

**MUNICIPAL EMPLOYEES' RETIREMENT SYSTEM OF MICHIGAN  
BOARD MEETING MINUTES  
Lansing Home Office  
March 12, 2015**

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**MUNICIPAL EMPLOYEES' RETIREMENT SYSTEM OF MICHIGAN  
BOARD MEETING MINUTES  
Lansing Home Office  
March 12, 2015**

**BOARD MEMBERS PRESENT**

Michael Brown, Chair  
Lori Newberg  
Michael Gilmore  
Randy Girard  
Phil LaJoy  
Amy Deford  
John Ogden  
Jim Wiersma

Sally Dreves, Absent

**MERS STAFF**

Chris DeRose, Chief Executive Officer  
Pam Steffy, Board Secretary  
Carrie Lombardo, Chief Marketing & Employer Services Officer  
Deb Peake, Chief Employee & Retiree Services Officer  
Jeb Burns, Chief Investments Officer  
Leon Hank, Chief Financial Officer  
Tom Petroni, General Counsel  
Kristin Bellar, Senior Deputy General Counsel  
Chris Jacobson, Deputy General Counsel for Investments & Compliance  
Rod Markowski, Internal Auditor  
Kim Rhead, Government Affairs Director  
Mike Charette, Senior Investment Officer & Portfolio Manager  
Denise Boucke', HR Director  
Erin Boertman, Employer Services Director  
Jennifer Mausolf, Marketing & Product Development Director  
Allison Buhs, Senior Marketing Analyst  
James Scofield, Design Coordinator  
Scott Thompson, Information Technology Director  
Bryan Burns, Infrastructure Team Manager  
Jedidiah Knopf, IT Security Engineer

**Call to Order**

Chairperson, Michael Brown called the meeting of the MERS Retirement Board to order at 8:30 a.m. on Thursday, March 12, 2015.

**Committee Assignments**

Chairperson, Michael Brown presented the following Committee Assignment's for 2015:

- **Investment Committee:** Jim Wiersma, Michael Gilmore and Michael Brown  
Rotating member: Phil LaJoy
- **Personnel Committee:** Sally Dreves, Randy Girard and Lori Newberg
- **Budget Committee:** Amy Deford, Phil LaJoy and John Ogden

**Public Audience**

Mark White, Retiree of the City, of Flint was in attendance.

## **Old Business**

No old business was brought before the Board.

## **General Consent Agenda**

Mr. Gilmore moved to approve the March 12, 2015 General Consent Agenda; excluding the Finance Report; supported by Mr. LaJoy. Motion carried.

## **New Business**

### **Resolution – Retiring General Counsel – Tom Petroni**

Mr. Ogden moved to present Mr. Petroni with a Resolution commending his service to MERS and the Retirement Board; supported by Mr. LaJoy. Motion carried.

## **CEO Report**

Mr. DeRose presented the CEO Report on:

- MERS Strategic Direction: 2015 Balanced Score Card and 2015 Business Plan
- Outreach to Customers
- Service Organization Controls (SOC) Audit
- Government Affairs Outreach
- NASRA and NIRS
- Process Redesign
- Investments
- 2014 Budget
- Employee Communication

## **Restated Plan Document**

Mr. Petroni, General Counsel, discussed the March 4, 2015 Memorandum to Mr. DeRose, CEO, recommending approval of the proposed restated Plan Document of 2015. Mr. Petroni explained that, with the exception of a new “frozen DB” conversion option under the DC and Hybrid plans, and a new annuity withdrawal program under the DB plan, the restatement was primarily a reorganization of existing provisions by type-of-plan (DB, DC, Hybrid). Following discussion, Mr. LaJoy moved to approve the restated MERS Plan Document and new provisions; supported by Mr. Girard. Motion carried.

## **Health Care Saving Program (HCSP) and Retiree Health Funding Vehicle**

Ms. Bellar, Senior Deputy General Counsel, discussed the March 2, 2015 Memorandum to Mr. DeRose, CEO, recommending amendments to the Restated MERS Plan Document for Health Care Savings Program and Retiree Health Funding Vehicle. Mr. Gilmore moved to approve the proposed amendments retroactive to January 1, 2015; supported by Ms. Deford. Motion carried.

## **Grand Traverse County Request**

Ms. Erin Boertman, Employer Services Director, discussed the March 12, 2015 Memorandum to Mr. DeRose, CEO, recommending approval of Grand Traverse County’s request for an exception to the funding percentage required for adoption of DC under Plan Section 48(1) (former section 19A(4)).

Following discussion, which included consideration of the County's projected future funded level and review by the actuary, Mr. Girard moved to approve the proposed exception to Section 48(1) for Grand Traverse County based on the specific facts and circumstances presented; supported by Mr. LaJoy. Motion carried.

**Participant Education Strategy**

Ms. Lombardo, Chief Employer and Marketing Services Officer, Ms. Mausolf, Marketing & Product Development Director, Ms. Buhs, Senior Marketing Analyst and Mr. Scofield, Design Coordinator presented information on the Participant Education Strategy.

**2014 Performance Management Review**

Ms. Boucke', Human Resources Director, presented the MERS 2014 Performance Management Review.

**Investment Report**

Mr. Burns, Chief Investments Officer, presented the portfolio performance report for the period ending December 31, 2015 and the CIO Monthly Report Summary for the period ending January 31, 2015.

**Cyber Security Update**

Mr. Thompson, Information Technology Director, presented information on Cyber Security.

**Adjournment**

Meeting adjourned at 12:21 p.m.

Respectfully submitted,



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Michael Brown, Chairperson



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Chris DeRose, Chief Executive Officer