



**LANSING BOARD OF WATER & LIGHT
PENSION FUND TRUSTEES MEETING MINUTES
November 14, 2023**

The Pension Fund Trustees of the Lansing Board of Water & Light (BWL) met at the BWL Headquarters in the REO Town Depot located at 1201 S. Washington Ave., Lansing, MI) at 5:00 P.M. on Tuesday, November 14, 2023.

Trustee and Board Chairperson Semone James called the meeting to order at 5:00 p.m.

Corporate Secretary LaVella Todd called the Roll:

The following Trustees were present: Chairperson Semone James, Commissioners DeShon Leek, Tony Mullen, David Price, Dale Schrader, Tracy Thomas, and Sandra Zerkle. Also present: Commissioners Brian Pillar (Meridian Township) and Bob Worthy (Delta Township) (arrived @5:09 p.m.)

Absent: Trustee Beth Graham

The Corporate Secretary declared a quorum.

Public Comments

There were no public comments.

Approval of Minutes

Motion by Trustee David Price and **Seconded** by Trustee Tracy Thomas to approve the minutes from the November 15, 2022 Pension Fund Trustees Meeting.

Action: Motion Carried.

Pension Fund

Chief Financial Officer (CFO) Heather Shawa provided an overview of the information from the Pension Memo and Pension Dashboard.

Mr. Scott Taylor, BWL Accounting, Finance and Planning Director, introduced the financial advisory panel. The Panel provided financial plan information followed by a question and answer session.

- 1) Nathan Burk, Director and Senior Consultant with Asset Consulting Group (ACG); ACG assists in investment allocation, evaluation of investment managers, reporting of investment performance and investment policy statements for the DB and VEBA plans.
- 2) Mark Miller, Founder and Principal Consultant with Benassist Retirement Consulting, LLC; Mr. Miller provides actuarial evaluation reports, assists with required annual state filing requirements, and performs calculations for DB employee benefits at retirement.

- 3) Dori Drayton, Principal Financial Advisor with CAPTRUST; CAPTRUST assists with fund line up selection and monitoring, investment performance reporting, fee benchmarking and fiduciary compliance for the DC plans.
- 4) Michael Burkhart, Executive Relationship Manager with Nationwide; Nationwide is the 401 and 457 Plans administrator and provides personalized resources to help employees and retirees reach their financial goals.

Mr. Nathan Burk gave a capital market update for 2023. Mr. Burke stated that interest rates have been increased by the Federal Reserve Bank to keep inflation in check and there was a positive effect on risk asset equities in the fiscal year period. Mr. Burke noted that bonds and real estate were affected by decreasing modestly. The portfolio for VEBA plan was up almost 10% which was better than the policy index and the 6.5% target rate of return. The portfolio for the DB plan was up 8.6% which was better than the policy index and the 6% target rate of return. BWL outperformed a majority of its peers and with less fees.

Mr. Mark Miller spoke about the actuarial work for the DB and VEBA plans funding. He noted that the funded status for the DB plan is 111% which is 5% higher than 2022. The average for DB funded plans in Michigan is 74% and BWL is in the top 5% out of 672 Michigan plans. The funded status for the VEBA plan is 146% which is the same as 2022. The average for VEBA funded plans in Michigan is 48% and BWL is in the top 9% out of 340 Michigan plans.

Ms. Dori Drayton spoke about the roles of CAPTRUST in investment management, fiduciary process, plan fees, and participant choices for the 401(a) and 457(b) plans.

Mr. Michael Burkhart provided information about the retirement services that Nationwide furnishes.

Commissioner Zerkle and Commissioner Price expressed appreciation for the presentations.

RESOLUTION #2023-11-01

ACCEPTANCE OF 2023 AUDITED FINANCIAL STATEMENTS FOR DEFINED BENEFIT PENSION PLAN, DEFINED CONTRIBUTION PENSION PLAN, AND RETIREE BENEFIT PLAN

Resolved, that the Corporate Secretary receive and place on file the Defined Benefit, Defined Contribution, and Retiree Benefit Plan reports presented during the Pension Trustee Meeting.

Staff comments: All three Plans received clean audit reports.

Motion by Trustee David Price, **Seconded** by Trustee Tony Mullen to approve the Resolution for the Acceptance of 2023 Audited Financial Statements for Defined Benefit Pension Plan, Defined Contribution Pension Plan, and Retiree Benefit Plan at a Board meeting held on November 14, 2023.

Action: Motion Carried.

Other

There was no other business.

Excused Absence

Motion by Trustee Semone James, **Seconded** by Trustee Tony Mullen, for an excused absence for Trustee Beth Graham.

Action: Motion Carried.

Adjourn

There being no further business, the Pension Fund Trustees meeting adjourned at 5:39 p.m.

Approved by the Trustees on November 19, 2024