

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

July 21, 2015
Tuesday, 8:30 a.m.

The Board was called to order at 8:32 a.m.

Present: Trustees Good, Oleson, Rose, Wohlfert, Wood– 5.
Absent: Trustee Bernero, Fabus, St. Aubin

Trustee Oleson presided.

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

It was moved by Trustee Wood and supported by Trustee Wohlfert to approve the Official Minutes of the Police and Fire Retirement System Board Meeting of June 16, 2015.

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: 336. 1 death(s), Joyce E. Decker, died 10/6/2014, age 89, spouse of fire retiree. Refunds made since the last regular meeting amounted to \$8,269.10. Reimbursements to the System year-to-date amount to \$0.00. Retirement allowances paid for the month of June 2015 amounted to \$2,402,866.00. Total retirement checks printed for the P&F System: 711. Total retirement checks printed for both systems: 1627. Domestic relations order received: 0. Domestic relations orders pending: 1. Eligible domestic relations orders certified: 0.

Trustee Oleson introduced Dr. Victor S. Roth, Police and Fire Retirement Boards medical director. Dr. Roth discussed his role as Medical Director and discussed his training in occupational medicine and his experience as Medical Director for municipalities in Michigan, his work with General Motors and the state of Alabama. Dr. Roth is currently licensed in Michigan and Ohio.

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Trustee Wood inquired if there were any repetitive injuries from the City of Lansing that should be reviews. Trustee Wood also asked if there were any procedures or training that could be done to lessen these injuries. Trustee Wohlfert asked Dr. Roth if the injuries, disabilities and ages of the City of Lansing Police and Fire members are consistent with other municipalities.

Dr. Roth stated that back injuries are an area that can be improved with ergonomic training and programming. Dr. Roth stated that he did not recall any differences in evaluations between different municipalities, but he had not done a formal comparison.

Trustee Wood inquired if the medical director confers with other physicians to make a determination on the disability.

Dr. Roth stated that if he needs additional information, he would generally contact the retirement office to indicate if a need for a specialist. Dr. Roth explained his process of evaluating an employee and the timeline to completing his report.

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

Marshall L. Hudson, Jr., Fire Department, 25 years, 7 months of service credits, age 54, effective July 28, 2015.

Lawrence Goff, Fire Department, 25 years of service credits, age 51, effective August 15, 2015.

Daniel Kriegbaum, Fire Department, 25 years of service credits, age 54, effective August 17, 2015.

Patrick Wieferich, Fire Department, 25 years of service credits, age 50, effective August 21, 2015

Timothy Thelen, Fire Department, 25 years of service credits, age 50, effective August 23, 2015

Rodney Faust, Fire Department, 25 years of service credits, age 51, effective August 25, 2015

Adopted by the following vote: 5 - 0

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There were no requests for duty disability.

Ms. Williams indicated that all the medical records for Applicant # 2015-P0512 has been received for the non-duty disability retirement request.

Trustee Rose provided an update for the Tegrit software project and indicated that the go live date had been delayed to August due to security issues, such a firewall and encryption. Ms. Williams updated the Board on the progress of the user acceptance testing for payroll processes and workflow.

Karen Williams distributed conference information for the upcoming MAPERS Fall Conference and the NCPERS Public Safety Conference

It was moved by Trustee Wood and supported by Trustee Wohlfert to allow the chairperson and members to attend the NCPERS Public Safety Conference.

Adopted by the following vote: 5 – 0.

Karen Williams reported that the Police and Fire Retirement Board discussed due diligence visits in the fall. Ms. Williams indicated once a decision had been made, the visits would need to be arranged in coordinate with Asset Consulting Group (ACG). ACG recommended due diligence visits to Northern Trust and William Blair.

It was moved by Trustee Rose and supported by Trustee Wood to approve a due diligence trip for early November to Chicago Illinois to see Northern Trust and Williams Blair.

Trustee Wood indicated she preferred the due diligence visit to be after the November election.

Adopted by the following vote: 5 - 0

Karen Williams reported that Mr. Dustin Matusko had requested his accumulated contributions of \$7,213.43.

It was moved by Trustee Wood and supported by Trustee Rose to approve the request for accumulated contributions for Mr. Dustin Matusko, Police, not vested of \$7,213.43.

Adopted by the following vote: 5 – 0.

Karen Williams reported that Trustee Fabus and Trustee St. Aubin requested to be excused from the July meeting due to work obligations.

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It was moved by Trustee Wood and supported by Trustee Wohlfert to excuse Trustee Fabus and Trustee St. Aubin from the July meeting

Adopted by the following vote: 5 – 0

Attorney Ken Lane updated the Retirement Board that the trustees have the authority under the Ordinance to set the interest rates for accumulated contributions. The current interest rate is 3%.

Trustee Wood requested that Attorney Lane contact the Board's actuary for information on current rates of interest that can be used.

Ms. Angela Bennett stated that long-term rates should be considered when amending the interest rate. Ms. Bennett expressed concern about tracking and computing accumulated contributions with different rates.

Trustee Wood suggested a clause in the Retirement Ordinance to allow the interest rate to be periodically set by resolution. Changes could be made based upon research at particular times.

Attorney Ken Lane updated the Police and Fire Retirement Board that Mondrian Investment plan contacted the Retirement Office with changes to their confidential memorandum. Attorney Lane reviewed the documents and reported that the changes are procedural and would not alter the contract. He had no issues with the document. Mondrian also requested an updated tax identification number that can be supplied by the Finance Department.

Attorney Lane requested that the discussion for the Frequently Asked Questions document wait until Trustee Fabus returned

Karen Williams distributed and discussed the Post Retirement Benefit Adjustment sample. The sample details the change in a retiree's pension due to the Post Retirement Benefit adjustment over a ten year period.

Karen Williams received a request from a retiree who selected a sibling as their pension beneficiary. Due to the recent Supreme Court ruling that legalizes same-sex marriages, the retiree has requested to name their spouse as their beneficiary. At the time of retirement, same-sex marriages were not legal in Michigan.

Attorney Ken Lane opined that the Retirement Board does not have the authority to allow changes to the beneficiary selection after retirement.

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Trustee Wood recommended that legal counsel send a letter to the retiree on behalf of the Board that details the Board's position, outlining the Ordinance, and provisions.

Trustee Wood also inquired if the Board needs to make any changes to the Ordinance and/or its policies in light of the Supreme Court ruling legalizing same-sex marriages.

Attorney Lane opined that the Board did not need to make any amendments. The Ordinance already allows spouses to be named as beneficiary.

Trustee Oleson added item d to the agenda. Trustee Oleson requested an update on the actuarial data and inquired if all information had been sent to the Actuary.

Ms. Angela Bennett indicated that all items had been submitted to the Actuary. The next stage of the process will be a review by the actuary and then he will contact the Retirement Office and Finance with his questions regarding the submitted data.

Karen Williams reviewed the Monthly Investment Report and the Securities Lending Report for the period ending June 30, 2015.

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

Adopted by the following vote: 5 -0.

The meeting adjourned at 9:23 am.

Minutes approved on _____

Angela Bennett, Secretary
Police & Fire Retirement System

Brad St. Aubin, Chairperson
Police & Fire Retirement System