

**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

June 21, 2011
Tuesday, 8:30 a.m.

The Board was called to order at 8:36 a.m.

Present: Trustees Fabus, Hecksel, Kraus, St. Aubin, Wood – 5.
Absent: Trustee Benson, Bernero, Hecksel

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

It was moved by Trustee Hecksel and supported by Trustee Wood to approve the Official Minutes of the Joint Employees Retirement System Board and the Police and Fire Retirement Board Meeting of May 19, 2011.

Adopted by the following vote: 5 - 0

It was moved by Trustee Hecksel and supported by Trustee Wood to approve the Official Minutes of the Police and Fire Retirement System Board Meeting of May 24, 2011.

Adopted by the following vote: 5 – 0.

Secretary's Report.

0 new fire member(s), 0 new police members, 0 reinstatement(s), 1 refund(s), 0 transfers, 0 retired. Total: Active membership: 432. 1 death(s) Barbara Wojtysiak, died 4/27/2011, age 83, spouse of Police Retiree. Refunds made since the last regular meeting amounted to \$28,658.50. Retirement allowances paid for the month of May, 2011 amounted to \$2,030,694.21. Total retirement checks printed for the P&F System: 661. Total retirement checks printed for both systems: 1501. Domestic relations order received: 0. Domestic relations orders pending: 0. Eligible domestic relations orders certified: 0.

RECEIVED
2011 AUG -9 AM 10:17
LANSING CITY CLERK

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

June 21, 2011
Tuesday, 8:30 a.m.

Page Two

There were no public comments for items on the agenda.

It was moved by Trustee Hecksel and supported by Trustee Kraus to approve following application for regular age & service retirement:

William Christiansen, Fire Department, 25 years, 8 months of service credits, age 55, effective June 24, 2011.

Adopted by the following vote: 5 – 0.

It was moved by Trustee Hecksel and supported by Trustee Kraus to approve following application for regular age & service retirement:

David B. Doerr, Fire Department, 25 years of service (with the purchase of 2 months of universal buy-in time), age 50, effective June 15, 2011.

Adopted by the following vote: 5 – 0

It was moved by Trustee Hecksel and supported by Trustee Wood to approve the following application for regular age & service retirement

Walter M. Holden, Fire Department, 25 years of service credits (with the purchase of 2 months of universal buy-in time), age 51, effective June 16, 2011.

Adopted by the following vote: 5 – 0

It was moved by Trustee Hecksel and supported by Trustee Fabus to approve the following application for regular age & service retirement

Thomas J. Kirchen, Fire Department, 25 years of service credits (with the purchase of 2 months of universal buy-in time), age 55, effective June 15, 2011.

Adopted by the following vote: 5 – 0.

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

June 21, 2011
Tuesday, 8:30 a.m.

Page Three

It was moved by Trustee Hecksel and supported by Trustee Kraus to approve the following application for regular age & service retirement

Matthew A. Peacock, Fire Department, 25 years of service credits (with the purchase of 2 months of universal buy-in time) age 46, effective June 30, 2011.

Adopted by the following vote: 5 – 0

It was moved by Trustee Hecksel and supported by Trustee Wood to approve the following application for regular age & service retirement

Lynn R. Pulver, Fire Department, 25 years of service credits (with the purchase of 2 months of universal buy-in time) age 49, effective June 19, 2011.

Adopted by the following vote: 5 – 0

It was moved by Trustee Hecksel and supported by Trustee Fabus to approve the following application for regular age & service retirement

James E. Squire, Fire Department, 25 years of service credits (with the purchase of 2 months of universal buy-in time), age 53, effective June 15, 2011.

Adopted by the following vote: 5 – 0

It was moved by Trustee Hecksel and supported by Trustee Kraus to approve the following application for regular age & service retirement

Jerome C. Tolbert, Fire Department, 25 years of service credits (with the purchase of 12 months of universal buy-in time), age 59, effective June 18, 2011.

Adopted by the following vote: 5 – 0

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

June 21, 2011
Tuesday, 8:30 a.m.

Page Four

It was moved by Trustee Hecksel and supported by Trustee Wood to approve the following application for regular age & service retirement

Mark Wojtysiak, Fire Department, 25 years of service credits (with the purchase of 2 months of universal buy-in time) age 47, effective June 30, 2011

There were no requests for Duty Disability Retirement.

There were no requests for Non Duty Disability Retirements.

There were no requests for Refund of Accumulated Contribution.

It was moved by Trustee Hecksel and supported to Trustee Kraus to excuse Trustee Oleson and Trustee Benson from the Police and Fire June meeting.

Adopted by the following vote: 5 – 0.

Karen Williams distributed information regarding upcoming MAPERS Events, Summer Golf Outing, July 25, 2011 and MAPERS Fall Conference, September 18 – 20. Ms. Williams requested that trustees who were interested in attending any of the MAPERS events should contact the Retirement Office for registration.

Attorney Ken Lane provided a status update on the Police and Fire Retirement Ordinance. The City Attorney Office is reviewing the historical information that was extracted. Attorney Lane stated that the Ordinance had been updated with all the collective bargaining amendments and it would be going to City Council for review.

Trustee Wood recommended that member of the Board be present to provide the Board's recommendation of the amended Ordinance to the City Council e Ways and Means.

Attorney Ken Lane provided a legislative update of pending bills in the Michigan Legislature. Attorney Lane reviewed Senate Bill 7 that would create the "Publicly Funded Health Insurance Contribution Act" to require that all public employees pay a certain percentage of the overall cost of the health insurance. Attorney Lane stated that as the current bill is written, it does not apply to retirees.

Trustee Hecksel requested that legal counsel provide an explanation of HB 4060 and opinion regarding the effect of the bill on the City of Lansing Police and Fire System that could be distributed to the membership.

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

June 21, 2011
Tuesday, 8:30 a.m.

Page Five

The Board also discussed SB 409 would exempt Police and Fire Retirement pension from Michigan state taxes.

Attorney Lane spoke with Milberg and Robbins, Geller and a \$50,000 threshold was suggested that could be included in the Fraud Monitoring Policy.

Attorney Lane reported that the City of Lansing did not get the lead plaintiff position for the litigation against China Integrated.

The Investment subcommittee reviewed the Real Estate Investment interviews and provided a recommendation to the full Board to select Prissa II to replace ING Clarion.

It was moved by Trustee Kraus and supported by Trustee Wood to select Prissa II as investment manager to replace ING Clarion.

Adopted by the following vote: 5 – 0

The Board discussed securities lending option provided by Mr. John Jackson, Asset Consulting Group. Several of the Board members discussed with Mr. Jackson the risks associated with security lending products. Trustee Wood reviewed the original purpose of the fund was to provide extra benefits to retirees. The Board agreed to maintain the current security lending investment with Northern Trust.

Karen Williams reported to the Board that she provided a demonstration to the State of Michigan to review the Retirement Office calculation spreadsheets.

Trustee Wood inquired about the security concerns for the Retirement Information in the retirement analyst's computer. Trustee Kraus asked if the information was backed up to an external drive or network drive. Trustee Wood recommended that the Board request an external drive from Eric Tumbarella for retirement information.

Karen Williams distributed and reviewed the Investment and Securities Lending Reports for month ending May 31, 2011.

It was moved by Trustee Kraus and supported by Trustee Hecksel to adjourn the meeting.

Adopted by the following vote: 6 -0

The meeting adjourned at 9:09 am.

Minutes approved on _____

Brad St. Aubin, Chairperson
Police & Fire Retirement System

Jerry Ambrose, Secretary
Police & Fire Retirement System