



**LANSING BOARD OF WATER & LIGHT BOARD OF COMMISSIONERS
COMMITTEE OF THE WHOLE MEETING**

**September 10, 2024 – 5:30 P.M.
REO Town Depot - Board of Water & Light Headquarters
1201 S. Washington Ave., Lansing, MI 48910**

BWL full meeting packets and public notices/agendas are located on the official web site at <https://www.lbwl.com/about-bwl/governance>.

AGENDA

Call to Order

Roll Call

Public Comments on Agenda Items

- 1. Approval of the Committee of the Whole Meeting Minutes of July 16, 2024 **TAB 1**
- 2. Global Internal Audit Standards..... **INFORMATION ONLY**
- 3. Internal Audit Charter**TAB 2**
 - a. Internal Audit Charter Resolution**TAB 2a**
- 4. Retirement Plan Committee (RPC) Update..... **TAB 3**
 - a. Ratification of Trustees of Retirement Plans Resolution **TAB 3a**
- 5. Appointee Performance Evaluation Process..... **INFORMATION ONLY**

Other

Adjourn

COMMITTEE OF THE WHOLE
Meeting Minutes
July 16, 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 Tuesday, July 16, 2024.

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

Present: Commissioners Beth Graham, Semone James, DeShon Leek, Tony Mullen, Dale Schrader, Tracy Thomas, and Sandra Zerkle; and Non-Voting Members J. R. Beauboeuf (East Lansing) and Robert Worthy (Delta Township)

Absent: Commissioner David Price; and Non-Voting Member Brian Pillar (Meridian Township)

The Corporate Secretary declared a quorum.

Public Comments

There were no public comments.

Approval of Minutes

Motion by Commissioner DeShon Leek, **Seconded** by Commissioner Beth Graham to approve the Committee of the Whole Meeting minutes of May 14, 2024.

Yeas: Commissioners Beth Graham, Semone James, DeShon Leek, Tony Mullen, Dale Schrader, Tracy Thomas, and Sandra Zerkle

Nays: None

Action: Motion carried. The minutes were approved.

Return on Equity Update

General Manager Dick Peffley spoke on the Return on Equity Update. After meeting with the City of Lansing Mayor at which a request for an 8% rate of return on equity was made, GM Peffley, Chief Financial Officer Heather Shawa and team petitioned for leaving the rate at 6% and building revenue in order to retain customers. GM Peffley stated Mayor Schor responded with a recommendation for the rate of the renewal request at 6% but at budgeted revenue instead of gross revenue.

Chairperson Mullen asked whether the budgeted revenue was expected to be realized, and also asked whether the rate of 6% of the expected budget was a good deal. GM Peffley responded that budgeted income would not be realized this year due to equipment malfunctions at both facilities, but industry growth is expected for future years and budget realization is expected. GM Peffley responded that 6% of budgeted income is a good deal compared to the 8% initially requested as BWL is generating more income and bringing in new customers.

Commissioner James inquired about the amount the budget was short this year and if it could be recouped. CFO Shawa responded that the budget was short \$1.2 million to the city and the resolution being presented includes that amount.

Commissioner Mullen asked whether 6% of the budgeted income plus the \$1.2 million is in the resolution or if the 6% of the budgeted income includes the \$1.2 million. GM Peffley and CFO Shawa responded the city is being given the shortfall of \$1.2 million this year and 6% of the budgeted income will be given for FY2025.

Commissioner Thomas commented that the national average is 6% and agrees that it is a good deal.

Commissioner Schrader asked what the difference of the budgeted income for this year and the additional amount and budgeted income for next year. CFO Shawa responded for FY2024 the budget amount was \$26 million and for FY2025 it was \$28 million. CFO Shawa added that since Ultium is expected to ramp up production, it was a shorter term of a one-year request.

Commissioner Worthy asked if the rate was based on budgeted income only and if the budget is exceeded whether the city would be okay with that. GM Peffley responded that the request was for 6% of budgeted income and it was agreed upon.

Commissioner Zerkle asked whether the resolution depends on what happens at the rate hearing and what happens from the results of voting on the new budget. GM Peffley responded that there is no impact from the rate hearing and the 6% will be on the budget which has been approved. CFO Shawa responded when the budget and forecast was approved there was a note that the rate increases weren't being approved until the rate increase process.

Commissioner Worthy asked what would a shortfall in the budget be in percentage terms. GM Peffley responded that a shortfall wasn't expected. Wholesale revenue isn't used as part of base income in BWL's budget, but it is in the city. There was a decrease in wholesale revenue this year and it was an expense on customers' bills.

Motion by Commissioner Tracy Thomas, **Seconded** by Tony Mullen to forward the Resolution for the Return on Equity Renewal to the full Board for approval.

Yeas: Commissioners Beth Graham, Semone James, DeShon Leek, Tony Mullen, Dale Schrader, Tracy Thomas, and Sandra Zerkle

Nays: None

Action: Motion Carried.

Retirement Systems Code of Conduct and Ethics Update

Chief Financial Officer Heather Shawa presented the Retirement Systems Code of Conduct and Ethics update. While the RPC Charter was being reviewed for the Finance Committee, it was determined that Code of Conduct and Ethics resolution needed to be updated as the RPC was formed in 2016 and needed to be added, and also the legal names of the plan are being updated.

GM Peffley added information on the formation of the RPC will be presented at tonight's Finance Committee meeting.

Commissioner Thomas asked why this item was being presented at a COW meeting rather than a Finance Committee meeting. CFO Shawa responded because it was information regarding code of conduct it was better suited for presentation at a COW meeting.

Motion by Commissioner Beth Graham, **Seconded** by Tracy Thomas to forward the Resolution for the Code of Conduct and Ethics for Retirement Plan Fiduciaries to the full Board for approval.

Yeas: Commissioners Beth Graham, Semone James, DeShon Leek, Tony Mullen, Dale Schrader, Tracy Thomas, and Sandra Zerkle

Nays: None

Action: Motion Carried.

Other

Commissioner Semone James stated that the office of the City Clerk of the City of Lansing requests that the Ethics Ordinance, Conflict of Interest and Open Meetings Act Annual Training be noted in our minutes when commissioners have completed the requirement. Therefore, it is stated that the Board of Water & Light Board of Commissioners have completed the Ethics Ordinance, Conflict of Interest and Open Meetings Act training requirement for FY 2024.

Motion by Commissioner Tony Mullen, **Seconded** by Commissioner Beth Graham for excused absences for Commissioners David Price and Brian Pillar.

Yeas: Commissioners Beth Graham, Semone James, DeShon Leek, Tony Mullen, Dale Schrader, Tracy Thomas, and Sandra Zerkle

Nays: None

Action: Motion Carried.

Adjourn

Chairperson James adjourned the meeting at 5:51 p.m.

Respectfully Submitted
Semone James, Acting Chairperson
Committee of the Whole



INTERNAL AUDIT DEPARTMENT CHARTER

OFFICE OF THE INTERNAL AUDITOR

2024

ELISHA FRANCO,
DIRECTOR OF INTERNAL AUDIT

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CHARTER

This Charter defines the internal audit function at the Lansing Board of Water and Light (BWL) and the commitment to the professional practice of internal auditing by the Board of Commissioners (Board) and Senior Management. It grants Internal Audit the authority to carry out its mission as set forth by the Board.

MISSION & PURPOSE

The purpose of the internal audit function is to strengthen BWL's ability to create, protect, and sustain value by providing the Board of Commissioners (Board) and Senior Management with independent, risk-based, and objective assurance, advice, insight, and foresight.

The internal audit function enhances BWL'S:

- Successful achievement of its objectives.
- Governance, risk management, and control processes.
- Decision-making and oversight.
- Reputation and credibility with its stakeholders.
- Ability to serve the public interest.

BWL'S internal audit function is most effective when:

- Internal auditing is performed by competent professionals in conformance with The IIA's Global Internal Audit Standards, which are set in the public interest.
- The internal audit function is independently positioned with direct accountability to the Board of Commissioners.
- Internal auditors are free from undue influence and committed to making objective assessments.

Commitment to Adhering to the Global Internal Audit Standards

The BWL'S internal audit function will adhere to the mandatory elements of The Institute of Internal Auditors' International Professional Practices Framework, which are the Global Internal Audit Standards and Topical Requirements. The Director of Internal Audit will report periodically to the Board of Commissioners and Senior Management regarding the internal audit function's conformance with the Standards, which will be assessed through a quality assurance and improvement program.

MANDATE

Authority

The BWL'S internal audit function mandate is found in the Lansing City Charter, which states under Section 5-202 that the Board shall appoint an Internal Auditor who shall report directly to the Board of Commissioners. The Internal Auditor shall serve at the pleasure of the Board.

The internal audit function's authority is created by its direct reporting relationship to the Board of Commissioners. Such authority allows for unrestricted access to the Board of Commissioners.

The Board of Commissioners authorizes the internal audit function to:

- Have full and unrestricted access to all functions, data, records, information, physical property, and personnel pertinent to carrying out internal audit responsibilities. Internal auditors are accountable for confidentiality and safeguarding records and information.
- Allocate resources, set frequencies, select subjects, determine scopes of work, apply techniques, and issue communications to accomplish the function's objectives.
- Obtain assistance from the necessary personnel of BWL and other specialized services from within or outside BWL to complete internal audit services.

Independence, Organizational Position, and Reporting Relationships

The Director of Internal Audit, who also serves as the Chief Audit Executive, will be positioned at a level in the organization that enables internal audit services and responsibilities to be performed without interference from management, thereby establishing the independence of the internal audit function. The Director of Internal Audit will report functionally and administratively to the Board of Commissioners. This positioning provides the organizational authority and status to bring matters directly to senior management and escalate matters to the Board of Commissioners, when necessary, without interference and supports the internal auditors' ability to maintain objectivity.

At least annually, the Director of Internal Audit will confirm to the Board of Commissioners the organizational independence of the internal audit function. Also, the Director of Internal Audit will disclose to the Board of Commissioners any interference internal auditors encounter related to the scope, performance, or communication of internal audit work and results. The disclosure will include communicating the implications of such interference on the internal audit function's effectiveness and ability to fulfill its mandate.

Changes to the Mandate and Charter

Circumstances may justify a follow-up discussion between the Director of Internal Audit, Board of Commissioners, and Senior Management on the internal audit mandate or other aspects of the internal audit charter. Such circumstances may include but are not limited to:

- A significant change in the Global Internal Audit Standards.
- A significant reorganization within the organization.
- Significant changes in the Director of Internal Audit, Board of Commissioners and/or Senior Management.
- Significant changes to the organization's strategies, objectives, risk profile, or the environment in which the organization operates.
- New laws or regulations that may affect the nature and/or scope of internal audit services.

BOARD OF COMMISSIONERS OVERSIGHT

To establish, maintain, and ensure that BWL'S internal audit function has sufficient authority to fulfill its duties, the Board of Commissioners will:

- Discuss with the Director of Internal Audit and Senior Management the appropriate authority, role, responsibilities, scope, and services (assurance and/or advisory) of the internal audit function.
- Ensure the Director of Internal Audit has unrestricted access to and communicates and interacts directly with the Board of Commissioners.
- Discuss with the Director of Internal Audit and Senior Management other topics that

should be included in the internal audit charter.

- Participate in discussions with the Director of Internal Audit and Senior Management about the “essential conditions,” described in the Global Internal Audit Standards, which establish the foundation that enables an effective internal audit function.
- Approve the internal audit function’s charter, which includes the internal audit mandate and the scope and types of internal audit service.
- Review and approve the internal audit charter at least every four years with the Director of Internal Audit to consider changes affecting the organization, such as the employment of a new Director of Internal Audit or changes in the type, severity, and interdependencies of risks to the organization.
- Approve the risk-based internal audit plan.
- Provide input to the internal audit function’s human resources administration and budgets.
- Review the internal audit function’s expenses.
- Provide feedback to Senior Management on the appointment and removal of the Director of Internal Audit, ensuring adequate competencies and qualifications and conformance with the Global Internal Audit Standards.
- Review and conduct annual performance review on the Director of Internal Audit.
- Receive communications from the Director of Internal Audit about the internal audit function including its performance relative to its plan.
- Ensure a quality assurance and improvement program has been established and review the results annually.
- Make appropriate inquiries with the Director of Internal Audit to determine whether scope or resource limitations are appropriate.

DIRECTOR OF INTERNAL AUDIT ROLES AND RESPONSIBILITIES

Ethics and Professionalism

The Director of Internal Audit will ensure that internal auditors:

- Conform with the Global Internal Audit Standards, including the principles of Ethics and Professionalism: integrity, objectivity, competency, due professional care, and confidentiality.
- Understand, respect, meet, and contribute to the legitimate and ethical expectations of the organization and be able to recognize conduct that is contrary to those expectations.
- Encourage and promote an ethics-based culture in the organization.
- Report organizational behavior that is inconsistent with the organization’s ethical expectations, as described in applicable policies and procedures.

Objectivity

The Director of Internal Audit will ensure that the internal audit function remains free from all conditions that threaten the ability of internal auditors to carry out their responsibilities in an unbiased manner, including matters of engagement selection, scope, procedures, frequency, timing, and communication. If the Director of Internal Audit determines that objectivity may be impaired in fact or appearance, the details of the impairment will be disclosed to appropriate parties.

Internal auditors will maintain an unbiased mental attitude that allows them to perform

engagements objectively such that they believe in their work product, do not compromise quality, and do not subordinate their judgment on audit matters to others, either in fact or appearance.

Internal auditors will have no direct operational responsibility or authority over any of the activities they review. Accordingly, internal auditors will not implement internal controls, develop procedures, install systems, or engage in other activities that may impair their judgment, including:

- Assessing specific operations for which they had responsibility within the previous year.
- Performing operational duties for BWL or third parties.
- Initiating or approving transactions external to the internal audit function.
- Directing the activities of any BWL'S employee that is not employed by the internal audit function, except to the extent that such employees have been appropriately assigned to internal audit teams or to assist internal auditors.

Internal auditors will:

- Disclose impairments of independence or objectivity, in fact, or appearance, to appropriate parties and at least annually, such as the Director of Internal Audit, Board of Commissioners, management, or others.
- Exhibit professional objectivity in gathering, evaluating, and communicating information.
- Make balanced assessments of all available and relevant facts and circumstances.
- Take necessary precautions to avoid conflicts of interest, bias, and undue influence.

Managing the Internal Audit Function

The Director of Internal Audit has the responsibility to:

- At least annually, develop a risk-based internal audit plan that considers the input of the Board of Commissioners and Senior Management. Discuss the plan with the Board of Commissioners and Senior Management and submit the plan to the Board of Commissioners for review and approval.
- Communicate the impact of resource limitations on the internal audit plan to the Board of Commissioners and senior management.
- Review and adjust the internal audit plan, as necessary, in response to changes in BWL'S business, risks, operations, programs, systems, and controls.
- Communicate with the Board of Commissioners and Senior Management if there are significant interim changes to the internal audit plan.
- Ensure internal audit engagements are performed, documented, and communicated in accordance with the Global Internal Audit Standards and laws and/or regulations.
- Follow up on engagement findings and communicate the results of internal audits to the Board of Commissioners and Senior Management for each engagement as appropriate. Also, the Director of Internal Audit will verify that effective and efficient corrective action plans have been implemented and communicated by Senior Management.
- Ensure the internal audit function collectively possesses or obtains the knowledge, skills, and other competencies and qualifications needed to meet the requirements of the Global Internal Audit Standards and fulfill the internal audit mandate.
- Identify and consider trends and emerging issues that could impact BWL and communicate to the Board of Commissioners and senior management as appropriate.
- Consider emerging trends and successful practices in internal auditing.
- Establish and ensure adherence to methodologies designed to guide the internal audit function.

- Ensure adherence to BWL'S relevant policies and procedures unless such policies and procedures conflict with the internal audit charter or the Global Internal Audit Standards. Any such conflicts will be resolved or documented and communicated to the Board of Commissioners and senior management.
- Coordinate activities and consider relying upon the work of other internal and external providers of assurance and advisory services. If the Director of Internal Audit cannot achieve an appropriate level of coordination, the issue must be communicated to senior management and if necessary escalated to the Board of Commissioners.

Communication with the Board of Commissioners and Senior Management

The Director of Internal Audit will inform the Board of Commissioners when applicable to the following:

- The internal audit function's mandate.
- The internal audit plan and performance relative to its plan.
- Internal audit budget.
- Significant revisions to the internal audit plan and budget.
- Potential impairments to independence, including relevant disclosures as applicable.
- Results from the quality assurance and improvement program, which include the internal audit function's conformance with The IIA's Global Internal Audit Standards and action plans to address the internal audit function's deficiencies and opportunities for improvement.
- Significant risk exposures and control issues, including fraud risks, governance issues, and other areas of focus for the Board of Commissioners that could interfere with the achievement of BWL'S strategic objectives.
- Results of assurance and advisory services.
- Resource requirements.
- Management's responses to risk that the internal audit function determines may be unacceptable or acceptance of a risk that is beyond BWL'S risk appetite.

Quality Assurance and Improvement Program

The Director of Internal Audit will develop, implement, and maintain a quality assurance and improvement program that covers all aspects of the internal audit function. The program will include external and internal assessments of the internal audit function's conformance with the Global Internal Audit Standards, as well as performance measurement to assess the internal audit function's progress toward the achievement of its objectives and promotion of continuous improvement. The program also will assess, if applicable, compliance with laws and/or regulations relevant to internal auditing. Also, if applicable, the assessment will include plans to address the internal audit function's deficiencies and opportunities for improvement.

Annually, the Director of Internal Audit will communicate with the Board of Commissioners and Senior Management about the internal audit function's quality assurance and improvement program, including the results of internal assessments (ongoing monitoring and periodic self-assessments) and external assessments. External assessments will be conducted at least once every five years by a qualified, independent assessor or assessment team from outside qualifications must include at least one assessor holding an active Certified Internal Auditor credential.

SCOPE AND TYPES OF INTERNAL AUDIT SERVICES

The scope of internal audit services covers the entire breadth of the organization, including all of BWL'S activities, assets, and personnel. The scope of internal audit activities also encompasses but is not limited to objective examinations of evidence to provide independent assurance and advisory services to the Board of Commissioners and management on the adequacy and effectiveness of governance, risk management, and control processes for BWL.

The nature and scope of advisory services may be agreed with the party requesting the service, provided the internal audit function does not assume management responsibility. Opportunities for improving the efficiency of governance, risk management, and control processes may be identified during advisory engagements. These opportunities will be communicated to the appropriate level of management.

Internal audit engagements may include evaluating whether:

- Risks relating to the achievement of BWL'S strategic objectives are appropriately identified and managed.
- The actions of BWL'S officers, directors, management, employees, and contractors or other relevant parties comply with BWL'S policies, procedures, and applicable laws, regulations, and governance standards.
- The results of operations and programs are consistent with established goals and objectives.
- Operations and programs are being carried out effectively, efficiently, ethically, and equitably.
- Established processes and systems enable compliance with the policies, procedures, laws, and regulations that could significantly impact BWL.
- The integrity of information and the means used to identify, measure, analyze, classify, and report such information is reliable.
- Resources and assets are acquired economically, used efficiently and sustainably, and protected adequately.

APPROVED BY THE BOARD OF COMMISSIONERS

RESOLVED, That the Board of Commissioners hereby approves the Internal Audit Charter as amended to which conforms to the Global Internal Audit Standards promulgated by the Institute of Internal Auditors.

Approved by the Board of Commissioners on

Date



RESOLUTION 2024-XX-XX
Internal Audit Charter Approval

RESOLVED, That the Board of Commissioners hereby approves the Internal Audit Charter as amended to which conforms to the Global Internal Audit Standards, promulgated by the Institute of Internal Auditors.

Motion by Commissioner _____, **Seconded** by Commissioner _____ to approve the amendment to the Internal Audit Charter to which conforms to the Global Internal Audit Standards, promulgated by the Institute of Internal Auditors at Board meeting held on _____, ____.



RETIREMENT PLAN COMMITTEE (RPC)

Investment Activity Updates for Committee of the Whole: 9/10/2024

Investment Activity Update

- VEBA - Portfolio Rebalancing – Real Assets
 - Market value changes and a partial redemption have brought the real assets back to the allocation target of 15%. As a result, the RPC has voted to withdraw its real asset redemption request since no further liquidation is necessary.

Investment Activity Update

- Defined Contribution 401(a) & Deferred Compensation 457(b) Plans
 - RPC voted to approve a share class change within the Vanguard International Stock Index
 - A communications plan will be developed to execute this share class change along with the following additional changes also recently approved
 - Addition of the Vanguard 2070 Target Date Fund
 - Change in funds from Mainstay Winslow Large Cap Growth and MassMutual Small Cap Growth to their Collective Investment Trust (CIT) equivalents
 - The tentative communications plan includes participant notification near the end of October and an effective date of fund transition of December 13th

Investment Activity Update

- Defined Contribution 401(a) & Deferred Compensation 457(b) Plans
 - RPC voted to approve a change in investment fee policy
 - The prior fee policy utilized the “Best Net Method”
 - Under this method, share classes were chosen so that the gross fee less revenue sharing resulted in the lowest possible net fee. The revenue sharing was then credited back to customers however the process was not very transparent and required fees to be reported at gross levels rather than net which misrepresented the true cost and made the fee structure more difficult to communicate and explain. For many plans in the industry, this has resulted in unnecessary and costly litigation.
 - The new approved fee policy utilizes the “Institutional Lineup Method”
 - Under this method, revenue sharing is targeted to be as low as possible for each share class. In certain circumstances, this could result in slightly higher net fees however it is more transparent, easier to explain, and helps avoid potential costly confusion and related litigation. This change will not affect our current fund line up or have an immediate affect on fees and will instead be applied only on a go-forward basis.



RETIREMENT PLAN COMMITTEE (RPC)

Administrative Activity Updates for Committee of the Whole: 9/10/2024

Administrative Activity Update

- Defined Benefit Plan (DB) & Voluntary Employee Benefit Administration Plan (VEBA)
 - DB & VEBA
 - Completion of the remaining recommendations from the compliance assessment is underway.
 - Summary plan descriptions, plan document updates, and administrative procedures updates have all been drafted and are under review.
 - The estimated completion date has been updated to October 31, 2024 to allow for a thorough review of the updates prior to implementation.
 - VEBA – The RPC voted to approve a reimbursement of \$2,448,356.98 per the ASA for benefits paid as of June 30, 2024.

Administrative Activity Update

- Defined Contribution & Deferred Compensation Plans
 - No significant activity.

Glossary

- **DB** Defined Benefit Plan - The plan is a noncontributory single-employer defined benefit pension plan for employees of the BWL. The Defined Benefit Plan, by resolution of the Board of Commissioners, was closed to employees hired subsequent to December 31, 1996, and a defined contribution plan was established for employees hired after December 31, 1996. Effective December 1, 1997, all active participants in this plan were required to make an irrevocable choice to either remain in this plan (defined benefit) or move to the newly established defined contribution plan. Those participants who elected to move to the defined contribution plan received lump-sum distributions from this plan that were rolled into their accounts in the newly established defined contribution plan. Of the 760 employees who were required to make this election, 602 elected to convert their retirement benefits to the newly established defined contribution plan.
- **VEBA** Voluntary Employee Benefit Administration - The Post-Retirement Benefit Plan is a single-employer defined benefit healthcare plan. The Plan provides medical, dental, and life insurance benefits. Substantially all of the BWL's employees may become eligible for healthcare benefits and life insurance benefits if they reach normal retirement age while working for the BWL.
- **DC 401(a)** Defined Contribution Plan - The Defined Contribution Plan covers substantially all full-time employees hired after December 31, 1996. In addition, 602 employees hired before January 1, 1997 elected to convert their retirement benefits from the Defined Benefit Plan effective December 1, 1997. The Defined Contribution Plan operates as a money purchase pension plan and meets the requirements of Sections 401(a) and 501(a) of the IRC of 1986, as amended from time to time. For employees hired before January 1, 1997, the BWL is required to contribute 15.0% of the employees' compensation. For employees hired after January 1, 1997, the BWL is required to contribute 9.5% of the employees' compensation. In addition, the BWL is required to contribute 3.0% of the employees' compensation for all employees who are not eligible to receive overtime pay and 0.5% of the employees' compensation for all nonbargaining employees. No participant contributions are required.
- **DC 457(b)** Deferred Compensation Plan - The Deferred Compensation Plan covers substantially all full-time employees. The BWL contributes \$1,000 on behalf of each participant as of the first pay period of each year. Additionally, the BWL will provide a 100% match for each participant's contributions annually, up to \$1,500.
- **ASA** Administrative Services Agreement – The administrative services agreement is an agreement between the BWL and the VEBA trust regarding the payment of VEBA plan benefits. The agreement calls for the BWL to handle the processing of benefit payments and allows for the reimbursement for payment from the VEBA trust if certain conditions are satisfied. These conditions include both funding status and investment performance measures.

RESOLUTION 2024-XX-XX
Ratification of Trustees of Retirement Plans

WHEREAS, the Lansing Board of Water & Light (the “Sponsor”) sponsors the (a) Lansing Board of Water and Light Defined Contribution Plan and Trust 1; (b) Lansing Board of Water and Light Defined Contribution Plan and Trust 2; (c) Lansing Board of Water and Light 457 Deferred Compensation Plan and Trust; (d) Lansing Board of Water and Light Defined Benefit Plan and Trust for Employees’ Pensions; and (e) Post-Retirement Benefit Plan and Trust for Eligible Employees of Lansing Board of Water and Light (collectively, the “Plans”); and

WHEREAS, the Sponsor desires to ratify and confirm the current Trustees of the Plan and clarify the appointment, removal and resignation dates of new and former Trustees of the Plans.

THEREFORE, it is:

RESOLVED, that the following individuals are ratified and confirmed as the current Trustees of the Plans as of the date hereof:

- David J. Price
- Sandra Zerkle
- Tracy Thomas
- Anthony Mullen
- Beth Graham
- Deshon Leek
- Semone James; and
- Dale Schrader.

FURTHER RESOLVED, that the appointment and acceptance of the following individuals to serve as Trustees of the Plans is hereby approved, ratified and confirmed as of the date stated below:

- David J. Price, reappointment April 25, 2021
- Sandra Zerkle, reappointment April 25, 2021
- Tracy Thomas, reappointment April 25, 2021
- Anthony Mullen, reappointment April 25, 2021
- Beth Graham, reappointment April 25, 2021
- Deshon Leek, reappointment April 25, 2021
- Semone James, July 26, 2021; and
- Dale Schrader, August 14, 2023.

FURTHER RESOLVED, that the resignation or removal of the following individuals from the position of Trustees of the Plans is hereby approved, ratified and confirmed as of the date stated below:

- David Lenz, June 30, 2021
- Ken Ross, July 14, 2021; and

- Dusty Horwitt, July 19, 2023.

Motion by Commissioner _____, Seconded by Commissioner _____ to approve the Resolution for Ratification of Trustees of Retirement Plans at a Board meeting held on _____.