

**OFFICIAL PROCEEDINGS OF THE BOARD OF
TRUSTEES
CITY OF LANSING
POLICE AND FIRE RETIREMENT SYSTEM**

Regular Meeting
Council Conference Room
10th Floor, City Hall
Lansing, MI

April 12, 2011
Tuesday, 8:30 a.m.

The Board was called to order at 8:39 a.m.

Present: Trustees Benson, (9:03 a.m.) Fabus, Kraus, Oleson, St. Aubin, Wood – 6.

Absent: Trustee Benson, Bernero

Others: Karen E. Williams, Finance Department; Attorney Ken Lane, Clark Hill Law Office (representing the Law Department).

It was moved by Trustee Oleson and supported by Trustee Kraus to approve the Official Minutes of the Police and Fire Retirement System Board Meeting of March 15, 2011.

Adopted by the following vote: 5 – 0.

Secretary's Report.

0 new fire member(s), 0 new police members, 0 reinstatement(s), 0 refund(s), 0 transfers, 2 retired. Total: Active membership: 440. 2 death(s) Barbara Rairigh, Fire, died 12/21/2010, age 83, spouse of retiree; Ursula Finney, Fire, died 2/17/2011, age 82, spouse of retiree. Refunds made since the last regular meeting amounted to \$0.00. Retirement allowances paid for the month of February, 2011 amounted to \$1,976,446.83. Total retirement checks printed for the P&F System: 661. Total retirement checks printed for both systems: 1506. Domestic relations order received: 0. Domestic relations orders pending: 0. Eligible domestic relations orders certified: 0.

There were no applications for the Regular Age and Service Retirement.

The Disability Subcommittee reviewed inquiries from Dr. Roth regarding Case #2010-F1109. Dr. Roth has received a response to his questions and will provide a medical report for the applicant

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There were no requests for Non Duty Disability Retirement.

Mr. August Kymis, police department, submitted a letter requesting his refund of Accumulated Contribution. Ms. Williams of the Retirement Office sent the appropriate forms to Mr. Kymis per Police and Fire Board policy.

It was moved by Trustee Wood and supported by Trustee Oleson to excuse Trustee Hecksel from the April Official Police and Fire Retirement Meeting.

Adopted by the following vote: 6 – 0.

Karen Williams announced that members should have received their registration material for the Spring MAPERS that will be held May 1 – 3, to the City of Lansing Retirement Office. Ms. Williams also registered members for dinner with INVESCO.

There were no public comments.

Attorney Ken Lane updated the Board regarding Ms. Ursula Finney. Attorney Lane informed the Board that a probate case has not been opened. The City Attorney's Office suggested that one of their legal interns could open a probate case and work on the process to collect the monies owed to the system. Once the case is opened, anyone who is owed money by Ms. Finney could place a claim.

It was moved by Trustee Oleson and supported by Trustee Kraus to have the City Attorney's Office pursue opening a probate case on behalf of the Police and Fire Retirement System to collect the outstanding debt from Ms. Finney's estate. Trustee Wood offered a friendly amendment that the intern stay in contact with Attorney Ken Lane to keep the Board updated.

Adopted by the following vote: unanimously

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Attorney Ken Lane reviewed the provisions Fraud Monitoring Procedure policy. The City Attorney has agreed to sign and be bound by the policy. Attorney Lane stated the policy would establish a threshold for which a claim would be filed. The City Attorney's Office would check the claim on legal grounds and then refer it to the Retirement Board to proceed. Either the firm or Attorney Lane would present the case to the Board. Asset Consulting Group would also review the claim and inform the City Attorney if there are any issues. The Board would then authorize the City Attorney to sign the legal retainer agreement to proceed.

Trustee Wood expressed much concern that the City Attorney could usurp the authority of the Board and make decisions that the Board is responsible for, but has not approved. Trustee Wood recommended that the Board attach a resolution to the policy affirming the two firms that were approved by the Board.

Trustee St. Aubin tabled the item until May.

Attorney Ken Lane distributed and reviewed the handbook updates.

Trustee St. Aubin suggested that at the next meeting, trustees will review and update their handbooks.

Mr. Benson arrived to the meeting.

Trustee St. Aubin requested that ING Clarion manager search be added to the agenda at the end of other business.

Attorney Ken Lane provided an update on William Blair. The Northpointe contract was terminated effective April 13. The William Blair contract will begin effective April 18. Northern Trust will handle the fund transfer between Northpointe and William Blair.

The Disability Subcommittee recommended duty disability examinations for the following 5 police and 5 fire retirees that have not been reviewed in the last three years: Tina Brya, Ron Hansen, Terry Harvey, Frank Holmes, George Howell, Frank Lain, Gina Lee, Sheryl Norton, Greg Odom, Michael Young.

The subcommittee informed the Board that the last re-examinations were in 2009.

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Trustee Oleson inquired how retirees are determined for disability re-examinations and what happens if a retiree does not comply

Attorney Ken Lane reviewed the Ordinance regarding disability re-examinations. Attorney Lane stated that retirees who do not comply may have their pensions suspended.

Trustee St. Aubin suggested that April will be month for duty disability re-examinations.

Karen Williams distributed a copy of the information packet prepared by the Human Resource Department that would be available for members who could be laid off. Karen Williams distributed information regarding refund of accumulated contributions. The trustees discussed what type of information that the Board could provide without giving financial advice. The City will meet with affected employees and provide packets of information.

Karen Williams reported that John Jackson of Asset Consulting would like to meet prior to the Joint Meeting in May to narrow down the list of firms for the Real Estate Search to replace ING Clarion. The Board agreed to meet May 18, 2011 with John Jackson if he is available.

Due to quorum issues, the Board agreed to move the May official meeting date to May 24, 2011.

The Board discussed the Actuary interviews for Gabriel, Roeder, Smith and Company and EFI. Trustee Wood believed that she learned more with EFI. Trustee Oleson stated that he believed EFI would provide more education and better understanding of the actuary report.

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It was moved by Trustee Wood and supported by Trustee Oleson to hire EFI Actuaries as the Actuary for the Police and Fire Retirement System and terminate its contact with Gabriel, Roeder, and Smith.

Trustee Kraus expressed concern that the Employees Retirement System Board could select a different actuary from the Police and Retirement Board.

Trustee Oleson requested that the ERS Board be informed of the Police and Fire Retirement Board.

Adopted by the following vote: 6 – 0.

Trustee Wood thanked Trustee Kraus for all the hard work in the search and selection process.

Trustee Kraus requested if the Board paid separately for Minute Master.

As a courtesy, Trustee Oleson suggested that Gabriel, Roeder and Smith be contacted regarding the Board's decision.

The Joint Special Projects subcommittee will meet to review the RFP to re-send to vendors.

Attorney Ken Lane informed the Board that the contract with the Project Manager expired February 28, 2011. Attorney Lane drafted an extension to the contract through May 31 for Board approval. The Board agreed to extend the contract through May 31, 2011. Attorney Lane stated that any time beyond May 31, 2011 will need a new contract

Karen Williams distributed and reviewed the Board Expense report for month ending March 28, 2011.

It was moved by Trustee Wood and supported by Trustee Benson to adjourn the meeting.

Adopted by the following vote: 6 -0

The meeting adjourned at 10:00 am.

Minutes approved on _____

Brad St. Aubin, Chairperson
Police & Fire Retirement System

Jerry Ambrose, Secretary
Police & Fire Retirement System