

**OFFICIAL PROCEEDINGS OF
THE BOARD OF TRUSTEES CITY OF LANSING
EMPLOYEES' RETIREMENT SYSTEM
MEETING MINUTES**

Meeting Minutes
10th Floor City Council Conference Room

September 13, 2022
Tuesday, 9:15 a.m.

The Board was called to order in the Committee of the Whole at 9:44 a.m. and the official meeting began at 9:57 a.m.

Present: ERS: Bahr, Dedic (9:57), Ebright, Kraus, D. Parker, Schor – 6

Absent: (Excused) Garza, Kirkland, Sanchez-Gazella

Others: Karen E. Williams, Evangelina Hernandez Human Resources Department; Attorney Aaron Castle, VanOverbeke, Michaud & Timmony, P.C., George Tarlas, Asset Consulting Group

Mr. Oscar Mazuca provided comments regarding his request to have his ex-spouse removed as his pension beneficiary. He received a letter from the Employees' Retirement System's legal counsel that provided him a waiver for his ex-spouse to sign. Mr. Mazuca reported to the Board that his ex-spouse refused to sign the waiver. He requested that the Board reconsider his request.

Attorney Castle stated that the ERS Board was not a party to the divorce and the terms of the divorce cannot amend the retirement ordinance. Attorney Castle in his letter to Mr. Mazuca recommended that Mr. Mazuca consult with his divorce attorney regarding options for enforcing the terms of the Judgement of Divorce through the courts.

Secretary's Report:

2 new member(s), 0 reinstatement(s), 0 refund(s), 0 transfers, 1 retired. Total active membership: 486. Total deferred: 0. 3 death(s) Linda L. Grissom, age 78, died 8/9/2022 spouse of UAW retiree; Richard E. Reickel, Sr., (Parks & Recreation, UAW, retired 3/19/2000) died 7/2/2022, age 87, beneficiary to receive 50%; David W. Hilliard, Sr., (Public Service, Teamster, retired 7/17/1992), died 7/8/22, age 78, no beneficiary. Refunds made since the last regular meeting amounted to \$5,486.58. Retirement allowances paid for the month of August 2022, amounted to \$2,023,257.65. Total retirement checks printed for the ERS System: 947. Total Retirement checks printed for both systems: 1705. Eligible domestic relations orders received: 0. Domestic relations orders pending: 0. Eligible domestic relations orders certified: 0.

Ms. Williams reported the Applicant #2021-E1108 had seen the medical director. The medical report was received by the disability subcommittee. The disability subcommittee requested a supplemental report from the medical director.

There were no requests for non-duty disability.

Ms. Williams reported that Mr. Karac Brown had requested a refund of his accumulated contributions of \$6,762.77. He was a Teamster 243, and not vested.

Ms. Williams distributed and reported information for upcoming events:

MAPERS Fall Conference, September 17-20, Mackinaw Island, Michigan
3rd Annual Michigan Institutional Forum, October 6, East Lansing, Michigan
68th Annual IFEBP Conference, October 23-26, Las Vegas, Nevada

Ms. Williams directed members to review agendas, registration forms, and hotels for the conferences. Ms. Williams informed them to provide their arrival and departure dates for each event they want to attend to Evangelina Hernandez.

Ms. Williams updated the Employees Retirement System Board regarding the quarterly cash flow withdrawals. Asset Consulting Group recommended balancing the portfolio and withdrawing \$4 million from Integrity and \$2 million from Blackrock.

Northern Trust Bank provided the following service fees: Employee Contributions, \$0.00, Invoices a \$10.00 per wire out; ACH/Check no fee.

Northern Trust Bank also indicated that there would be \$100 charge implemented for all LOD Letters of Direction. Northern Trust Bank indicated that the retirement board could set up Web Cash Movement and avoid the \$100 charge. Northern Trust Bank would need to prepare access letters and have at least 1 requestor and 1 approver.

Ms. Williams updated the Employees Retirement System regarding an estimate of additional hours that the Board could purchases for the software updates. Tegrit indicated that the annual hours allocated for the contract should be enough to update the software. Tegrit also provided an estimate for additional hours for the death audit process, adding the mortality tables and new contract changes.

Ms. Williams distributed the Public Meeting notice for the Employees Retirement System Board. The Board meeting for 2023 were scheduled for the third Tuesday of each month. The Board meeting dates did not interfere with any of the 2023 conferences for MAPERS, NCPERS or IFEBP.

Mr. George Tarlas reviewed the Employees' Retirement System Monthly Investment report for the period ending August 31, 2022.

It was moved by Trustee Bahr and supported by Trustee Ebright to approve the Official Joint Minutes of the Employees' Retirement System Board and the Police and Fire Retirement System Board meeting of August 16, 2022.

Adopted by the following vote: 6 – 0

It was moved by Trustee Kraus and supported by Trustee Dedic to approve the following Request for Refund of Accumulated Contribution:

Karac Brown, Teamster 243, not vested, \$6,762.77

Adopted by the following vote: 6 – 0

Ms. Williams reported that Trustee Garza and Trustee Kirkland contacted the Retirement Office and requested to be excused from the September meeting. Trustee Kirkland and Sanchez-Gazella are ex-officio, and no vote was needed to excuse those members.

It was moved by Trustee Kraus and supported by Trustee Dedic to excuse Trustee Garza from the September Employees Retirement System Board.

Adopted by the following vote: 6 -0

It was moved by Trustee Kraus and supported by Trustee Schor to approve the quarterly cash flow withdrawals of \$4 million from Integrity and \$2 million from Blackrock as recommended by Asset Consulting Group.

Adopted by the following vote: 6 - 0

Ms. Williams provided retirement board September invoices (IFEBP membership and Tegrit) for approval in accordance with the authorized signer's policy.

It was moved by Trustee Dedic and supported by Trustee Schor to approve the September Invoices of the Employees' Retirement System Board.

Adopted by the following vote: 6 – 0.

Ms. Williams inquired if the Employees' Retirement System Board wished to begin the Northern Trust online banking system, Web Cash Movement. Ms. Williams indicated that the Police and Fire System did approve moving to the online banking system with Ms. Karen Williams, Department of Human Resources, Retirement Analyst as the requestor and the chair and vice chair as approvers. Ms. Williams would input the data and the chair or vice chair would approve the transaction.

Mr. Tarlas explained to the Employees Retirement System Board that most plans are moving to online banking.

It was moved by Trustee Bahr and supported by Trustee Ebright to approve the Web Cash Movement online banking system at Northern Trust Bank, with Ms. Williams as the requester and Dennis Parker and Antonia Kraus as approvers.

Adopted by the following vote: 6 – 0

Ms. Williams reported that the Police and Fire Retirement System requested 400 additional hours at the discounted rate of \$140 to work on outstanding projects, death audit, mortality tables and upcoming contracts. The hours would roll over.

It was moved by Trustee Bahr and supported Trustee Dedic to purchase 400 additional hours at the discounted rate of \$140.

Trustee Kraus inquired about the hours that the Board receives within the Tegrit Contract.

Attorney Castle stated that Tegrit contract provides 160 hours as an annual base. Tegrit stated in a previous meeting that the base amount would be used to bring the calculator and software up to date.

Adopted by the following vote: 6 - 0

The finance controller, Jeff Scharnowske, attended the Police and Fire Retirement System Board meeting held earlier and requested read only access to the remaining Retirement System Accounts so that he can complete the data needed for the actuarial report. The Police and Fire Retirement System approved the request and Mr. Scharnowske asked if the same request could be made in the Employees' Retirement System meeting.

It was moved by Trustee Kraus and supported by Trustee Schor to grant Jeff Scharnowske read access for the remaining Employees Retirement System accounts that he needed to complete the actuarial report.

Adopted by the following vote: 6 - 0

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

Adopted by the following vote: unanimous

The meeting ended at 10:97 a.m.

Minutes approved on 10/18/2022

Desiree Kirkland, Secretary
Employees' Retirement System

Dennis R. Parker, Chairperson
Employees' Retirement System