

**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 16, 2013
Tuesday, 8:30 a.m.

The Board was called to order at 8:41 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); Bob Rose, Employees Retirement System Board.

It was moved by Trustee Hecksel and supported by Trustee Benson to approve the Official Minutes of the Police and Fire Retirement Board Meeting of March 19, 2013.

Adopted by the following vote: 7 – 0

It was moved by Trustee Hecksel and supported by Trustee Benson to approve the Official Joint Minutes of the Police and Fire Retirement System and the Employees Retirement System Board Meeting of March 19, 2013.

Adopted by the following vote: 7 – 0

Mr. Robert Rose updated the Police and Fire Retirement Board regarding the data upload from the City of Lansing Payroll System. Ms. Karen Williams updated the Board regarding the manual data input, moving information from the paper files to spreadsheet. Mr. Robert Rose explained that he has asked Tegrity to provide a presentation to the Joint Board.

Secretary's Report.

0 new fire member(s), 1 new police members, 0 reinstatement(s), 0 refund(s), 0 transfers, 0 retired. Total: Active membership: 345. 1 death(s), Robert Moss, Police, died January 17, 2013, age 80, beneficiary to receive 50%. Refunds made since the last regular meeting amounted to \$0.00. Reimbursements to the System year-to-date amount to \$0.00. Retirement allowances paid for the month of March, 2013 amounted to \$2,164,152.16. Total retirement checks printed for the P&F System: 680. Total retirement checks printed for both systems: 1553. Domestic relations order received: 0. Domestic relations orders pending: 0. Eligible domestic relations orders certified: 0.

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

Lynn S. Kentner, Police Department, 25 years of service credits, age 57, effective April 16, 2013.

Teresa A. Szymanski, Police Department, 26 years of service credits, age 50, effective April 19, 2013.

Adopted by the following vote: 7 - 0.

Karen Williams reported Applicant #2013-F0219 request for duty disability. Ms. Williams received the applicants documents and the applicant has been scheduled to see the medical director.

Karen Williams reported that Applicant #2013-P0115 non duty request and information has been forwarded to the Medical Director for scheduling.

Karen Williams reported that Applicant #2013-P0416 has made a request for non duty disability retirement.

It was moved by Trustee Kraus and supported by Trustee Hecksel to send Applicant #2013-P0416 to the medical director.

Adopted by the following vote: 7 -0.

There were no requests for refund of accumulated contribution.

Karen Williams reported to the Board that the MAPERS Spring Conference was scheduled for June 2-4. Ms. Williams requested that members submit their registrations to attend the Conference by May 2, 2013.

Attorney Ken Lane explained that Clark Hill was a member of the MAPERS and he is registered through the law firm. Attorney Lane stated that he will attend the Spring Conference.

Karen Williams updated the Police and Fire Retirement Office regarding the Retirement Conference. The Conference is scheduled for Thursday, September 12 at the Lansing Center. Trustee Mark Parker has contacted speakers for the event and contacted Sparrow Hospital and McLaren for perform health screenings. There will be dinner provided.

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Karen Williams explained that the health screenings for retirees only. The active employees did not participate in 2008 because health screenings would be considered a negotiated benefit. Therefore, for active employees to participate, the administration would need to negotiate with each individual union.

There were no public comments.

Attorney Ken Lane provided an overview of the amendments to Public Act 314. He informed the Board that Asset Consulting Group would review the investments available under PA314. Attorney Lane stated that he would like to provide an update to the investment policy and the trustee handbooks at the next meeting.

Attorney Ken Lane reviewed the City Attorney's opinion regarding the calculation of service credits. The Police and Fire Board explained how service credits are calculated. Service credits are based upon days not hours. The Board discussed how service credits are implemented. Trustee Fabus inquired if the current policy was still appropriate in light of new working schedules in the Police and Fire Departments. Attorney Lane stated that he would bring an updated policy regarding service credits paychecks.

Trustee Wood requested that the Retirement Board discuss the Lansing Financial Health Team Report at the next month's meeting.

Trustee Wood requested to add an item to the agenda. Trustee Wood reported that during the budget hearing, a proposal was made for the Retirement Board to pay for the services provided by the City staff.

Ms. Angela Bennett stated that recommendation for the Fiscal Year 2014. Ms. Bennett explained this proposal includes the services provided by the Retirement Staff, the Payroll staff and the accounting costs. Ms. Bennett explained these pension costs totaled \$200,000 and the proposal would request reimbursement from Retirement System.

Trustee Oleson requested an itemized lists of these services for the pension boards.

Trustee Benson inquired if services that are provided to other departments are charged back also.

Trustee Wood indicated that all service such as Council Payroll is not charged back to the department. Trustee Wood inquired to the legal counsel regarding what would happen if the Retirement Board refused to pay these costs.

Trustee Fabus indicated that he had concerns that the proposal was made without input from the Retirement Boards. Trustee Fabus indicated that the City negotiates with the unions for benefits and he does not believe that the pension boards should bear the full costs of administering the Retirement System.

Trustee Kraus stated that she has been discussions with Angela Bennett regarding having the Retirement system pay for part of the administration costs. She explained that there is an indirect cost plan. Trustee Kraus explained that she details her services and those of her staff in the Treasury Department to other departments.

Trustee Wood expressed concern that this item was not placed on the agenda. Trustee Wood reviewed the purpose for the securities lending account. One of the purposes was to provide a one- time benefit increase for older retirees.

Trustee St. Aubin read a memo from Angela Bennett dated March 28, 2013 regarding the City Contribution to the Retirement System. Trustee St. Aubin indicated that \$157,599 transferred by the City to the Police and Fire Retirement System for the balance of the Fiscal Year 2013 contribution. This amount combined with the \$9,976,000 made on November 1, 2013 for the actuarial valuation calculated contribution amount.

It was moved by Trustee Wood and supported by Trustee Benson to accept the City Retirement Contribution.

Adopted by the following vote: 7 - 0

Karen Williams distributed and reviewed the March Investment and Security Lending Report.

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

Adopted by the following vote: 7 -0

The meeting adjourned at 9:47 am.

Minutes approved on _____

Angela Bennett, Secretary
Police & Fire Retirement System

Brad St. Aubin, Chairperson
Police & Fire Retirement System