

**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

February 21, 2012
Tuesday, 8:30 a.m.

The Board was called to order at 8:35 a.m.

Present: Trustees Benson, Fabus, Hecksel, Kraus, Oleson, St. Aubin, Wood – 7.
Absent: Trustee Bernero

Others: Karen E. Williams, Finance Department; Attorney Ken Lane, Clark Hill Law Office (representing the Law Department); John Jackson, Asset Consulting Group; Chris Lake, Bryan Epling, IAFF, Daniel Hamel, Fire retiree.

It was moved by Trustee Oleson and supported by Trustee Heckel to approve the Official Minutes of the Police and Fire Retirement Board Meeting of January 17, 2012 as amended.

Adopted by the following vote: 7 - 0

Trustee Wood was granted permission to add item F to the agenda regarding the City Audit Management Letter.

Secretary's Report.

0 new fire member(s), 0 new police members, 0 reinstatement(s), 1 refund(s), 0 transfers, 2 retired. Total: Active membership: 360. 1 death(s). Robert F. Swenson, Police, died February 12, 2012, age 85, no beneficiary. Refunds made since the last regular meeting amounted to \$33,310.43. Retirement allowances paid for the month of January 2012 amounted to \$2,121,687.53. Total retirement checks printed for the P&F System: 672. Total retirement checks printed for both systems: 1516. Domestic relations order received: 2. Domestic relations orders pending: 0. Eligible domestic relations orders certified: 0.

It was moved by Trustee Fabus and supported by Trustee Kraus to approve the following applications for Regular and Age Service Retirement:

Raymond Hall, Police Department, 25 years of service credit, age 49, effective February 18, 2012. (with purchase of 16 months of service credits)

Adopted by the following vote: 7 - 0.

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Karen Williams updated the Board regarding the duty disability Applicant #2011-P1213. The Retirement Office received applicant's paperwork and the applicant has been scheduled to see the Medical Director.

There were no requests for Non Duty Disability Retirements.

There were no requests for Refunds of Accumulated Contribution.

Karen Williams announced to the Board that the NCPERS Annual Conference will be held in New York, May 5-10. Trustees that are interested to attending the Conference should contact the Retirement Office.

Trustee Brad St. Aubin opened the floor for public comments for items not on the agenda.

Mr. Daniel Hamel, Fire retiree, distributed his medical report and addressed the Board regarding his concerns with the Fire Department. Mr. Hamel feels that he has been harassed by fire department members regarding his duty disability retirement. Mr. Hamel works with his local volunteer fire department. He states that he had permanent restrictions placed on him by the City's medical doctors. Mr. Hamel is willing to be re-evaluated by the Board's medical director.

Trustee Hecksel stated that the Police and Fire Retirement Board received information regarding Mr. Hamel's work with his local fire department. Trustee Hecksel informed the Board that Mr. Hamel will be sent to be medical director

Trustee Kraus informed Mr. Hamel that the Police and Fire Retirement Board recently received Mr. Hamel's information, and that this meeting was the first opportunity for the Board to address Mr. Hamel's concerns.

Mr. Chris Lake, IAFF, addressed the Board regarding a member who is currently receiving a duty disability retirement. Mr. Lake discussed subpoenaed records that the union received due to a settlement case. Mr. Lake informed the Board that the duty disability retiree was approved for Duty Disability in 2006. The duty disability retiree was sent to be re-evaluated per the Board review's policy and the Police and Fire Retirement Ordinance. Mr. Lake believes that the medical director does not have the ability to change a duty designation to the non-duty. Mr. Lake believes that medical director can only determine if the retiree is incapacitated.

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Mr. Brian Epling, IAFF, provided additional information regarding the duty disability retiree. Mr. Epling believes that a change from a duty disability to non-duty disability would violate collective bargaining and the Police and Fire Retirement Ordinance. Mr. Epling stated that the duty disability retiree never requested a duty disability. Mr. Epling stated that there would be litigation the duty disability member's retirement was changed to non-duty.

Trustee Benson stated that he believes that the Board will review the information and has always been fair. Trustee Benson expressed his concern that the presentation ended with a threat.

Trustee Hecksel requested that the subpoenaed information regarding the member's duty disability retirement be forwarded to the retirement office. The retirement office will send the information to the Medical Director for his review.

Mr. Benson was excused to leave the meeting

Attorney Ken Lane distributed and reviewed the Police and Fire Outside Legal Counsel Policy.

It was moved by Trustee Wood and supported by Trustee Hecksel to approve the Police and Fire Retirement Board Outside Legal Counsel Policy. This policy shall supersede any previous policy and be placed in the Trustee Handbook.

Adopted by the following vote: 6 – 0

Attorney Lane stated that Police and Fire Retirement Ordinance have been provided to the unions represented in the Ordinance. The City Attorney's Office is waiting for the review of the Ordinance by the unions.

Karen Williams reported that the Duty Disability income verifications were mailed out. The verifications are due April 30, 2012.

Trustee Hecksel reported that the Disability subcommittee reviewed the medical director's report for Ms. Brenda Odom. The subcommittee has recommended that concurrence with the medical director for Ms. Odom to remain on duty disability.

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It was moved by Trustee Hecksel and supported by Trustee Kraus to concur with Dr. Roth's recommendation for retirant Brenda Odom to remain on duty disability.

Adopted by the following vote: 6 - 0

Trustee St. Aubin moved the Northern Trust updates item to the Joint Meeting for discussion.

Mr. John Jackson updated the Police and Fire Retirement Board regarding Private Advisors. Asset Consulting Group has recommended that Board put on hold any additional investments to Private Advisors due to recently announced personnel changes within the firm.

Trustee Wood distributed the management letter response to the City of Lansing audit for review by the Police and Fire Retirement Board. The Board inquired to the Retirement Office when the information for the Actuary report was provided to EFI.

Ms. Karen Williams informed the Board that the Retirement Office provided membership data to the new actuary in September. The finance department provided financial data in October and November.

Trustee St. Aubin moved the Pension software report to the Joint Meeting for discussion.

Karen Williams distributed and reviewed the Investment and Securities Lending Reports for month ending January 31, 2012.

Attorney Lane informed the Board that the Employees Retirement System Ordinance provides a specific time frame for accumulated contributions to be paid back to the retirement system. The Police and Fire Retirement System Ordinance does not provide that provision. Attorney Lane inquired if the Police and Fire Board would like a policy developed to establish a similar time frame to re pay retirement contributions.

Trustee Wood inquired about the legality of a Board policy versus the Police and Fire Retirement Ordinance. Attorney Lane opined that when an issue is not defined in the Ordinance, a policy adopted by the Board will be binding. The Board instructed Attorney Lane to proceed with drafting a Board policy regarding the repayment of retirement contributions.

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

Adopted by the following vote: 6 – 0.

The meeting adjourned at 9:15 am.

Minutes approved on _____

Angela Bennett, Secretary
Police & Fire Retirement System

Brad St. Aubin, Chairperson
Police & Fire Retirement System