Bahr and supported by Trustee Dedic to approve the request for regular age and service retirements:

Michael W. Hayes, (Public Service – UAW), 26 years, 6 months of service credits, age 53, effective July 26, 2020.

Jeffrey Hettich (Public Service – Teamster 243 Supervisory), 18 years of service credits, age 61, effective August 1, 2020.

Richard J. LaMay (Public Service – Teamster 243), 16 years, 9 months of service credits, age 58, effective July 1, 2020.

Adopted by the following roll call vote: Unanimous

There were no requests for duty disability.

There were no requests for non-duty disability.

It was moved by Trustee Bahr and supported by Trustee Spadafore to approve the following requests for refund of accumulated contributions:

D’Artagnan M. Collier, Teamster 243 Supervisory, not vested, $12,923.61
Vincente Pino-Marquez, Teamster 243 CTP, not vested, $1,172.82
Mary Riley, Executive Management, not vested, $14,700.26.

Adopted by the following vote: unanimous
Employees’ Retirement System  
Special Meeting of July 21, 2020  
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Karen Williams reported that members who wished to attend the MAPERS Fall Conference should contact the Retirement office regarding registrations.

It was moved by Trustee Spadafore and supported by Trustee Dedic to excuse Trustee Parker and Trustee Sanchez-Gazalla from the July Employees’ Retirement System.

Adopted by the following vote: unanimous

There were no public comments.

Attorney Aaron Castle provided a legal counsel report regarding other income offsets in response to questions asked by trustees and retirees. Attorney Castle reviewed his opinion that additional income received through an inheritance or federal stimulus packages does not constitute pay or remuneration from a gainful occupation, business or employment, and the Retirement Board is not required to reduce such amounts from disability retirement allowances being paid by the Retirement System.

Attorney Castle provided a copy of the policy that clarifies other income. The policy included, the purpose and definitions. The policy outlined the income verification process, workers’ compensation offset and other income offset.

It was moved by Trustee Irene Cahill and supported by Trustee Bahr to adopt the City of Lansing Police and Fire Retirement System Disability Offset policy.

Attorney Castle reported that new trustee orientation and training was held June 24, 2020. Attorney Castle inquired if the Employees Retirement System wanted to have July 22, 2020 orientation, because most of the new trustees attended the June training. He stated that he would arrange one-to-one orientation with new trustees. Trustee Kraus requested if members can be notified of the sessions as she was interested in attending.

Attorney Castle indicated that the deadline for withdrawals without penalty would be end of the plan year. The amendment to the Retirement Ordinance would need to be made to be plan documents prior to the end of 2020.

Karen Williams reported that she received an Employees’ Retirement System ordinance amendment from City Council for the Board’s review. The amendment would add a member to the ERS Board of Trustees, who is a Lansing resident and who does not receive retirement benefits from the system.

Trustee Spadafore added that City Council had scheduled a public hearing on July 27 for the ordinance amendment. The amendment would not replace any member on the Board; it would expand the membership to include a City of Lansing resident.
Trustee Schor added that he sent the amendment to City Council for consideration and a council member requested the Employees' Retirement System input. Trustee Schor indicated that his intent was to have a non-system Lansing resident on the Board. He felt that it would add tremendous value to the Board.

Trustee Kraus inquired about what would happen in the future regarding the statewide seat when Trustee Dedic leaves the board.

Trustee Schor indicated that ordinance does not remove that seat, but the council can remove the seat in the future.

Trustee Spadafore indicated that he supports adding a Lansing resident, and keeping the statewide seat for the Board at this time.

It was moved by Trustee Schor and supported by Trustee Bahr to recommend to Council the approval of the Employees Retirement System ordinance amendment to add a member to the Board.

Adopted by the following vote: unanimous

Karen Williams updated the retirement Board that the Trustee Election had been suspended due to Covid-19 virus and the Governor’s Stay at home order. Ms. Williams informed members that employees were scheduled to return in August.

Attorney Castle indicated that the ERS Board had suspended its election rules during the Governor’s Stay at home policy. Attorney Castle recommended that the election proves could proceed and that the Board should vote to re-instate the trustee election policy.

It was moved by Trustee Spadafore and supported by Trustee Bahr to reinstate the election procedures in August.

Adopted by the following vote: unanimous

Karen Williams reviewed the monthly investment report for the month ending June 30, 2020.

It was moved by Trustee Bahr and supported by Trustee Spadafore to adjourn the July Meeting of the Employees' Retirement System Board.

Adopted by the following vote: unanimous

The meeting adjourned at 9:06 a.m.
Minutes approved on ____________

Jake Brower, Secretary
Employees' Retirement System

Antonia Kraus, Chairperson
Employees' Retirement System