



**MINUTES OF THE BOARD OF COMMISSIONERS MEETING
LANSING BOARD OF WATER AND LIGHT**

November 19, 2024

The Board of Commissioners met at the Lansing Board of Water and Light (BWL) Headquarters-REO Town Depot located at 1201 S. Washington Ave., Lansing, MI, on Tuesday, November 19, 2024. This meeting was publicly noticed for 5:30 p.m.

Chairperson David Price called the meeting to order at 5:38 p.m.

Corporate Secretary, LaVella J. Todd, called the roll.

The following Commissioners were present: Chairperson David Price; Commissioners Beth Graham, Semone James, DeShon Leek, Tony Mullen, Dale Schrader, Tracy Thomas, and Sandra Zerkle. Also Present: Non-Voting Commissioner Stuart Goodrich (Delhi Township)

Absent: Non-Voting Commissioners J. R. Beauboeuf (East Lansing) and Robert Worthy (Delta Township)

The Corporate Secretary declared a quorum.

Commissioner Tony Mullen led the Pledge of Allegiance.

APPROVAL OF MINUTES

Motion by Commissioner Semone James, **Seconded** by Commissioner Tracy Thomas, to approve the Regular Board Meeting minutes of September 24, 2024.

Action: Motion Carried.

PUBLIC COMMENTS

There were no public comments.

COMMUNICATIONS

Electronic Mail received From Karala Glumm regarding Meeting Request with Commissioner Zerkle. *Referred to Management. Received and Placed on File.*

Electronic Mail received From Veronica Sionakides regarding Pole Removal. *Referred to Management. Received and Placed on File.*

Electronic Mail received From Heather Douglas regarding Renewable Energy Plan. *Referred to Management. Received and Placed on File.*

Electronic Mail received From Brandon Derman regarding BWL and Commission Information Zoom Meeting Request. *Referred to Management. Received and Placed on File.*

Electronic Mail received From Brian Forney regarding Electric Service. *Referred to Management. Received and Placed on File.*

Electronic Mail received From Emily Allswede (1) regarding Rate Increases. *Referred to Management. Received and Placed on File.*

Electronic Mail received From Emily Allswede (2) regarding Rate Increases. *Referred to Management. Received and Placed on File.*

Electronic Mail received From Emily Allswede (3) regarding Rate Increases. *Referred to Management. Received and Placed on File.*

Electronic Mail received From James Rembert regarding Rate Increases. *Referred to Management. Received and Placed on File.*

Electronic Mail received From Marcella Reynolds regarding Rate Increases. *Referred to Management. Received and Placed on File.*

Electronic Mail received From Chevey Taylor regarding Rate Increases. *Referred to Management. Received and Placed on File.*

Electronic Mail received From Davinia Bridges regarding Rate Increases. *Referred to Management. Received and Placed on File.*

Electronic Mail received From La'Toreya Walker regarding Rate Increases. *Referred to Management. Received and Placed on File.*

Electronic Mail received From Tamisha Walker regarding Rate Increases. *Referred to Management. Received and Placed on File.*

Electronic Mail received From Terry Henson regarding Rate Increases. *Referred to Management. Received and Placed on File.*

Electronic Mail received From Ashley Bernardino regarding Rate Increases. *Referred to Management. Received and Placed on File.*

Electronic Mail received From Amanda Gilchrist regarding Rate Increases. *Referred to Management. Received and Placed on File.*

Electronic Mail received From Janelle Gates regarding Rate Increases. *Referred to Management. Received and Placed on File.*

Electronic Mail received From Dana McLouth regarding Rate Increases. *Referred to Management. Received and Placed on File.*

Electronic Mail received From Evie Titus regarding Rate Increases. *Referred to Management. Received and Placed on File.*

Electronic Mail received From Billie Gonzalez regarding Rate Increases. *Referred to Management. Received and Placed on File.*

Electronic Mail received From Jennifer LaMay regarding Rate Increases. *Referred to Management. Received and Placed on File.*

Electronic Mail received From Amber Dinsmore regarding Rate Increases. *Referred to Management. Received and Placed on File.*

Electronic Mail received From Amanda Williams regarding Marcel Patterson. *Referred to Management. Received and Placed on File.*

Electronic Mail received From Marcel Patterson regarding Rate Increases. *Referred to Management. Received and Placed on File.*

Electronic Mail received From Rose Lofton regarding Rate Increases. *Referred to Management. Received and Placed on File.*

Electronic Mail received From Roshay Stewart regarding Rate Increases. *Referred to Management. Received and Placed on File.*

Electronic Mail received From Marcus Nardoni regarding Rate Increases. *Referred to Management. Received and Placed on File.*

Electronic Mail received From Taylor Leland regarding Rate Increases. *Referred to Management. Received and Placed on File.*

Electronic Mail received From Amber Rochester regarding Rate Increases. *Referred to Management. Received and Placed on File.*

Electronic Mail received From Anonymous regarding Rate Increases. *Referred to Management. Received and Placed on File.*

Electronic Mail received From Daniel Smith regarding Rate Increases. *Referred to Management. Received and Placed on File.*

Electronic Mail received From Kimberly Wheeler regarding Utility Services. *Referred to Management. Received and Placed on File.*

COMMITTEE REPORTS

Committee of the Whole Chairperson Semone James presented the Committee of the Whole Meeting Report:

COMMITTEE OF THE WHOLE Meeting Minutes November 7, 2024

The Committee of the Whole of the Lansing Board of Water and Light (BWL) met at the BWL Headquarters-REO Town Depot located at 1201 S. Washington Ave., Lansing, MI, on Thursday, November 7, 2024.

Committee Chairperson Semone James called the Committee of the Whole Meeting to order at 5:30 p.m. and asked the Corporate Secretary to call the roll.

Present: Commissioners Semone James, DeShon Leek, Tony Mullen, David Price, Dale Schrader, Tracy Thomas, and Sandra Zerkle; and Non-Voting Member, Commissioner Robert Worthy (Delta Township)

Absent: Commissioners Beth Graham and Non-Voting Members, Commissioners Stuart Goodrich (Delhi Township) and J. R. Beauboeuf (East Lansing)

The Corporate Secretary declared a quorum.

Public Comments

There were no public comments.

Approval of Minutes

Motion by Commissioner Tracy Thomas, **Seconded** by Commissioner Tony Mullen to approve the Committee of the Whole Meeting minutes of September 10, 2024.

Action: Motion carried. The minutes were approved.

FY26-30 Strategic Plan Presentation

General Manager Dick Peffley stated that General Counsel Mark Matus' group did an outstanding job for the FY2026-2030 plan, and it is funded by the current budget.

Director of Strategic Planning & Development, Kellee Christensen, thanked her team for the work on the strategic plan and introduced Planning Business Analyst, Leah Bucio, who presented the FY26-30 Strategic Plan which will be effective July 1, 2025. The strategic plan includes BWL's mission, vision and values; stakeholder feedback; landscape and SWOT analyses; strategic priorities and outcomes for customers and in the community, in workforce development and diversity, in climate and environment, in operational resiliency and continuous improvement, and in financial stability; risk assessment and initiatives, progress measures and targets, and reporting. BWL worked with Aether Advisors, LLC.

Commissioner Mullen asked whether the plan could be provided quarterly instead of annually. Ms. Christensen responded that a lot of the initiatives are longer term initiatives and can be reported quarterly but are on the balanced scorecard which gives a quarterly gauge. The status of initiatives that make progress during the year can be reported or placed on a dashboard. GM Peffley added that a dashboard can be put together and progress sent out in a quarterly or monthly packet. Commissioner Mullen commented that the information could be provided in an email rather than in a presentation.

Commissioner Zerkle asked whether there were any circumstances when the strategic plan needed to be changed before the year end. Ms. Christensen responded there would be an update made to the plan if a direction needed to make a change. GM Peffley responded that a change has not needed to be made yet, but the landscape has just changed in the government and the strategic plan group will make changes if needed and present them to the commissioners.

Chairperson James asked about the addition of the standards for the renewable and clean energy targets to the climate and environmental section in the strategic plan. Ms. Bucio responded that the standards would be added to the plan on page 9. Chairperson James also asked what was BWL's current rating. Ms. Bucio responded AA minus and GM Peffley added that it is a very high rating.

Commissioner Price thanked the staff for the presentation in a very accessible format and is looking forward to approving the plan at the Board Meeting.

Commissioner Mullen asked whether the strategic plan would be distributed or made available to the BWL community. GM Peffley responded that it would be placed on the BWL website and copies would be provided at community events.

Commissioner Thomas commended the staff on the attractiveness of the presentation and asked for clarification of the placement of the standards for the renewable and clean energy targets. Ms. Christensen responded that the standards for the renewable and clean energy targets would be placed under climate & environment.

Commissioner Zerkle requested copies of the strategic plan be provided at Board Meetings.

Chairperson James thanked GM Peffley and his staff and is looking forward to the strategic plan being implemented. GM Peffley responded that the fine-tuning changes would be implemented.

Motion by Commissioner David Price, **Seconded** by Commissioner Tony Mullen to forward the FY26-30 Strategic Plan Resolution to the full Board for approval.

Action: Motion Carried.

Chairperson James congratulated CFO Heather Shawa on her promotion to Assistant General Manager and Executive Assistant Smiljana Williams on her promotion to Chief of Staff.

Retirement Plan Committee Update

CFO Heather Shawa presented the Retirement Plan Committee (RPC) update. Execution and notification to participants of the approved fund changes to the Defined Contribution 401(a) and Deferred Compensation 457(b) Plans that will be effective December 13, 2024, is underway. The execution of all recommendations in the Defined Benefit Plan (DB) and Voluntary Employee Benefit Administration Plan (VEBA) from the plan compliance assessment is completed. In the DB Plan, pension payment processing will be transitioned to Northern Trust in January 2025 as part of the BWL's HRIS implementation. The RPC is working on extending the Nationwide service contract for the 401(a) and 457(b) plans which expires December 31, 2024. The RPC voted to approve the normal retirement age for the 457(b) plan from 65 to 55, allowing more participants to take advantage of the three-year catch-up period leading up to retirement.

Commissioner Zerkle asked what the three-year catch-up period meant. GM Peffley responded that additional money can be contributed to the plan three years earlier.

Regular Board Meeting Schedule 2025

Motion by Commissioner Tony Mullen, **Seconded** by Commissioner Tracy Thomas, to forward the Resolution for the Regular Board Meeting Schedule 2025 to the full Board for consideration.

Action: Motion Carried.

Commissioner Mullen commented as a reminder that the Board acts as a commission through resolution and that when speaking publicly, Commissioners cannot speak as if representing the Board of Water and Light.

Other

Motion by Commissioner David Price, **Seconded** by Commissioner Tracy Thomas for excused absence for Commissioners J. R. Beauboeuf, Stuart Goodrich, and Beth Graham.

Action: Motion Carried.

Adjourn

Chairperson James adjourned the meeting at 6:11 p.m.

Respectfully Submitted
Semone James, Chairperson
Committee of the Whole

Finance Committee Chairperson Tony Mullen presented the Finance Committee Meeting Report:

FINANCE COMMITTEE Meeting Minutes November 7, 2024

Finance Committee: Tony Mullen, Committee Chairperson; Semone James; David Price; and Dale Schrader;
Alternates: Beth Graham, Sandra Zerkle; Non-Voting: Commissioners J. R. Beauboeuf, Stuart Goodrich, Robert Worthy.

The Finance Committee of the Board of Water and Light (BWL) met at the BWL Headquarters – REO Town Depot, located at 1201 S. Washington Ave., Lansing, MI on Tuesday, November 7, 2024.

Finance Committee Chairperson Tony Mullen called the meeting to order at 6:21 p.m. and asked the Corporate Secretary to call the roll.

Present: Commissioners Semone James, Tony Mullen, David Price, and Dale Schrader; Also Present: Commissioners Tracy Thomas, Sandra Zerkle (Alternate), and Non-Voting Commissioner Bob Worthy (Delta Township)

Absent:

The Corporate Secretary declared a quorum.

Public Comments

There were no public comments.

Approval of Minutes

Motion by Commissioner Semone James, **Seconded** by Commissioner David Price, to approve the Finance Committee Meeting minutes of September 10, 2024.

Action: Motion Carried.

Baker Tilly External FY24 Audit Report

Accounting, Finance and Planning Director Scott Taylor introduced Accounting, Finance and Planning Manager, Ying Yan and commended Lisa Neuman, Reports Property & Accounting Supervisor with her work on the audit. Ms. Yan introduced external auditor Aaron Worthman, Partner and CPA at Baker Tilly US, LLP. Mr. Worthman presented and highlighted the external audit report which included an audit overview, observations and recommendations, and required communications to governing body. The financial statements include the auditors' report, management and discussion analysis, Enterprise fund statements, pension and OPEB (Other Post-Employment Benefits) trust statements. Mr. Worthman reported that there were no deficiencies in internal controls and that the BWL and all three pension plans received unmodified audit opinions, which is a clean opinion and the highest level of assurance. The controls were reviewed in disbursements, payroll, utility billings, cash and investments, capital assets, information technology and financial reporting.

Commissioner Schrader asked whether the power purchase agreements were part of the operating expenses and Mr. Worthman affirmed.

Ms. Yan commented that BWL will be working with Baker Tilly on a single audit with the federal grants received and plan to have the audit completed by the middle of December.

Motion by Commissioner David Price, **Seconded** by Commissioner Dale Schrader, to forward the Resolution for the FY2024 Audited Financial Statements of the Enterprise Fund and Pension Fiduciary Funds to the full Board for consideration.

Action: Motion Carried.

September YTD Financial Summary

Assistant General Manager Heather Shawa presented the September YTD Financial Summary. Days Cash on Hand is well above the target, wholesale revenue is down due to the market, and non-operating income/expenses is plus due to interest income. The capital budget is under mainly due to timing; additionally, a new energy budget category has been added to the financial summary. Although bad debt is above the benchmark, additional funding and support from opting into the PA95 program has been secured and there is a twelve month hold with the collection agency on the bad debt.

Commissioner Mullen requested a discussion on the benefits of opting into PA95 and a comparison of customer shutoffs before and after opting in, to make sure that fewer customers are being shut off. Ms. Shawa responded that it is on the internal auditor's work plan for the year and about \$1.5 million in funding has been made available to customers.

Commissioner Zerkle requested that information from FY2023, FY2024 and FY2025 be included in the PA95 audit to obtain a clear picture of the benefits and assistance. GM Peffley added that PA95 will become law and Senator Singh has worked on legislative changes to help utilities.

Commissioner James asked how the healthcare costs of prescription drugs, specifically GLP-1s, would be addressed. Ms. Shawa responded that parameters were added for participants to complete before receiving the benefits.

Capital Project Report

Ms. Shawa presented the Capital Project Report. Under annuals, the Electric T&D is the majority of the electric items on the watch list. Transformers account for \$4 million of the \$6.2 million variance as they were one of the hardest hit items in the supply chain in which BWL is catching up. GM Peffley added that surplus inventory is preferred as areas affected by the recent hurricanes have hundreds of substations to rebuild and supplies may be diverted by the government. Ms. Shawa will provide updates at each Finance Committee Meeting and bring exceedance requests to the board when they are needed.

Commissioner Leek asked when the solar project site work clearing at Delta Energy Park will start. GM Peffley responded that four or five projects will go in BWL's service territory, and the panels are in stock, the land deals are almost in place, and construction is expected to start within the next month. Commissioner Leek asked if BWL was working with the Lansing School District to put solar on some properties. GM Peffley responded that it is expensive, and they need funding, but continuous talks are taking place.

November 2024 Internal Audit Status Report

Director of Internal Audit, Elisha Franco, presented the Internal Audit Status Report. Ms. Franco reported that the FY2025 Payroll Audit is complete, and the final report has been issued, and that the remittance/cash receipts audit will begin in November. A follow up report on PA 95 will be conducted from April to June 2025, and tentatively a P-Card audit will be conducted from March to May 2025. The implementation and testing phase of AuditBoard will begin and risk assessments will be calculated and completed using AuditBoard. Plante Moran will assist with the internal audit assessment to evaluate current internal audit practices and procedures; with

Gap Analysis to identify areas for improvement to align with industry best practices and Global Internal Audit Standards; with AuditBoard support to help with the implementation and testing of the system; and with providing assistance with key internal audit functions.

FY 2025 Payroll Audit Results

Director of Internal Audit, Elisha Franco, presented the FY 2025 Payroll Audit results and thanked Executive Director of Human Resources Michael Flowers and Human Resources Manager Dan Barnes for their help. The audit covered payroll processes, procedures, BWL FMLA policy, and payroll transactions during fiscal year 2024. The two medium-risk observations were the current payroll procedures and process documentation are not regularly updated, which may lead to inconsistencies in payroll practices and increased risk of errors; and there is insufficient oversight with multiple employees modifying the active payroll master data file, and changes to benefits and compensation in the payroll master file are not subject to review or approval by a human resources supervisor or a manager. This lack of oversight increases the risk of unauthorized changes and potential inaccuracies in payroll processing. The recommendations are that management establishes a review cycle for all payroll and procedure documents, ensuring that the date of the latest update is included within each document; and that the payroll administrator completes all modifications to the active payroll master file with a human resources supervisor or manager review and sign off on changes. An overall opinion rating of sufficient was given which means no critical or high-level risk areas were identified and the impact of identified control weaknesses exposes the payroll process in scope to limited risk. Some management effort is required to correct the findings and recommendations.

Chairperson Mullen commented that there have been committee meeting items that have been moved between committees that he didn't think should be moved as each committee has a specific area of focus. Commissioner James responded that those who requested to move the discussion items from HR and Finance committee meetings were directed to discuss the rationale of moving the items to COW with the committee chairs and receive their approval in order to place them on the COW agenda. It was communicated to me that this had occurred and that there were no issues regarding moving the items to COW. Commissioner Price responded that the item that was moved had to do with Board responsibilities in the new internal audit standards and it was determined that it should be discussed with the whole board in the Committee of the Whole meeting. Commissioner Zerkle responded that the three committee are for a purpose, each committee has a responsibility and any of the Commissioners can sit in on the committees.

Commissioner Thomas commented that Commissioner Mullen made a fair point, Also, that the matter had been discussed in the previous Committee of the Whole meeting.

Commissioner Thomas also commented on his excitement of seeing BWL trucks assisting with putting up holiday decorations in downtown Lansing and complimented the staff involved that seemed to be in such good spirit. GM Peffley shared he would pass on Commissioner Thomas' compliments to the BWL staff assisting with holiday decorating in downtown Lansing.

Other

There was no other business.

Adjourn

Chairperson Tony Mullen adjourned the meeting at 7:22 p.m.

Respectfully Submitted,
Tony Mullen, Chairperson
Finance Committee

Chairperson David Price presented the Pension Fund Trustees Meeting Report:

PENSION FUND TRUSTEES COMMITTEE Meeting Minutes November 19, 2024

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 19, 2024.

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

Corporate Secretary LaVella Todd called the Roll:

The following Trustees were present: Chairperson David Price, Commissioners Beth Graham (arrived @ 5:13pm), DeShon Leek, Tony Mullen, David Price, Dale Schrader, Tracy Thomas, and Sandra Zerkle (arrived @5:13pm). Also present: Non-Voting Commissioner Stuart Goodrich (Delhi Township)

Absent: None

The Corporate Secretary declared a quorum.

Public Comments

There were no public comments.

Approval of Minutes

Motion by Trustee Tracy Thomas and **Seconded** by Trustee Tony Mullen to approve the minutes from the November 14, 2023 Pension Fund Trustees Meeting.

Action: Motion Carried.

Pension Fund

Assistant General Manager 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.

- 1) Nathan Burk, Director and Senior Consultant with Asset Consulting Group (ACG); ACG has served as investment advisor for BWL's DB & VEBA Plans since 2017. Mr. Burk assists BWL with investment allocation, evaluation of investment managers, reporting of investment

performance, and investment policy statements. As a Chartered Financial Analyst (CFA) with over 20 years of investment industry experience, Mr. Burk is well versed regarding DB & VEBA investments.

- 2) Mark Miller, Founder and Principal Consultant with Benassist Retirement Consulting, LLC; Mr. Miller provides actuarial services for the DB & VEBA Plans since 2018. He also assists with required filings for the State of Michigan and performs calculations for DB employee benefits at retirement. As an expert with over 37 years of actuarial experience, Mark is also well versed regarding the actuarial reports for the DB & VEBA Plans.
- 3) Justin Cohen, CFP, CPA, Financial Advisor/Relationship Manager with CAPTRUST; CAPTRUST assists with fund line up selection and monitoring, investment performance reporting, fee benchmarking and fiduciary compliance for the DC plans. Mr. Cohen is both a NAPA Certified Plan Fiduciary Advisor (CPFA™) and a CERTIFIED FINANCIAL PLANNER™.
- 4) Michael Burkhart, Executive Relationship Manager with Nationwide Retirement Solutions; Mr. Burkhart is responsible for maintaining relationships with Nationwide's largest governmental plan sponsor clients in the Central and West regions. Nationwide became the administrator and recordkeeper for BWL's 401 and 457 Plans in 2021. In addition to maintaining DC investment accounts, Nationwide provides BWL employees and retirees with personalized resources for meeting financial goals. Mr. Burkhart has been with Nationwide for over 28 years and is well versed regarding the range of services which Nationwide provides to participants.

Mr. Nathan Burk gave a capital market update for FY2024. Mr. Burke stated that the focus was on inflation, mobile growth, and interest rates of the Federal Reserve Bank. Mr. Burke noted that bonds were up about 3%, global equities were up about 19%, and there weren't positive returns in the private real estate market. The portfolio for VEBA plan was up over 10% which was better than the policy index and the 6.5% target rate of return. The portfolio for the DB plan was up to nearly 10% which was better than the policy index and the 6% target rate of return. There was recommendation and approval of replacing a non-U.S. manager from Lazar to Marathon, and de-risking the DB Plan to protect the funded status by reducing equity exposure and increasing bond exposure. BWL outperformed a majority of its peers with less management fees. Neither the DB Plan or VEBA Plan are required to follow the federal ERISA law regarding guidelines in corporate defined benefit plans and 401k's.

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 115% which is 4% higher than 2023. The average for DB funded plans in Michigan is 79% and BWL is in the top 4% out of 881 Michigan plans. The funded status for the VEBA plan is 150% which is 4% higher than 2023. The average for VEBA funded plans in Michigan is 46% and BWL is in the top 8% out of 463 Michigan plans.

Mr. Justin Cohen 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. Cohen stated the total investment expenses as a percentage of plan assets is at 1.9% which is low compared to average industry investment expenses. Mr. Cohen added that the current Nationwide fee is

0.01% of plan assets, which is very low compared to the industry average of 0.03% to 0.05% of plan assets, and the advisory fee is 0.02% which is also below the median industry average. Both the 401(a) and 457(b) are not required to follow the federal ERISA law but do follow as closely as possible.

Mr. Michael Burkhart provided information about the retirement services that Nationwide furnishes. Nationwide provides the daily record keeping for the plans in participant's account balances, transaction processing, and customer service through a call center. Group education, workshops, and individual consultations are provided through a local service representative Ken Kelbel. A custom BWL website has online educational content at mybwlretirement.com. Nationwide also provides retirement planning tools, advisory services through a financial planner, and managed account solutions.

Commissioner Zerkle commended GM Peffley and Ms. Shawa on the presentation and having a good year.

RESOLUTION #2024-11-01

ACCEPTANCE OF 2024 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 Sandra Zerkle, Seconded by Trustee Semone James 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 19, 2024.

Action: Motion Carried.

Other

There was no other business.

Adjourn

There being no further business, the Pension Fund Trustees meeting adjourned at 5:36p.m.

Respectfully Submitted,
David Price, Chairperson
Pension Fund Trustees Committee

Approved by the Trustees on November 19, 2024

MANAGER’S RECOMMENDATIONS

There were no General Manager recommendations.

UNFINISHED BUSINESS

There was no unfinished business.

NEW BUSINESS

There was no new business.

RESOLUTIONS

RESOLUTION 2024-11-02 **FY26 - FY30 Strategic Plan**

WHEREAS, the Board of Commissioners (“Board”) approved the Lansing Board of Water & Light’s (“BWL”) 2021-2025 Strategic Plan on January 26, 2021; and

WHEREAS, the 2021-2025 Strategic Plan expires on June 30, 2025; and

WHEREAS, BWL Executives, Directors, staff and customers, in collaboration with an experienced independent consultant, participated in stakeholder interviews, surveys and workshops from January to July 2024, to analyze the utility landscape and needs of the community and thereby developed a proposed FY26-FY30 Strategic Plan to address anticipated change and guide the organization to long-term success, which includes the below Strategic Priorities and Outcomes:

FY26 - FY30 Strategic Priorities and Outcomes

Priority: Customer and Community

1. Maintain high customer satisfaction
2. Build accessible connections between external resources and vulnerable customers
3. Increase community engagement and volunteerism
4. Support the business community and economic development

Priority: Workforce Development and Diversity

1. Continuously pursue and enhance our safety culture
2. Increase retention and employee development
3. Empower a culture of inclusion and respect where diverse perspectives drive success
4. Identify and develop candidates for critical functions

Priority: Climate and Environment

1. Achieve BWL and regulatory renewable and clean energy targets
2. Increase customer participation in innovative decarbonization and energy waste reduction programs
3. Reduce organizational greenhouse gas (GHG) emissions

Priority: Operational Resiliency and Continuous Improvement

1. Target replacement of aging infrastructure to maintain resiliency and provide safe and reliable utility access for all

2. Embed business continuity in processes and practices
3. Improve internal processes for cost-effective decision-making, priority-setting and resource allocation
4. Improve system availability, functionality and support for technology assets and maintain cybersecurity resilience
5. Maintain Regulatory Compliance

Priority: Financial Stability

1. Refine rate structure to maintain rate competitiveness
2. Achieve target return for investment in infrastructure
3. Maintain favorable bond rating; and

WHEREAS, the proposed FY26-FY30 Strategic Plan was presented by management to the Committee of the Whole on November 7, 2024, and the Committee voted to recommend approval by the Board at the next board meeting,

THEREFORE, it is:

RESOLVED, that the Board approves the FY26-FY30 Strategic Plan to be effective July 1, 2025 to June 30, 2030.

Motion by Commissioner Semone James, **Seconded** by Commissioner Sandra Zerkle, to approve the Resolution for FY26-FY30 Strategic Plan at a Board meeting held on November 19, 2024.

Action: Motion Carried.

RESOLUTION 2024-11-03

Regular Board Meeting Schedule 2025

In accordance with the Lansing Board of Water & Light’s Rules of Administrative Procedure, a schedule of dates, places, and times for each regular meeting of the Board of Commissioners for the calendar year shall be adopted in November.

RESOLVED, that regular meetings of the Lansing Board of Water & Light’s Board of Commissioners are hereby set for calendar year 2025 as follows, unless otherwise notified or as a result of date conflicts with rescheduled City Council meetings:

2025

Lansing Board of Water & Light Board of Commissioners

Regular Board Meeting Schedule

Tuesday	January 28
Tuesday	March 25
Tuesday	May 20
Tuesday	July 22
Tuesday	September 23
Tuesday	November 18

Meetings will be held in the Lansing Board of Water & Light REO Town Depot located at 1201 S. Washington Ave., Lansing, MI at 5:30 p.m.

RESOLVED FURTHER, that a notice of the meeting schedule shall be published in a newspaper of general circulation in Ingham County the week of January 1, 2025.

Motion by Commissioner Tony Mullen, **Seconded** by Commissioner Tracy Thomas, to approve the 2025 Regular Board Meeting Schedule at a Board meeting held on November 19, 2024.

Action: Motion Carried.

RESOLUTION 2024-11-04
FY2024 Audited Financial Statements
of the Enterprise Fund and Pension Fiduciary Funds

RESOLVED, that the fiscal year 2024 Audited Financial Statements of the Board of Water and Light have been reviewed and are hereby accepted as presented.

FURTHER RESOLVED, that the Corporate Secretary is hereby directed to file a copy of the fiscal year 2024 Audited Financial Statements of the Board of Water and Light with the City of Lansing no later than November 2024.

Motion by Commissioner Sandra Zerkle, **Seconded** by Commissioner Beth Graham, to approve the Resolution for the acceptance of the Fiscal Year 2024 Audited Financial Statements of the Enterprise Fund and Pension Fiduciary Funds at a Board meeting held on November 19, 2024.

Action: Motion

RESOLUTION 2024-11-05
Acknowledgement of Acceptance of 2024 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 Commissioner Tracy Thomas, **Seconded** by Commissioner Sandra Zerkle, to acknowledge the Resolution for the Acceptance of 2024 Audited Financial Statements for Defined Benefit Pension Plan, Defined Contribution Pension Plan, and Retiree Benefit Plan at a Board meeting held on November 19, 2024.

Action: Motion Carried.

MANAGER'S REMARKS

GM Peffley remarked on the following:

1. The 10th Resource Fair was held on October 2, 2024 at the Alfreda Schmidt Community Center and 150 individuals attended.
2. BWL partnered with Consumers Energy for an EV Ride Along and Drive event on October 4, 2024 at LCC West where people learned more about EVs and heard from manufacturers about rebates and incentives.
3. BWL held a United Way Campaign on October 22, 2024.
4. BWL held a Career Fair during Energy Week for middle, high school, and the public on October 24, 2024 and October 25, 2024. Nearly 400 students attended over the two days.
5. The annual Veterans Day Celebration was held on November 13, 2024 in the REO Depot. Over 100 employees attended. Thank you to commissioners who were able to join us.

COMMISSIONERS' REMARKS

Commissioner Thomas commended the Veteran's Day Celebration staff, congratulated Commissioner Sandra Zerkle on her reappointment to the Board, and congratulated Executive Director of Operations, Dave Bolan, and Executive Director of Communications, Steve Serkaian, on their upcoming retirements.

Commissioner Schrader acknowledged the discussion regarding the monitoring of the progress of renewables and clean energy targets during the Committee of the Whole meeting.

MOTION OF EXCUSED ABSENCE

Motion by Commissioner Tony Mullen, **Seconded** by Commissioner Beth Graham, to excuse Commissioners J. R. Beauboeuf and Robert Worthy from tonight's meeting.

Action: Motion Carried.

PUBLIC COMMENTS

Amanda Grayson, Lansing, MI spoke against the rate increases in utility services and that a number of people were expressing the unaffordability of the rate increases in utility services.

Amber Rochester, Lansing, MI spoke about homelessness, the negative impact in Lansing with the increase in utility rates and requested reconsideration of the approval of the rate increases.

Ivy Herron, Lansing, MI, public school teacher, spoke against the utility rate increases and said that she is also helping some of her students as they are unable to pay for the rates.

Claretta Duckett Freeman, Lansing, MI spoke about the rate increases and unaffordability expressed by several citizens.

ADJOURNMENT

Chairperson Price adjourned the meeting at 6:02 p.m.

LaVella J. Todd, Corporate Secretary

Preliminary Minutes filed (electronically) with Lansing City Clerk 11-26-24

Approved by the Board of Commissioners: 01-28-25

Official Minutes filed (electronically) with Lansing City Clerk: 01-29-25