# OFFICIAL PROCEEDINGS OF THE BOARD OF TRUSTEES
# CITY OF LANSING
# EMPLOYEES RETIREMENT SYSTEM

Regular Meeting February 20, 2014
City Council Conference Room Thursday, 8:30 a.m.
10th Floor, City Hall
Lansing, MI

The Board met in regular session and was called to order at 8:36 a.m.

Present: Dedic, Kraus, McCaffery, Munroe, D. Parker, M. Parker, Taylor – 7
Absent: Trustee Bernero, Boles.

Others: Karen E. Williams, Finance Department; Attorney Kenneth Lane, Clark Hill (representing the City Attorney's Office).

It was moved by Trustee Kraus and supported by Trustee Munroe to approve the Official Minutes of the Employees Retirement System Board Regular Meeting of January 23, 2014.

Adopted by the following vote: 7 – 0

There were no public comments.

Secretary=s Report. 0 new member(s), 0 reinstatement(s), 0 refund(s), 0 transfers, 4 retired. Total active membership: 312. Total deferred: 63. 1 death(s) Dorothy Kennedy, (Parks/NonBargaining), died 11/21/2013, age 105, no beneficiary. Refunds made since the last regular meeting amounted to $0.00. Retirement allowances paid for the month of January 2014, amounted to $1,830,611.81. Total retirement checks printed for the ERS System: 892. Eligible domestic relations orders received: 0. Domestic relations orders pending: 0. Eligible domestic relations orders certified: 0.

It was moved by Trustee M. Parker and supported by Trustee Taylor to approve the following requests for Regular Age & Service Retirement:

Daniel J. Curtin (Finance/Teamster) – 24 years, 2 months of service credits, age 58, effective February 15, 2014. (with the purchase of 1 year, 7 months of universal buy-in service credits)

Adopted by the following vote: 7 - 0

Karen Williams reported that Applicant #2013-E1017 was listed as pending. The Retirement Office was waiting for the applicant's documentation.

There were no requests for refunds of accumulated contributions.

Attorney Lane discussed the Public Act 314 provisions for required annual reports. Attorney Lane reviewed the Actuary Report and the Asset Consulting Group financial report, and confirmed that those documents satisfy the requirements. The statute also requires financial report looks back 7 and 10 years and provide it in the annual reporting. Attorney Lane distributed and reviewed the projected budget for the Employees Retirement System Board. The report would need to be approved at a public meeting than sent to the Mayor and Council. The items would need to be posted on the Retirement website within seven days of approval by the ERS Board.

It was moved by Trustee Mark Parker and supported by Trustee Taylor to approve the projected budget for the Employees Retirement System Board.

Adopted by the following vote: 7 – 0.

Attorney Lane explained that the City will finalize its contributions and the ERS Board will need to confirm the amount at the next meeting.

Attorney Ken Lane reviewed the amendment written into the PBI contract. PBI stated that the information provided is generally from credit agencies and the information cannot be guaranteed. Attorney Lane informed the Board that cost of the service would only be $750. Attorney Lane was comfortable with language. Attorney Lane stated that when information comes from PBI, the Retirement Board can send a letter to verify if the retiree is deceased.

It was moved by Trustee Mark Parker and supported by Trustee Taylor to approve the amendment to the PBI contract.

Adopted by the following vote: 7 – 0.

Attorney Ken Lane updated the ERS Board regarding the 911 Center Transfer. Ingham County will pass a similar resolution to the resolution adopted by the City of Lansing Employees Retirement System Board. Attorney Lane stated that MERS hired a third-party actuary to review the valuation amount. Mr. Greg Stump, Boomershine Consulting Group has discussed the valuation with the third-party actuary and believes there should be a resolution. The third party actuary will provide a report to Ingham County and MERS.

Trustee Antonia Kraus reported that the investment subcommittee had met to interview international value investment manager. Ms. Kraus recommended that Lazard be appointed as the new international value investment manager.

It was moved by Trustee Kraus and supported by Trustee McCaffery to remove Invesco and appoint Lazard as its international value investment manager, contingent upon legal review of the investment contracts.

Adopted by the following vote: 7 - 0

Karen Williams provided an update of the Arrivos Pension Software implementation. Tegrit is working on a new schedule for the software implementation. Karen Williams will begin working with Tegrit to create the retirement calculators.

Karen Williams reviewed the quarterly expense report and securities lending report for the month of January 2014.

Trustee Kraus reported that Police and Fire Retirement Board requested that the quarterly report include a percentage of budget spent section. Trustee Kraus will restructure the quarterly expense report to incorporate the items listed in the projected budget that was required by Public Act 314.

The meeting adjourned at 8:55 a.m.

Minutes approved on _____

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Angela Bennett, Secretary
Employees Retirement System

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Scott Dedic, Chairperson
Employees' Retirement System