

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

February 17, 2015
Tuesday, 8:30 a.m.

The Board was called to order at 8:30 a.m.

Present: Trustees Fabus, Kraus, Oleson, St. Aubin, Wohlfert, Wood– 6.
Absent: Trustee Bernero

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

It was moved by Trustee Kraus and supported by Trustee Wood to approve the Official Minutes of the Police and Fire Retirement System Board Meeting of January 20, 2015.

Adopted by the following vote: 6 – 0

There were no public comments.

Secretary's Report.

0 new fire member(s), 1 new police members, 0 reinstatement(s), 0 refund(s), 0 transfers, 1 retired. Total: Active membership: 325. 1 death(s), John Fetters, Police, died 1/18/2015, age 85, spouse to receive 50%. Refunds made since the last regular meeting amounted to \$86,487.70. Reimbursements to the System year-to-date amount to \$0.00. Retirement allowances paid for the month of January 2015 amounted to \$2,355,646.20. Total retirement checks printed for the P&F System: 707. Total retirement checks printed for both systems: 1614. Domestic relations order received: 0 Domestic relations orders pending: 0. Eligible domestic relations orders certified: 0.

It was moved Trustee Wohlfert and supported by Trustee Wood to approve the following applications for Regular Age and Service Retirement:

Matthew Holzhei, Fire Department, 25 years of service credits, age 46, effective February 17, 2015. (with the purchase of 7 months of service credits)

David Emmons, Police Department, 25 years of service credits, age 54, effective February 20, 2015.

Adopted by the following vote: 5 – 0.

Regular Meeting
Council Conference Room
10th Floor, City Hall
Lansing, MI

February 17, 2015
Tuesday, 8:30 a.m.

Page Two

Karen Williams reported that the Applicant 2014-P 1118 has been scheduled to see the Medical Director for evaluation.

Karen Williams updated the Police and Fire Retirement Board that the Retirement Office is waiting to receive the requested documents from Applicant #2014F1216. The Retirement Office has requested the applicant's medical records from Human Resources.

There were no requests for non-duty disability retirement.

There were no requests for refunds of accumulated contributions.

Karen Williams updated the Trustees regarding the MAPERS One-Day Conference registration, March 13, 2015. Members who wished to attend should contact the Retirement Office.

Karen Williams announced the MAPERS Spring Conference that will be held in May 17-19, 2015. Members who wished to attend should contact the Retirement Office.

Attorney Ken Lane was asked by Trustee Fabus to review the definition of final average compensation. The Police and Fire Retirement Policy indicate that the final average compensation is the two highest consecutive years out of the last ten. Attorney Lane stated that the Retirement Ordinance indicates that the definition would include compensation throughout the members' career. Attorney Lane stated that he planned additional review to the collective bargaining agreements to verify the definition, and would report back at the next meeting.

Trustee Fabus requested that the Police and Fire Retirement Policy be updated to reflect the new contracts' new multiplier and the eligibility requirements.

Trustee Wood requested that the Retirement Ordinance be updated. Trustee St. Aubin recommended waiting until the City and the bargaining unit had a written document finalized.

Attorney Ken Lane requested a copy of the funding policy for the Police and Fire Retirement Board.

Karen Williams reported that she received a request from Mr. George Howell, who is scheduled for age and service conversion from duty disability. The Retirement Office mailed out certification forms for tax year 2014. Mr. Howell converts before the April 30, 2015 deadline and asked that any overage be spread over 12 months as we do with duty disability retirees.

Regular Meeting
Council Conference Room
10th Floor, City Hall
Lansing, MI

February 17, 2015
Tuesday, 8:30 a.m.

Page Three

Mr. Howell has not completed his taxes and does not have his 1040 form available.

Trustee Oleson inquired what has been done in the past. Ms. Williams responded there is no past practice regarding this type of issue and request.

Trustee Kraus suggested that the Board request that Mr. Howell to complete his certification and 1040 documents for review. Trustee Kraus would not support action on a payment plan without an opportunity to review the certification form and 1040 tax document.

Attorney Lane recommended a review of the Retirement Ordinance to before the Police and Fire Retirement Board considers a payment plan.

Trustee Wood expressed concern regarding the establishment of a payment plan.

Attorney Lane stated that the overage could be recouped from the retirement checks.

Ms. Angela Bennett discussed a timeline for submission of actuarial data for the annual valuation. Ms. Bennett reported that she and Karen Williams met with Mr. Gregory Stump to discuss the types of information that are needed. Ms. Bennett indicated that there are two components of data that are submitted, the demographic information and the investment financial reporting. Ms. Bennett stated that investment information needs to be compiled before it can be submitted. Ms. Bennett talked with the accounting staff and the retirement office, and believed that the data could be provided by June.

Trustee Oleson wanted to know if this timeline would ensure that valuation would be completed sooner.

Ms. Bennett responded that the process was delayed last year due to staff shortage and Tegrity project.

Trustee Oleson requested a policy that would be agreed to by the actuary, and finance department.

Attorney Lane recommended a date where information is exchanged, a date for the draft, and a date for the final report. With input from Mr. Gregory Stump, Attorney Lane suggested June 30 as the data exchange, August 31 as the draft date, September 30. Attorney Lane stated that he would update the annual report policy and have it available at the next meeting.

Karen Williams reviewed the Quarterly Expense Report and the Securities Lending Report for the period ending January 31, 2015.

Trustee St. Aubin requested that the Retirement Office contact the Medical Director

Trustee Fabus notified that he would be out of state for the following month: April, May, June and July. He expressed concern regarding having a quorum at the meeting, because the Board was down a member.

The Board agreed to address quorum issues as they arise, if needed.

It was moved by Trustee Oleson and supported by Trustee Wohlfert to adjourn the Police and Fire Retirement System Board meeting.

Adopted by the following vote: 6 – 0.

The meeting adjourned at 9:01 am.

Minutes approved on _____

Angela Bennett, Secretary
Police & Fire Retirement System

Brad St. Aubin, Vice Chairperson
Police & Fire Retirement System