

**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

December 18, 2012
Tuesday, 8:30 a.m.

The Board was called to order at 8:31 a.m.

Present: Trustees Benson, Fabus (8:41), 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).

It was moved by Trustee Oleson and supported by Trustee Hecksel to approve the Official Minutes of the Police and Fire Retirement Board Meeting of November 6, 2012.

Adopted by the following vote: 6 - 0

Trustee St. Aubin requested updates for the Arrivos Pension Software and the Retirement Conference. Mr. Robert Rose presented the Arrivos Pension Software Update. Mr. Rose discussed the data collection process from the city's system to pension software. Mr. Rose updated the Board on proposals regarding a death check project.

Mr. Parker discussed the Retirement Conference. A date of September 12, 2012 at the Lansing Center has been selected. The Retirement Board discussed having lifeline screenings. Mr. Parker requested an initial budget of \$2500 per Retirement Board.

It was moved by Trustee Oleson and supported by Trustee Kraus to approve a budget of \$2,500 for the Retirement Conference.

Adopted by the following vote: 6 - 0.

It was moved by Trustee Oleson and supported by Trustee Hecksel to approve the Official Minutes of the Joint Police and Fire Retirement System and the Employees Retirement System Board Meeting of November 8, 2012.

Adopted by the following vote: 6 - 0

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Secretary's Report.

0 new fire member(s), 0 new police members, 0 reinstatement(s), 0 refund(s), 0 transfers, 0 retired. Total: Active membership: 349. 3 death(s), Robert Burghdoff, Fire, died 11/3/2012, age 77, beneficiary to receive 50%; Thomas E. Bolan, Police, died 11/15/2012, age 72, no surviving beneficiary; Joan McNamara, died 10/27/2012, age 81, spouse of Fire retiree. Refunds made since the last regular meeting amounted to \$0.00. Reimbursements to the System year-to-date amount to \$7,537.56. Retirement allowances paid for the month of November, 2012 amounted to \$2,118,910.05. Total retirement checks printed for the P&F System: 675. Total retirement checks printed for both systems: 1529. Domestic relations order received: 0. Domestic relations orders pending: 0. Eligible domestic relations orders certified: 0.

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

Daniel J. Thomas, Fire Department, 25 years of service credits, age 50, effective November 16, 2012. (purchased 2 years of military service credits)

Mark Hufnagel, Fire Department, 25 years of service credits, age 46 effective December 16, 2012 (purchased 23 months of military service credits)

Adopted by the following vote: 6 – 0.

Trustee Kraus reported to the Police and Fire Retirement Board that disability subcommittee had met and reviewed the medical report for applicant #2012-P0821. The subcommittee recommended that the Board concur with the Medical director to grant a duty disability retirement.

It was moved by Trustee Kraus and supported by Trustee Hecksel to concur with the Medical Director's report and approve the duty disability for applicant #2012-P0821

Trustee Fabus requested to view the Medical Director's report.

Attorney Ken Lane opined that members could go into closed session to discuss the Medical Director's report.

All distributed reports were returned to the retirement analyst

Adopted by the following vote: 7 -0.

There were no requests for Non Duty Disability Retirements.

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There were no Requests for Refund of Accumulated Contribution.

Trustee Oleson provided a report of the annual IFEBP Conference. Trustee Oleson attended sessions regarding trends in asset management, hybrid plans, health care classes dealing with the affordable health care act.

Karen Williams reported that the Employees Retirement System Board met to review the funding policy proposed in the actuarial valuation. Legal counsel reviewed the policy and opined that it could not be implemented, as presented. The Employees Retirement System Board requested a joint meeting with the Police and Fire Retirement Board to review the actuarial valuation and funding policy with EFI.

It was moved by Trustee Wood and supported by Trustee Oleson to go into closed session to review an attorney-client issue and opinion regarding the actuarial valuation.

Adopted by the following roll call vote: 7-0

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

No: 0

Session closed at 8:51 a.m.

The session resumed 9:10 am

It was moved by Trustee Wood and supported by Trustee Benson to rescind the Police and Fire Retirement Board's action regarding the adoption of the actuarial funding policy at the November 6, 2012 meeting. It was further moved that the Police and Fire Board will hold a Joint Meeting with the Employees Retirement Board to discuss the actuary report and funding policy with EFI actuaries, based on legal counsel review.

Adopted by the following vote: 7 - 0

Attorney Ken Lane distributed and reviewed the written military service purchase policy.

It was moved by Trustee Oleson and supported by Trustee Benson to adopt the Military Service Purchase policy and that the policy is added to the trustee book. Trustee Wood offered a friendly amendment supported by Trustee Benson that the policy be implemented into the Police and Fire Retirement Ordinance.

Adopted by the following vote: 7 -0

Attorney Lane distributed and reviewed a legislative update summarizes the amendments to PA 347. The memo discussed transparency, hiring of necessary services, "Pay to Play", Investment limitation amendments and Board member removal.

Attorney Lane informed the Police and Fire Retirement Board that he was contact by a LEAP representative who wanted to address the Board regarding an investment opportunity.

Trustee St. Aubin referred the LEAP request to Asset Consulting Group.

Karen Williams distributed a memo regarding the election of the Police Trustee to the Police and Fire Retirement Board. The deadline for turning in nominating petitions for the term of office ending December 31, 2014 was November 15, 2012. The Retirement Office received one petition from Brad St. Aubin. Ms. Williams informed the Board that Mr. St. Aubin had filed a valid petition and was running unopposed. Mr. St. Aubin was declared the winner for the office of Police Department Trustee.

It was moved by Trustee Wood and supported by Trustee Oleson to approve the nominating petition and confirm Brad St. Aubin as Police Department Trustee to the Police and Fire Retirement Board.

Adopted by the following vote: 7 – 0.

Trustee St. Aubin reported to the Police and Fire Board that Mr. Greg Stump was leaving EFI Actuaries to move to another actuary firm. Trustee St. Aubin also informed the Board that EFI has plans to merge with another company. The Police and Fire Retirement Board discussed options regarding the upcoming changes.

Karen Williams reviewed the Investment and Securities Lending Report for the month of November 2012.

The meeting adjourned at 9:54 am.

Minutes approved on _____

Jerry Ambrose, Secretary
Police & Fire Retirement System

Brad St. Aubin, Chairperson
Police & Fire Retirement System