



**MUNICIPAL EMPLOYEES' RETIREMENT SYSTEM OF MICHIGAN
BOARD MINUTES
(held virtually via Zoom Meeting conference service)
February 25, 2021**

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**MUNICIPAL EMPLOYEES' RETIREMENT SYSTEM OF MICHIGAN
BOARD MEETING MINUTES
(held virtually via Zoom Meeting conference service)
February 25, 2021**

BOARD MEMBERS PRESENT

Michael Brown, Chair
Jason Sarata, Vice Chair
Michael Gilmore
John Ogden
Erin Rotman
Mary Sholander
James Wiersma

Excused:

Amy Deford
Precia Garland

MERS STAFF/OTHERS PRESENT

Kerrie Vanden Bosch, Chief Executive Officer
Valerie Lawver, Board Secretary
Denise Boucké, Chief Internal Operations and Compliance Officer
Jeb Burns, Chief Investment Officer
Carrie Lombardo, Strategic and External Affairs Officer
Kristin Bellar, General Counsel
Brad Biladeau, Governmental Affairs Director
Erin Boertman, Customer Relations Director
Michael Charette, Managing Director of Investments
Brian LaVictoire, Deputy General Counsel for Investments and Compliance
Michael Schrauben, Director of Asset Allocation
Carri Simon, Internal Auditor
Patricia Tarini, Senior Attorney
Betsy Waldofsky, Finance Director
Jennifer Wyble, Analysis & Project Director

David Kausch, Gabriel Roeder Smith, Senior Consultant and Chief Actuary

Call to Order

Michael Brown called the meeting of the MERS Retirement Board to order at 8:04 a.m. on Thursday, February 25, 2021.

Roll Call

Pursuant to the Open Meetings Act, Valerie Lawver conducted attendance of the Board Members who confirmed their attendance and participation remotely from the locations noted below:

Michael Brown, Hastings, Michigan
Jason Sarata, Grand Ledge, Michigan
Michael Gilmore, DeWitt, Michigan
John Ogden, Fitchburg, Wisconsin
Erin Rotman, West Olive, Michigan
Mary Sholander, Negaunee, Michigan
James Wiersma, Holland, Michigan

Public Audience

The following members of the public were in attendance, but did not wish to address the Board.
Matthew McCue from Financial News
Glyn from Fundmap,
Randy Girard,
David Elwell, and
B. Curtis.

Old Business

No old business was brought before the Board; however, Mary Sholander announced she will retire from employment and thus the Board on May 1, 2021.

General Consent Agenda

James Wiersma moved to approve the February 25, 2021 General Consent Agenda with the exception of the Internal Audit Report; supported by John Ogden. Motion carried.

John Ogden requested to comment on the Internal Audit Report, and then Mary Sholander moved to approve the Report as submitted; supported by James Wiersma. Motion carried.

New Business

Election of Board Chairperson and Vice-Chairperson

Kerrie Vanden Bosch stated the first item of business was election of the Board's Officers for 2021. Ms. Vanden Bosch conducted the election for Chairperson. Nominations were declared open. James Wiersma nominated Michael Brown for Chairperson of the Retirement Board for 2021; supported by Jason Sarata. Motion carried.

Chairperson Brown conducted the election for Vice-Chair. Nominations were declared open. Mary Sholander nominated Jason Sarata for Vice-Chairperson of the Retirement Board for 2021; supported by John Ogden. Motion carried.

Committee Assignments

Mr. Brown reviewed with the Board the 2021 committee assignments and made the following Committee assignments:

Precia Garland to Budget Committee

John Ogden to Leadership Development Committee (and continuing on Budget Committee)

Erin Rotman to Leadership Development Committee.

CEO Report

Ms. Vanden Bosch presented the CEO Report focusing on organizational performance, specifically during the 4th quarter ending December 31, 2021.

Ms. Vanden Bosch also shared that the concerns of participant David Elwell are being researched.

Ethics Policy, Anti-Harassment Policy, Board Disclosure and Oath of Office

Kristin Bellar discussed the need for renewed affirmations of the MERS Ethics and Anti-Harassment Policies, Board Disclosure Form as well as an Oath of Office. All Board members will be sent these documents for execution of the affirmations at the conclusion of the Board meeting.

Fiduciary Duty, Ethics and Risk Management Training

Ms. Bellar provided a fiduciary duty training to the Board.

Open Meetings Act Procedure Review and Approval

Ms. Bellar presented recommended Open Meetings Act Procedures pursuant to her February 2, 2021 Memorandum to Ms. Vanden Bosch. After review, Mr. Ogden moved to approve the Procedures; supported by Ms. Rotman. Motion carried.

Investments Performance Report

Jeb Burns presented the MERS portfolio performance update for the period ending December 31, 2020.

Investment Policy Statements for Institutional Funds and Participant Directed Accounts

Michael Charette reminded the Board that minor revisions to the Investment Policy Statements for Institutional Funds and Participant Directed Accounts were presented at the December 3, 2020 meeting, and it is now time to approve the revisions. Mr. Sholander made a motion to approve the recommended revisions; supported by Mr. Gilmore. Motion carried.

Investment Policy Statement for Defined Benefit

Mr. Charette indicated there were no revisions to the Investment Policy Statements for Defined Benefit (IPS-DB) and requested the Board adopt the 2020 IPS-DB for use as-is in 2021. Mr. Wiersma made a motion to approve the adoption of the 2020 Investment Policy Statements for Defined Benefit for use in 2021; supported by Mr. Gilmore. Motion carried.

Investment Policy Guidelines

Mr. Charette indicated there were no revisions to the Investment Policy Guidelines and requested the Board adopt the 2020 Investment Guidelines for use as-is in 2021. Mr. Ogden made a motion approving the adoption of the 2020 Investment Guidelines for use in 2021; supported by Ms. Sholander. Motion carried.

Asset Allocation

Michael Schrauben presented MERS Asset Allocation Report for the period ending December 31, 2020.

DB Funding and Actuarial Overview

Betsy Waldofsky and David Kausch presented an overview on DB Funding and the actuarial assumptions and methods.

Amendments to MERS' Plan Document

Patricia Tarini discussed her February 4, 2020 Memorandum to Ms. Vanden Bosch recommending several amendments to MERS 401(a) Plan Document. Ms. Sholander made a motion to approve the recommended amendments to the 401(a) Plan Document and direct staff to make any and all necessary revisions to the System's forms, policies and procedures; supported by Mr. Ogden. Motion carried.

Contested Case MERS No. 19-14; MOAHR No. 19-012227

Ms. Bellar reviewed with the Board the background of this matter. After review and discussion, Mr. Ogden made a motion that the Board accept and adopt as its own the Findings of Fact and Conclusions of Law as stated by the Administrative Law Judge in the Proposal for Decision, and deny petitioner's appeal; supported by Ms. Rotman. Motion carried.

Contested Case MERS No. 20-04; MOAHR No. 20-004235

Ms. Bellar reviewed with the Board the background of this matter. After review and discussion, Mr. Wiersma made a motion that the Board accept and adopt as its own the Findings of Fact and Conclusions of Law as stated by the Administrative Law Judge in the Proposal for Decision, and deny petitioner's appeal; supported by Mr. Sarata. Motion carried.

Contested Case MERS No. 20-06; MOAHR No. 20-004672

Ms. Bellar reviewed with the Board the background of this matter. After review and discussion, Mr. Gilmore made a motion that the Board accept and adopt as its own the Findings of Fact and Conclusions of Law as stated by the Administrative Law Judge in the Proposal for Decision, and deny petitioner's appeal; supported by Mr. Sarata. Motion carried.

Contested Case MERS No. 20-08; MOAHR No. 20-005439

Ms. Bellar reviewed with the Board the background of this matter. After review and discussion, Ms. Rotman made a motion that the Board accept and adopt as its own the Findings of Fact and Conclusions of Law as stated by the Administrative Law Judge in the Proposal for Decision, and deny petitioner's appeal; supported by Mr. Ogden. Motion carried.

Contested Case MERS No. 20-09; MOAHR No. 20-004903

Ms. Bellar reviewed with the Board the background of this matter. After review and discussion, Ms. Sholander made a motion that the Board accept and adopt as its own the Findings of Fact and Conclusions of Law as stated by the Administrative Law Judge in the Proposal for Decision, and deny petitioner's appeal; supported by Mr. Ogden. Motion carried.

Four FOIA Appeals by Vladamir Gertsberg

Brian LaVictoire presented the Board with information contained in his February 5, 2021 Memorandum to Kerrie Vanden Bosch regarding four FOIA appeals from Vladimir Gertsberg and provided the legal recommendations. After review and discussion, Mr. Gilmore made a motion that the Board deny all appeals, supported by Mary Sholander. Motion carried.

Adjournment

Meeting adjourned at 12:28 p.m.

Respectfully submitted,

DocuSigned by:

Michael Brown

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Michael Brown, Chairperson

DocuSigned by:

Kerrie Vanden Bosch

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Kerrie Vanden Bosch, Chief Executive Officer

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Valerie Lawver

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Valerie Lawver, Secretary