

**MUNICIPAL EMPLOYEES' RETIREMENT SYSTEM OF MICHIGAN  
BOARD MEETING MINUTES  
Lansing Home Office  
September 12, 2016**

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**MUNICIPAL EMPLOYEES' RETIREMENT SYSTEM OF MICHIGAN  
BOARD MEETING MINUTES  
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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 – participated by phone  
John Ogden – participated by phone

**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 Lombardi, Chief Strategic and External Affairs  
Officer  
Pat Tarini, General Counsel  
Kim Rhead, Governmental Affairs Director  
Carri Simon, Internal Auditor  
Erin Boertman, Customers Relations Director  
Jennifer Mausolf, Marketing and Product Development  
Director  
Carri Simon, Internal Auditor  
Ryan Ruby, Actuarial Associate  
Meredith Brandenburger, Design and Social Media  
Coordinator  
Allison Buhs, Senior Marketing Coordinator  
Jim Koss, Senior Actuary, CBIZ

**Call to Order**

Chairperson, Michael Brown called the meeting of the MERS Retirement Board to order at 8:34 a.m. on Monday, September 12, 2016.

**Public Audience**

No members of the Public were present.

**Old Business**

Mr. DeRose, CEO, introduced Mr. Andy George, MERS new HR Director.

**Experience Study Impact Analysis**

Mr. DeRose, CEO, discussed the September 6<sup>th</sup> Memorandum to the MERS Retirement Board, regarding the Experience Study Implementation Adjustments and provided background on MERS Funding Policies. Ms. Boertman, Customers Relations Director, presented information on the Amortization Policy, Closed Division Alternative Policy, Fiscal Responsibility Policies, and Fixed Amortization. Mr. DeRose recommended the Board approved the following changes:

1. Based on through actuarial analysis, allow each open group a one-time opportunity to reset its existing UAL amortization period up to 30 years fixed, and all currently closed groups a one-time opportunity to reset their existing UAL amortization period up to 25 years fixed.
2. Eliminate the accelerated funding policy for groups who are or will close to DC for new hires.
3. Remove the 50% minimum funding requirement for groups closing to DC for new hires.

Mr. Wiersma moved to concur with the recommendation of the CEO, adopt the foregoing changes as presented, and further, that the Plans and all other relevant Board policies are hereby amended to comport and implement this action, motion supported by Mr. Sarata. Motion carried.

## **New Business**

### **Social Media Strategy**

Ms. Lombardo, Chief Strategic and External Affairs Officer, Ms. Jennifer Mausolf, Marketing and Product Development Director and Ms. Meredith Brandenburger, Design and Social Media Coordinator presented an update on MERS Social Media Strategy.

### **Update on MERS Annual Conference**

Ms. Allison Buhs, Senior Marketing Coordinator, provided an update on the Annual Conference.

### **Internal Audit Report**

Ms. Simon, Internal Auditor, presented the Internal Audit report on:

- Internal Audit of Investments
- Internal Control Evaluation
- Internal Audit of the Service Center
- Internal Audit of the Process of Billing Municipalities
- 2017 Internal Audit Plan
- Audit Finding Status Report
- Ethics Hotline

### **Hull v MERS**

In the matter of Dawn Hull v MERS, Mrs. Tarini, General Counsel, reviewed with the Board the background of this matter, the administrative hearing and, the Administrative Law Judge's Proposal for Decision. After review and discussion, Mr. Gilmore made a motion to accept and adopts as its own the Findings of Fact and Conclusions of Law as stated by the Hearing Officer in her June 17, 2016 Proposal for Decision, and deny petitioner's claim for survivor benefits. Motion supported by Ms. Dreves. The motion was adopted.

### **Jackson v MERS**

In the matter of Anthony Jackson v MERS, Mrs. Tarini, General Counsel, reviewed with the Board the background of this matter. After review and discussion, Ms. Dreves made a motion to

accept and adopts as its own the Findings of Fact and Conclusions of Law as stated by the Hearing Officer in her August 18, 2016 Proposal for Decision, and Petitioner's application for non-duty disability retirement is denied; supported by Mr. Wiersma. The motion was adopted.

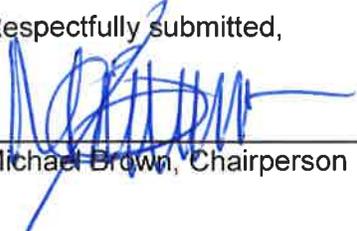
**Holmes v MERS**

In the matter of Sharon Holmes v MERS, Mrs. Tarini, General Counsel, reviewed with the Board the background of this matter. After review and discussion, Ms. Deford made a motion to accept and adopts as its own the Findings of Fact and Conclusions of Law as stated by the Hearing Officer in her July 27, 2016 Proposal for Decision, and Petitioner's application for non-duty disability retirement is denied; supported by Mr. Gilmore. The motion was adopted.

**Adjournment**

Meeting adjourned at 11:20 a.m.

Respectfully submitted,

  
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Michael Brown, Chairperson

  
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Chris DeRose, Chief Executive Officer