

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

January 21, 2014
Tuesday, 8:30 a.m.

The Board was called to order at 8:36 a.m.

Present: Trustees Hecksel, Kraus, Oleson, St. Aubin, Wood – 5.
Absent: Trustee Benson, Bernero, Fabus

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

It was moved by Trustee Wood and supported by Trustee Hecksel to approve the Official Minutes of the Police and Fire Retirement System Board Meeting of December 17, 2013.

Adopted by the following vote: 5 – 0

There were no public comments.

Secretary's Report

0 new fire member(s); 0 new police members, 0 reinstatement(s), 0 refund(s), 0 transfers, 2 retired. Total: Active membership: 333. 1 death(s), Betty Sue Cochran, died December 11, 2013, age 80, spouse of Police retiree; 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 December 2013 amounted to \$2,216,990.55. Total retirement checks printed for the P&F System: 693. Total retirement checks printed for both systems: 1580. Domestic relations order received: 0 Domestic relations orders pending: 0. Eligible domestic relations orders certified: 0.

There were no applications for regular age and service retirements.

Karen Williams reported that applicant #2013-F1217 had submitted the documentation requested by the disability subcommittee. The information would be forwarded to the medical director so that the applicant could be scheduled for evaluation.

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Karen Williams reported that Applicant #2013-P1015 has been evaluated by the doctor and the disability subcommittee is waiting for the medical report.

Karen Williams reported that Applicant #2013-P0917 has been evaluated by the doctor and the disability subcommittee is waiting for the medical report.

There were no requests for Non Duty Disability Retirement.

Karen Williams reported that Mr. Jerry Blow, Jr., Police has requested a refund of his accumulated contributions of \$77,041.45.

It was moved by Trustee Hecksel and supported by Trustee Oleson to approve the request for refund of accumulated contribution for Mr. Jerry Blow, Jr, Police of \$77,041.45.

Adopted by the following vote: 5 - 0.

It was moved by Trustee Hecksel and supported by Trustee Kraus to excuse Trustee Benson and Trustee Fabus from the January Police and Fire Retirement System meeting.

Adopted by the following vote: 5 - 0.

Karen Williams provided an update of the the Arrivos Pension Software implementation.

Tegrit is working on a new schedule for the software implementation. Tegrit will provide the new schedule to the project sponsors. Karen Williams continued the manual data upload of information and worked with Tegrit to set up rules for the active and retiree files in Arrivos. Ms. Williams stated that Tegrit has the Retirement Ordinance and other documentation.

Trustee Wood inquired if the delays in the ERS Retirement Ordinance could slow down the progress of the implementation.

Attorney Ken Lane opined that contract changes could potentially affect the progress of the implementation.

Karen Williams stated that she is working with Tegrit to make the software as flexible as possible to incorporate contract changes.

Attorney Ken Lane reviewed the draft funding policy that was distributed by Mr. Greg Stump, actuary, Boomershine Consulting Group at the January meeting.

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Attorney Lane discussed the recommendation that if the plan becomes 100% funded; the policy would have guidelines for the City to contribute a minimum

amount. Attorney Lane stated that he believed the state law would not allow a mandate from the retirement system to contribute a minimum amount. The state law provides what is required for the City contribution

Attorney Ken Lane reviewed an amendment written into the PBI contract. Attorney Lane had concerns with some of the provisions of the contract. Attorney Lane brought to the Board's attention that the amendment would absolve the PBI company of all responsibility for the data that is supplied to the City of Lansing Retirement System. Attorney Lane recommended that the amendment be removed.

Attorney Ken Lane discussed the Public Act 314 provisions for required annual reports. The Police and Fire Retirement Board's annual policy provides for the Actuary Report and the Asset Consulting Group report satisfies the requirements. Attorney Lane also discussed that a projected budget showing expenditures for the year was required. Attorney Lane would provide a budget for the Police and Fire Retirement Board. The statute also requires financial report looks back 7 and 10 years and provide it in the annual reporting. The report would need to be approved at a public meeting than sent to the Mayor and Council.

It was moved by Trustee Wood and supported by Trustee Hecksel to elect Brad St. Aubin as chairperson and Robert Oleson as vice chairperson, and to close nomination.

Adopted by the following vote: 5 - 0.

The Police and Fire Retirement Board approved the following committees:

**POLICE & FIRE RETIREMENT SYSTEM
2014 SUB-COMMITTEE MEMBERS**

DISABILITY COMMITTEE -	Fabus, Hecksel, Kraus, St. Aubin
INVESTMENT COMMITTEE -	Benson, Hecksel, Kraus, Oleson, Wood
EDUCATION COMMITTEE -	Fabus, Oleson, St. Aubin, Wood
SPECIAL PROJECTS	Kraus, Oleson, St. Aubin, Wood Ex-officio legal counsel
JOINT AD HOC COMMITTEE ON HEALTH CARE	- Benson, Oleson, Wood

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Ms. Angela Bennett reported that she contacted Mr. Greg Stump, actuary, Boomershine Consulting Group with recommendations for the final report. Ms. Bennett requested changes to the cover of the report to list the name of the plan. Ms. Bennett requested amendments to the executive summary and changing the report date to December 31 as in previous reports. Ms. Bennett asked for the Board direction regarding including additional graphs. The Police and Fire Retirement Board approved the request for additional graphs.

Trustee St. Aubin informed the Police and Fire Board that he would contact the actuary regarding the amendments and he would request that an updated draft be provided before the February meeting. Ms. Bennett stated that she would provide the recommendations to the actuary and provide a copy to the chairperson.

Karen Williams reviewed the Monthly Investment and Security Lending Reports.

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

Adopted by the following vote: 5 - 0

The meeting adjourned at 9:16 am.

Minutes approved on _____

Angela Bennett, Secretary,
Police & Fire Retirement System

Brad St. Aubin, Chairperson
Police & Fire Retirement System