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**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

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

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

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

Others: Karen E. Williams, Angela Bennett, Finance Department; Attorney Ken Lane, Clark Hill Law Office (representing the Law Department); Chris Lake, IAFF, Steve Harry, citizen.

It was moved by Trustee Hecksel and supported by Trustee Fabus to approve the Official Minutes of the Police and Fire Retirement Board Meeting of July 17, 2012.

Adopted by the following vote: 7- 0

It was moved by Trustee Wood and supported by Trustee Oleson to approve the Official Joint Minutes of the Employees Retirement System and the Police and Fire Retirement System Meeting of June 21, 2012.

Adopted by the following vote: 7 – 0.

Mr. Steve Harry inquired about getting a copy of the amended Police and Fire Retirement Ordinance.

Trustee Wood stated that Council Staff will provide one to him.

Mr. Chris Lake, IAFF, distributed prepared questions for EFI Actuaries regarding the Police and Fire Retirement Board's actuarial and experience report. Mr. Lake stated that in his efforts to understand the contribution increase and other items in actuarial reports, he contacted the International Union's pension resource department. Mr. Lake provided an overview of the questions he had regarding the Post Retirement Benefit adjustment, termination, disability and mortality rates. Mr. Lake had questions on longevity and pay increases and the effect on contribution level. Mr. Lake reviewed questions on the economic assumptions and amortization recommendation presented by EFI Actuaries.

Trustee Fabus requested the information from the International Union from which the prepared questions were drafted.

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Secretary's Report.

0 new fire member(s), 0 new police members, 6 reinstatement(s), 1 refund(s), 0 transfers, 0 retired. Total: Active membership: 355. 2 death(s), Gary Lee Thomas, Fire, died 6/29/2012, age 76, spouse to 50%; William T. Martin, Jr., Police, died 7/21/2012, age 68, no beneficiary. Refunds made since the last regular meeting amounted to \$7,143.75. Retirement allowances paid for the month of July, 2012 amounted to \$2,103,591.13. Total retirement checks printed for the P&F System: 674. Total retirement checks printed for both systems: 1532. Domestic relations order received: 0 Domestic relations orders pending: 0. Eligible domestic relations orders certified: 0.

Trustee Fabus inquired if the police members who were reinstated had repaid their withdrawn pension contributions. Ms. Williams indicated that there was 1 police officer who paid back pension contributions. Ms. Williams also indicated that not all of the police members withdrew their pension contributions.

Trustee St. Aubin informed the Police and Fire Retirement Board that he sent out an email to members notifying them that if they wished to have their service credit restored, they must back their pension contributions withdrawn from the system.

It was moved by Trustee Fabus and supported by Trustee Hecksel to approve the following application for Regular Age & Service Retirement:

Philip W. Bailey, Police Department, 25 years of service of credits, age 50, effective August 16, 2012. (Purchased 7 months of service)

Adopted by the following vote: 7 – 0.

Ms. Williams reported to the Police and Fire Retirement Board that Applicant #2012-P0821 has requested consideration for Duty Disability.

Trustee Kraus reported to the Police and Fire Retirement Board that the disability subcommittee met and recommends that Applicant #2012-P0821 be referred to the doctor.

It was moved by Trustee Kraus and supported by Trustee Hecksel to referred applicant #2012-P0821 to the doctor under the updated disability application process.

Adopted by the following vote: 7 -0.

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Ms. Williams reported to Police and Fire Retirement Board that Applicant #2012 – P0619, Applicant #2012-P0620, and Applicant #2012-F0621 had been seen by the Medical Director and that the subcommittee is waiting for the medical reports.

There were no requests for Non Duty Disability Retirements.

Karen Williams, Retirement Office requested permission from the Police and Fire Retirement Board to attend the MAPERS Conference.

It was moved by Trustee Oleson and supported by Trustee Benson to allow Karen Williams permission to attend the MAPERS Fall Conference and that the cost would be split between the Employees Retirement System and the Police and Fire Retirement System. Trustee Wood offered a friendly amendment that Ms. Williams provide a MAPERS Fall Conference Report.

Adopted by the following vote: 7 – 0

The Police and Fire Retirement Board reviewed a letter provided by EFI Actuaries regarding recommendations for assumption changes. Trustee Hecksel inquired if there was a deadline to accept the recommendations for assumption changes. Trustee Hecksel requested that the questions provided by the IAFF Union be sent to EFI Actuaries for a response.

It was moved by Trustee Hecksel and supported by Trustee Benson to submit the questions provided by the IAFF Union to EFI Actuaries for a response.

Adopted by the following vote: 7 – 0.

Trustee Wood and Trustee Fabus requested that EFI provide dollar amounts for the contributions changes listed in the letter.

Trustee St. Aubin requested that members submit questions to the chair, and those questions will be forwarded to the actuary.

Attorney Ken Lane provided an update for the Police and Fire Retirement Ordinance. The Ordinance has been submitted to City Council for review. Attorney Ken Lane also updated the Board regarding the Michigan Senate Bill 797 to amend Public Act 314.

Attorney Lane provided a review of the draft policy regarding the repayment of accumulated contributions requested by the Retirement Office.

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It was moved by Trustee Wood and supported by Trustee Oleson to approve the Accumulated Contributions Repayment form and Policy. The policy supersedes any accumulated contributions repayment form and policy and will be included in the Trustee Book.

Adopted by the following vote: 7 – 0.

Trustee Wood updated the Retirement Board regarding the process to approve the Police and Fire Retirement Ordinance. Trustee Wood indicated that the Ordinance was reviewed and discussed by Ways and Means Committee. The Public Hearing was set August 27, 2012 and the Ordinance should be passed by the end of September.

Attorney Ken Lane reviewed the amended Disability Application Policy. He detailed the language in the letter of request for information and added that any cancellations fees are the responsibility of the disability applicant or retiree.

It was moved by Trustee Wood and supported by Trustee Hecksel to approve the Disability Application Policy. The policy supersedes any Disability Application Policy and will be included in the Trustee Book.

Adopted by the following vote: 7 - 0

Trustee Fabus inquired to legal counsel regarding the State of Michigan teachers retirement amendments and what implications that may have for public employees.

Attorney Lane reviewed the state laws that protect collective bargaining of retirement benefits.

Trustee St. Aubin reported that the disability subcommittee met regarding Ms. Sheryl Norton who was referred for a medical reexamination. The report has been received. During the process, Ms. Norton has converted to age and service retirement.

Karen Williams reviewed the Quarterly Operating Expenses Report.

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

Adopted by the following vote: 7 – 0

The meeting adjourned at 9:10 am.

Minutes approved on _____

Angela Bennett, Secretary
Police & Fire Retirement System

Brad St. Aubin, Chairperson
Police & Fire Retirement System