

**CITY OF LANSING  
JOINT EMPLOYEES' RETIREMENT  
SYSTEM BOARD and  
POLICE AND FIRE RETIREMENT SYSTEM  
BOARD MEETING MINUTES -adjusted**

Joint Meeting  
Council Conference Room  
10th Floor City Hall  
Lansing, MI

August 20, 2019  
Tuesday, 9:00 a.m.

The meeting was called to order at 9:14 a.m.

A quorum of the Employees' Retirement System Board and the Police and Fire Retirement System Board was present.

Trustees present: (ERS), Bahr (9:38) Kehler, Kraus, D. Parker, M. Parker, Sanchez-Gazella. – 6.  
(Police & Fire), Fabus, Kehler, Rose, C. Wilcox, R. Wilcox, Wohlfert, Wood – 7

Others present: Karen E. Williams, Angela Bennett, Finance Department; Attorney Ken Lane (representing the City Attorney's Office); Nathan Burk, Asset Consulting Group; Jeff Puckette, Dan Ott, Black Rock Investment; Attorney James Smiertka, City Attorney's Office.

It was moved by Trustee Kehler and supported by Trustee Mark Parker to excuse Trustee Washington from the August Joint Retirement Board meeting.

Adopted by the following vote: 5 – 0.

It was moved by Trustee Wood and supported by Trustee Ryan Wilcox for the Police and Fire Retirement System Board to amend the Joint agenda to add for discussion the Request for Information (RFI) for Legal Counsel.

Adopted by the following vote: 7 -0.

It was moved by Trustee Mark Parker and supported by Trustee Linda Sanchez-Gazella for the Employees Retirement System Board to amend the Joint agenda to add for discussion the Request for Information (RFI) for Legal Counsel.

Adopted by the following vote: 5 – 0.

Trustee Wood stated the Retirement Boards had requested that the City Attorney's office to draft a Request for Information (RFI). Trustee Wood stated that the Retirement Boards were under the assumption that the RFI had been issued to the City Council's approved list. The Retirement Boards had also requested that the RFI go to MAPERS.

Joint Meeting  
Council Conference Room  
10th Floor City Hall  
Lansing, MI

August 20, 2019  
Thursday, 9:00 a.m.

Page 2

Attorney Smiertka indicated that he was unaware the City Attorney's office was responsible for issuing the Request for Information (RFI).

It was moved by Trustee Wood and supported by Trustee Ryan Wilcox for the Police and Fire Retirement Board to request that the City Attorney Office return the Request for Information for Legal Services draft to the Retirement Office to be updated, to provide a copy of the City Council's approved list, and for the Retirement Office to issue the RFI with responses due October 1, 2019. Trustee Christopher Wilcox offered a friendly amendment to change the RFI to a Request for Proposals (RFP) and was supported by Trustee Ryan Wilcox. Trustee Wood accepted the friendly amendment.

Trustee Kehler requested what the steps would be needed to issue the RFI so that there would be no confusion.

Trustee Wood stated that the City Attorney would provide the RFI draft to the Retirement office so that it could be updated. The City Attorney would provide a copy of the City Council's approved list to the Retirement Office. The Retirement office would issue the RFI to the City Council's approved list and MAPERS with responses due October 1, 2019.

Trustee Kraus expressed concern of the intent of the document. Trustee Kraus believed that the RFI was to receive information on AML to determine if the company had the appropriate qualifications.

Trustee Dennis Parker stated the original intent was for due diligence to see the vetting process for legal counsel.

Trustee Kraus indicated that there was a difference between the Request for information (RFI) and the Request for Proposal (RFP). Trustee Kraus indicated that the attorney's office is responsible for the due diligence since they provide the legal staffing of the retirement boards. Trustee Kraus wanted to clarify the intent of the Boards. If the Boards want to vet AML, then the Boards should have the City Attorney do a presentation. Trustee Kraus indicated that if the Boards wanted to hire or have the opportunity to hire, then the Boards should issue an RFP.

Trustee Rose stated that issuing the RFI does not preclude the Board from issuing a RFP at a later time. Trustee Rose stated that if the Boards wanted Outside Counsel, then the Board would issue a Request for Proposal (RFP).

Trustee Wohlfert stated that to issue the RFP would provide the information that the Board was seeking, and provide options if the Boards wanted to make changes.

Adopted by the following vote: 4 - 3

Joint Meeting  
Council Conference Room  
10th Floor City Hall  
Lansing, MI

August 20, 2019  
Thursday, 9:00 a.m.

Page 3

It was moved by Trustee Mark Parker and supported by Trustee Kraus for the Employees' Retirement System Board to issue a Request for Proposals (RFP) for legal services to be consistent with the Police and Fire Retirement System.

Trustee Mark Parker stated that he wanted to follow the process so that the Employees' Retirement System Board can be informed.

Trustee Kraus indicated that she supported the motion because the Employees' Retirement Board needed to be a part of the process and discussion. Trustee Kraus did not want to send one document that is a Request for Information and another document that is a RFP to the vendors. Trustee Kraus stated that she did not agree with issuing the RFP, but would support the motion to receive good solid documents.

Trustee Linda Sanchez-Gazella wanted it noted on the record that she agreed with Trustee Kraus statement.

Adopted by the following vote: 5 – 1.

Angela Bennett indicated that the Retirement Boards should establish the process. Ms. Bennett recommended subcommittees to write the RFP and the Boards will need to involve purchasing.

Trustee Dennis Parker inquired if the Retirement Board was comfortable with using the RFP drafted by the City Attorney.

Attorney Smiertka clarified that the City Attorney's office can issue the RFPQ because the office has exception under the purchasing Ordinance. Attorney Smiertka can modify the last draft and put the RFPQ by the end of the week.

Trustee Wood requested that once the RFPQ had been issued, that the City Attorney would notify the Retirement Office who will inform the Retirement Boards.

Trustee Kehler requested an outline of steps to issue the RFPQ. The City Attorney will issue the RFPQ and notify Karen Williams in the Retirement Office. The Retirement Office will notify the Retirement Board with a copy of the RFPQ. Karen Williams will contact MAPERS to add the RFPQ to their webpage. Responses will come to the Retirement Office.

Mr. Dan Ott provided an overview of the company. He reviewed the purpose statement and indicated that Black Rock had more than 2000 investment professionals. Mr. Ott discussed the growth of the active fixed income as a part of the managed asset classes.

Mr. Jeff Puckette provided a review of the City of Lansing retirement boards' manager mix. Mr. Puckette discussed the process of selecting investments. He reviewed

performance and provided a market value summary of the retirement boards' portfolio.

Mr. Burk, Asset Consulting Group, reviewed the Police and Fire Investment Policy update with the change of adding ABS as the emerging markets manager and other recommendations for approval.

It was moved Trustee Wood and supported by Trustee Christopher Wilcox to approve the amended Investment Policy as recommended by Asset Consulting Group.

Adopted by the following vote: 7 – 0.

It was moved by Trustee Mark Parker and supported by Trustee Kehler to approve the amended Investment Policy as recommended by Asset Consulting Group.

Adopted by the following vote: 6 -0.

Mr. Burk provided an overview and update of the global economic markets. Mr. Burk discussed the market environment and total portfolio analysis. Mr. Burk discussed the financial performance of the Employees' Retirement System and the Police and Fire Retirement System for the period ending June 30, 2019.

Mr. Burk provided an analysis of the portfolios equity, fixed income, and real estate investments. He reviewed the July monthly financial report. Mr. Burke announced new employees and changes to the Asset Consulting Group

Attorney Ken Lane stated that to his knowledge a request for proposal did not go out when he created his firm, AML. He was interviewed by the City Attorney's office and had volunteered his services as legal counsel to the Board prior to his addition to the City Council's approved list.

It was moved by Trustee Fabus and supported by Trustee Rose to adjourn the August Joint Employees' Retirement System Board and Police and Fire Retirement System Board meeting.

Adopted by the following vote: 6 – 0.

The meeting adjourned at 10:53 a.m.

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

\_\_\_\_\_  
Angela Bennett, Secretary

\_\_\_\_\_  
Dennis R. Parker, Chairperson  
Employees' Retirement System

\_\_\_\_\_  
Eric P. Wohlfert, Chairperson  
Police and Fire Retirement System