

**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 20, 2013
Tuesday, 8:30 a.m.

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

Present: Trustees Benson (8:44), Fabus, Hecksel, Oleson, St. Aubin, Wood 6
Absent: Trustee Bernero, Kraus

Others: Karen E. Williams, Angela Bennett, Finance Department; Attorney K
Lane, Clark Hill Law Office (representing the Law Department).

It was moved by Trustee Hecksel and supported by Trustee Oleson to approve the
Official Minutes of the Police and Fire Retirement Board Meeting of July 16, 2013

Adopted by the following vote: 5 - 0

Secretary's Report.

0 new fire member(s), 0 new police members, 0 reinstatement(s), 0 refund(s), 0 transfers, 3 retired. Total: Active membership: 337. 3 death(s), Duane Hellum, Fire, died 7/19/2013, age 83, spouse to receive 50%; Robert Manns, Fire, died 7/9/2013, age 70, spouse to receive 50%; Robert Kline, Police, died 7/24/2013, age 79, no beneficiary. Refunds made since the last regular meeting amounted to \$18,465.01. Reimbursements to the System year-to-date amount to \$0.00. Retirement allowances paid for the month of July, 2013 amounted to \$2,204,754.14. Total retirement checks printed for the P&F System: 683. Total retirement checks printed for both systems: 1563 Domestic relations order received: 0 Domestic relations orders pending: 1. Eligible domestic relations orders certified: 1.

Trustee Brad St. Aubin stated that Mr. Steven R. McClean had purchased military service credit, earlier in his career.

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

Steven R. McClean, Police Department, 25 years of service credits, age 45, effective August 15, 2013. (with 2 years of military service credit purchase)

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It was moved by Trustee Hecksel and supported by Trustee Oleson to approve the following application for Regular Age and Service Retirement (cont.):

Brian F. Quillen, Fire Department, 25 years of service credits, age 53, effective August 15, 2013. (with 2 years of military service credit purchase)

Adopted by the following vote: 6 – 0.

Karen Williams reported that Applicant #2013-F0716 has submitted documents requested by the disability subcommittee to be forwarded to the medical director.

Karen Williams reported that Applicant #2013-F0717 has submitted documents requested by the disability subcommittee to be forwarded to the medical director.

Ms. Williams reported that Applicant #2013 –P0416 has seen the doctor. The disability subcommittee is awaiting the medical report.

There were no requests for accumulated contributions.

Trustee St. Aubin informed the Board that he had been notified by Trustee Kraus that she would not be at the meeting.

It was moved by Trustee Kraus and supported by Trustee Wood to excuse Trustee Edward Benson from the August Police and Fire Retirement Board Meeting.

Adopted by the following vote: 5 – 0

Karen Williams distributed registration materials for MAPERS Fall Conference in Grand Rapids, September 22-24. Ms. Williams requested that members who still wished to attend should contact the Retirement Office.

Attorney Ken Lane provided an update of the PBI death check contract. Attorney Lane negotiated and reviewed the contract. He indicated that the Board needed to select the desired options for the death check implementation.

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. Karen Williams reviewed the itinerary, food arrangements and parking.

Mr. Benson arrived to the meeting.
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Ms. Williams indicated that there were approximately 350 people registered for the conference. Trustee St. Aubin will verify the food selections and sign the parking agreement. Ms. Williams requested assistance in assembling the Retirement Conference folders on September 6, 2013.

Attorney Ken Lane reviewed the following policies for the Police and Fire Retirement Board: Investment Policy Statement, Annual Report Policy, Travel Policy and Fee Disclosure Policy.

It was moved by Trustee Wood and supported by Trustee Hecksel to approve the new Investment Policy Statement and that it will supersede any prior investment policy statement, and shall be added to the Police and Fire Retirement Trustee Book.

Adopted by the following vote: 6 - 0

It was moved by Trustee Wood and supported by Trustee Hecksel to approve the Annual Report Policy, and that it will supersede any prior annual report policy and that it shall be added to the Police and Fire Retirement Trustee Book.

Adopted by the following vote: 6 - 0

It was moved by Trustee Hecksel and supported by Trustee Wood to approve the Travel Policy, and that it will supersede any prior travel policy and that it shall be added to the Police and Fire Retirement Trustee Book.

Adopted by the following vote: 6 - 0

It was moved by Trustee Hecksel and supported by Trustee Fabus to approve the Fee Disclosure, and that it will supersede any prior fee disclosure policy and that it shall be added to the Police and Fire Retirement Trustee Book.

Adopted by the following vote: 6 - 0

Attorney Ken Lane distributed a policy regarding service credit calculation for the Police and Fire Board review. Attorney Lane stated that the policy would provide clarification for how service credits are calculated.

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It was moved by Trustee Fabus and supported by Trustee Wood to approve the service credit calculation Policy and that it will supersede any prior fee disclosure policy and that it shall be added to the Police and Fire Retirement Trustee Book.

Adopted by the following vote: 6 - 0

Trustee Wood requested a list of Retirement Board investment manager and vendors for elected officials for contribution purposes, in order to comply with new provision of Public Act 314.

The disability subcommittee will review the Duty Disability list to determine what retirees are re-evaluated.

The Boomershine Consulting Group Actuarial Recommendations Letter was moved to the Joint Board meeting.

Karen Williams distributed and reviewed the Quarterly Expense Report for the Policy and Fire Retirement Board the period ending June 30, 2013.

Trustee Benson requested information regarding investment returns for the quarterly. Mr. George Tarlas provided an overview of investment results.

Karen Williams distributed a cash flow recommendation memo from Asset Consulting Group for quarterly cash flows. Asset Consulting Group recommendation redemption of \$3,500,000 from the Northern Trust S & P 500 Index portfolio and redemption of \$3,500,000 from the T. Rowe Price portfolio.

It was moved by Trustee Wood and supported by Trustee Oleson to approve quarterly cash flows of \$7,000,000 as recommended by Asset Consulting Group

Adopted by the following vote: 6 - 0.

Karen Williams recommended \$10,000 from the Northern Trust Account Securities Lending Account be transferred to the Comerica account for Police and Fire Retirement System quarterly expenses.

It was moved by Trustee Wood and supported by Trustee Hecksel to approve the quarterly cash flow for administrative expenses of \$10,000 from the Northern Trust Securities Lending Account.

Adopted by the following vote: 6 - 0

Attorney Ken Lane provided an overview of the City of Detroit bankruptcy. Attorney Lane reviewed the State Constitution regarding the vested rights of retirement pensions and the implications of federal bankruptcy on the State Constitution provision.

Trustee St. Aubin requested that he be excused from the Joint Retirement Board meeting.

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

Adopted by the following vote: 6 - 0

The meeting adjourned at 9:22 am.

Minutes approved on _____

Angela Bennett, Secretary
Police & Fire Retirement System

Brad St. Aubin, Chairperson
Police & Fire Retirement System