

**MUNICIPAL EMPLOYEES' RETIREMENT SYSTEM OF MICHIGAN
BOARD MEETING MINUTES
Grand Traverse Resort, Acme, MI
September 27, 2016**

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**MUNICIPAL EMPLOYEES' RETIREMENT SYSTEM OF MICHIGAN
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BOARD MEMBERS PRESENT

Michael Brown, Chair
Sally Dreves, Vice-Chair
Michael Gilmore
Amy Deford
Jason Sarata
Dale Feldpausch
Jim Wiersma
Randy Girard
John Ogden

MERS STAFF PRESENT

Chris DeRose, Chief Executive Officer
Pam Steffy, Board Secretary
Jeb Burns, Chief Investments Officer
Leon Hank, Chief Financial Officer
Denise Boucke, Chief Customer Service Officer
Carrie Lombardo, Chief Strategic and External Affairs
Officer
Pat Tarini, General Counsel
Brian LaVictoire, Deputy General Counsel for
Investments and Compliance
Kim Rhead, Governmental Affairs Director
Carri Simon, Internal Auditor
Jennifer Mausolf, Marketing and Product Development
Director
Peter Wujkowski, Investment and Administrative
Officer
Mike Charette, Director of Public Markets
Ed Mikolay, Director of Private Markets
Mike Schrauben, Investment Officer and Portfolio
Manager
Jim Koss, Senior Actuary, CBIZ

Call to Order

Chairperson, Michael Brown called the meeting of the MERS Retirement Board to order at 4:01 p.m. on Tuesday, September 27, 2016.

Public Audience

John Fuentes, Connie Sobie and Joe Brehler of Eaton County, Craig Longneck of Clinton County and Heather Grace of City of West Branch were in attendance.

Old Business

No old business was brought before the Board.

Consent Agenda

Mr. Girard moved to approve the September 27, 2016 General Consent Agenda; supported by Mr. Wiersma. Motion carried.

New Business

CEO Report

Mr. DeRose presented the CEO Report on:

- MERS Strategic Direction
- Experience Study and Impact Analysis
- Public Policy Activities
- Outreach to our customers and Key stakeholders
- West Michigan Policy Forum
- Investments
- Finance Activities
- MERS 70th Annual Conference
- Customer Service
- Retirement Readiness
- Product Management Process
- Employee Communication
- Business Continuity Exercise

2015 Annual Actuarial Valuation Summary Report

Mr. Koss, Senior Actuary, CBIZ, presented an overview of the 2015 Annual Actuarial Valuation.

Declaratory Ruling Request - City of Flint re: Halstead

Mrs. Tarini, General Counsel, discussed the September 14th Memorandum to Mr. DeRose, CEO, regarding the request for Declaratory Ruling from the City of Flint with respect to benefits payable to retiree David Halstead. After review and discussion, Mr. Ogden made a motion to refer the matter to MERS' administrative law judge as stated with Section 72(3) of the Plan Document. Motion supported by Ms. Deford. Motion carried.

Asset Allocation

Mr. Burns, Chief Investments Officer, presented the 2016 Asset Allocation Analysis. Mr. Gilmore made a recommendation to approve the Analysis; supported by Mr. Feldpausch. Motion carried.

Investment Report

Mr. Burns, Chief Investments Officer, presented MERS portfolio performance report for the period ending August 31, 2016.

State & Federal Laws affecting MERS Investment Policies

Mr. LaVictoire, Deputy General Counsel for Investments and Compliance, presented information on Federal and State Investment Laws applicable to MERS Investments.

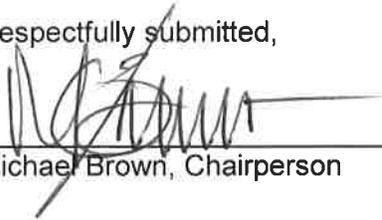
Public Comment

Ms. Heather Grace, City of West Branch, addressed the Board regarding MERS restructuring and financial status. Mr. DeRose, CEO, explained the restructuring of MERS departments and states MERS has a very strong financial base.

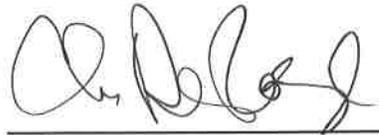
Adjournment

Meeting adjourned at 5:55 p.m.

Respectfully submitted,



Michael Brown, Chairperson



Chris DeRose, Chief Executive Officer