



**MUNICIPAL EMPLOYEES' RETIREMENT SYSTEM OF MICHIGAN
BOARD MEETING MINUTES**

MERS Home Office

April 25, 2019

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**MUNICIPAL EMPLOYEES' RETIREMENT SYSTEM OF MICHIGAN
BOARD MEETING MINUTES
April 25, 2019**

BOARD MEMBERS PRESENT

Michael Brown, Chair
Jason Sarata, Vice Chair
Tina Butler
Amy Deford
Dale Feldpausch
John Ogden
James Wiersma
Randy Girard (on phone)

Michael Gilmore (absent)

MERS STAFF/OTHERS PRESENT

Chris DeRose, Chief Executive Officer
Pam Steffy, Board Secretary
Valerie Lawver, Executive Assistant
Leon Hank, Chief Financial Officer
Denise Boucké, Chief Operating Officer
Carrie Lombardo, Chief Strategic and External Affairs
Officer
Jeb Burns, Chief Investment Officer
Kristin Bellar, General Counsel
Brian LaVictoire, Deputy General Counsel
Betsy Waldofsky, Finance Director
Carri Simon, Internal Auditor
Brad Biladeau, Governmental Affairs Director
Mike Charette, Managing Director of Investments
Jennifer Mausolf, Communications and Retirement
Strategies Director
Erin Boertman, Customer Relations Director
Paul Hampel, Senior Marketing Coordinator

Public Audience: Yvonne Ridge, Brian Conry, Judy
Putman

Call to Order

Chairperson, Michael Brown, called the meeting of the Municipal Employees' Retirement System Board to order at 8:05 a.m.

Public Audience

Yvonne Ridge of Eaton County, Brian Conry of Pine Bridge Investments and Judy Putman of the Lansing State Journal were in attendance.

Old Business

No Old Business was brought before the Board.

General Consent Agenda

Mr. Feldpausch moved to approve the April 25, 2019 General Consent Agenda; supported by Mr. Wiersma. Motion carried.

New Business

CEO Report

Mr. DeRose presented the CEO Report focusing on progress toward the MERS vision, the March scoring of the balanced scorecard and discussion of the key business plan projects. In

addition, he reviewed outreach to employers and participants as well as our efforts in the professional development of MERS staff.

Committee assignments

Chairperson Michael Brown presented the following Committee assignments for 2019:

- Budget Committee: Amy Deford, Dale Feldpausch, and John Ogden
- Investment Committee: Michael Brown, Michael Gilmore, Jim Wiersma, and non-voting rotating member Tina Butler
- Leadership Development Committee: Tina Butler, Michael Brown, Michael Gilmore, Randy Girard, and Jason Sarata

Actuarial Policy Updates

Mr. Hank, Chief Financial Officer, and Ms. Waldofsky, Finance Director, discussed the April 15, 2019 and the April 24, 2019 Memorandums to Chris DeRose, CEO, recommending updates to the Actuarial Policy. After review and discussion, Ms. Deford made a motion approving revisions to the Actuarial Policy and directing staff to make any and all necessary revisions to the System's forms, policies and procedures required for its implementation of the Actuarial Policy; supported by Ms. Butler. Motion carried.

Investments Report

Mr. Burns, Chief Investment Officer, provided the MERS portfolio performance update for the period ending March 31, 2019.

CAPM Reports

Mr. Burns, Chief Investment Officer, and Mr. Charette, Managing Director of Investments, presented the 2018 CAPM summary report to the Board.

Managing Investment Risk

Mr. Burns, Chief Investment Officer, and Mr. Charette, Managing Director of Investments, presented Board education on Managing Investment Risks and Internal Portfolio Management.

Board Education PDA/IF Investment Menu

Mr. Charette, Managing Director of Investments, presented Board education on Participant Directed Accounts and Institutional Funds Investment Menu.

Product Management Process, and Alternative Pension Plan Update

Ms. Lombardo, Chief Strategic and External Affairs Officer, and Ms. Mausolf, Communications and Retirement Strategies Director, presented the update on the Product Management Process, and Alternative Pension Plan.

State and Federal Laws affecting MERS

Ms. Bellar, General Counsel, presented Board Education on State and Federal Laws affecting MERS.

Email usage, retention and disclosure training

Ms. Bellar, General Counsel, presented Board Education on email usage, retention and disclosure training.

Fiduciary Duty training

Ms. Bellar, General Counsel, presented Board Education on Fiduciary Duty training.

Judy Cregar v MERS

In the matter of Judy Cregar v MERS, Ms. Bellar, General Counsel, reviewed with the Board the background of this administrative appeal.

After review and discussion, Mr. Feldpausch 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.

Shawn Patton v MERS

In the matter of Shawn Patton v MERS, Ms. Bellar, General Counsel, reviewed with the Board the background of this administrative appeal.

After review and discussion, Mr. Sarata 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. Deford. Motion carried.

Donna Cowden v MERS

In the matter of Donna Cowden v MERS, Ms. Bellar, General Counsel, reviewed with the Board the background of this administrative appeal.

After review and discussion, Ms. Butler 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. Feldpausch. Motion carried.

Eaton County v MERS (re: Allen West)

In the matter of Eaton County v MERS (re: Allen West), Ms. Bellar, General Counsel, reviewed with the Board the background of this administrative appeal.

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. Butler. Motion carried.

Adjournment

Meeting adjourned at 12:02 p.m.

Respectfully submitted,



Michael Brown, Chairperson



Chris DeRose, Chief Executive Officer