

**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 17, 2012  
Tuesday, 8:30 a.m.

The Board was called to order at 8:36 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), Trustee Bob Rose, Employees Retirement System Board.

It was moved by Trustee Wood and supported by Trustee Hecksel to approve the Official Minutes of the Police and Fire Retirement Board Meeting of March 20, 2012 as amended.

Adopted by the following vote: 7- 0

**Secretary's Report.**

0 new fire member(s), 0 new police members, 0 reinstatement(s), 1 refund(s), 0 transfers, 1 retired. Total: Active membership: 356. 3 death(s), Catherine E. Hibbard, died January 20, 2012, age 61, spouse of Police retiree; Thomas D. McNamara, Fire, died, March 31, 2012, age 80, spouse to receive 50%; Derold Husby, Police, died February 16, 2012, no surviving beneficiary. Refunds made since the last regular meeting amounted to \$23,746.27. Retirement allowances paid for the month of March 2012 amounted to \$2,121,884.26. Total retirement checks printed for the P&F System: 671. Total retirement checks printed for both systems: 1517. Domestic relations order received: 0 Domestic relations orders pending: 0. Eligible domestic relations orders certified: 1.

Mr. Benson inquired about beneficiary option of 50% mentioned in the secretary report. He asked if the option was a part of the Ordinance. Ms. Williams responded that the option was chosen at retirement in accordance with the options available to the member.

Trustee Hecksel further explained that Fire Contract allows four options that are available to members to select at the time of retirement.

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The Board inquired to the Retirement Office regarding the NonDuty Death provisions. Ms. Williams distributed and reviewed the Ordinance provision regarding the Allowance for spouse of deceased members. The Board discussed the health care eligibility provisions and calculation of the benefit for the widow.

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

Chad Childs, Fire Department, 15 years, 11 months of service credit, age 40,  
Effective March 25, 2012. (NonDuty Death)

Adopted by the following vote: 7 -0.

There were no requests for Duty Disability.

There were no requests for Non Duty Disability Retirement.

There were no requests for Refund of Accumulated Contributions.

Karen Williams reviewed the Travel and Expense Reports. Ms. Williams informed the Police and Fire Retirement Board that the Payable Department will be constructing a fillable report specifically for the Retirement Boards. Ms. Williams requested suggestions for the fillable report. Mr. Benson suggested that written guidelines be provided for the report.

Karen Williams announced to the Board that the Asset Consulting Group will provide Trustee Training, April 19, 2012.

Karen Williams reviewed the Due Diligence schedule for Trustees who were attending The NCPERS Annual Conference is scheduled to be held in New York, May 5-10. Conferees will join Mr. John Jackson of Asset Consulting Group to visit to local Investment managers, May 7.

The MAPERS Spring Conference is scheduled for May 20 – 22, 2012.

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Attorney Lane explained that Trustee Rose noticed that the policy specifically referred to Gabriel, Roeder and Smith as actuary and requested the policy be updated to reflect a change in actuaries and fees. Attorney Lane distributed and reviewed a modified version of the Eligible Domestic Relations Order Payment Policy that would not need to be amended for changes in actuaries or fees.

Trustee Wood left the meeting.

It was moved by Trustee Oleson and supported by Trustee Hecksel to approve the Eligible Domestic Relations Order (EDRO) Payment Policy amendment. The new EDRO payment Policy will supersede all other outside legal counsel policies and the policy will be added to the Trustee Book.

Adopted by the following vote: 6 – 0.

Attorney Lane updated the Board that he met with Karen Williams of the Retirement Office to review the plan provisions in the Actuary Report. Attorney Lane informed the Board that there were minor changes to the plan provisions. Karen Williams contacted the EFI Actuaries with the amendments.

Trustee Wood returned to the meeting.

Attorney Ken Lane updated the Board regarding the Draft Police and Fire Retirement Ordinance. Attorney Lane reported that he met with the IAFF Union President, Chris Lake regarding the definition of Final Average Compensation and definition of dependents. Attorney Lane also discussed with the Board that he will meet with the City Attorney's Office to add language regarding in service purchase of military service time with 457 monies.

Trustee Hecksel reported that the disability subcommittee met regarding the re-examination of Mr. Michael Young and recommends that the Police and Fire Board concur with the Medical Director's report to continue duty disability.

It was moved by Trustee Hecksel and supported by Trustee Oleson to concur with the Medical Director's report and continue the duty disability of Mr. Michael Young.

Adopted by the following vote: 7 – 0.

Trustee Kraus reported that the disability subcommittee met regarding the re-examination of Mr. Daniel Hamel and recommends that the Police and Fire Board concur with the Medical Director's report to continue duty disability.

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It was moved by Trustee Kraus and supported by Trustee Fabus to go into closed sessions to review and discuss the Medical Director's report of Mr. Hamel.

Adopted by the following roll call vote: 7 – 0.

Yes: Benson, Fabus, Hecksel, Kraus, Oleson, St. Aubin, Wood

No: 0

The session was closed at 9:08 a.m.

The session resumed at 9:29 a.m.

It was moved by Trustee Kraus and supported by Trustee Fabus to concur with the Medical Director's report and continue the duty disability for Mr. Daniel Hamel.

Trustee Oleson stated that he was very disappointed with the recommendation of the Board does not support the motion.

Trustee Kraus stated that the Board is bound by the Medical Director's opinion.

Trustee Wood requested a legal opinion on the past practices of the Board regarding the Medical Director's report.

Attorney Ken Lane opined that the Ordinance only give the Board the authority to concur with the Medical Director. Past practice has been to follow the recommendation of the Medical Director.

Trustee Kraus requested a letter from legal counsel to the Onondaga Fire Department that Mr. Hamel should not be actively fighting fires.

Trustee Hecksel inquired if the Board had any alternatives to the medical report, such as seeking a second opinion.

Trustee Kraus was not supportive of the idea of seeking alternate opinion to the medical report.

Trustee Oleson requested a roll call vote.

Adopted by the following roll call vote: 5 – 2

Yes: Benson, Fabus, Kraus, St. Aubin, Wood

No: Hecksel, Oleson

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Trustee Oleson left the meeting.

Ms. Williams requested direction from the Police and Fire Retirement System regarding the continuation of Minute Master by Gabriel, Roeder and Smith(GRS). The fee range for the calendar year \$1,900 to \$2,700.

Trustee Oleson returned to the meeting

Trustee Kraus expressed that Minute Master is a separate and distinct product offered by GRS that provides a searchable database of the Board's minutes. Trustee Kraus suggested keeping the Minute Master Service until the Pension Software system is in place and the Board determines if the software is capable of maintaining minutes.

It was moved by Trustee Kraus and supported by Trustee Benson to approve the continuation of Minute Master. Trustee Wood offered a friendly amendment to not exceed \$1,900 lower range. The amendment was accepted.

Adopted by the following vote: 7 -0

Trustee Rose updated the Board on the Pension Software project. Trustee Rose informed the Board that the Information Technology department requested to extend Dewpoint's contract for the implementation of the software. Trustee Rose stated that the Joint Boards need to discuss a change of scope for services and review the need to continue the current contract. Information Technology is invited to the Joint meeting to discuss the change of scope for the Board.

Attorney Lane updated the Board regarding the Pension Software contract. Attorney Lane reviewed the proposed contract with Eric Tumbarella, Information Technology and Karen Williams. Tegrit has requested an amendment to the start date for implementation. Tegrit Technologies stated that they would like to have 30 days after the contract is signed to assemble the project team.

Attorney Lane updated the Board regarding the Military Service Credits. Attorney Lane reviewed Michigan HB 5505 and informed the Board that for systems that are not regulated by Act 345, that military time is calculated at different rate. Attorney Lane provided that information to the Greg Stump, EFI Actuaries. Mr. Stump was going to review previous military calculations with Gabriel, Roeder and Smith.

Karen Williams reviewed the March Investment and Securities Lending Report.

The meeting adjourned at 9:49 am.

Minutes approved on \_\_\_\_\_

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Angela Bennett, Secretary  
Police & Fire Retirement System

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Brad St. Aubin, Chairperson  
Police & Fire Retirement System