

**OFFICIAL PROCEEDINGS OF THE BOARD OF
TRUSTEES CITY OF LANSING
POLICE AND FIRE RETIREMENT SYSTEM -
updated**

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

September 15, 2015
Tuesday, 8:30 a.m.

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

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

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

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Trustee St. Aubin requested a moment of silence in memory of fallen firefighter Dennis Rodeman.

It was moved by Trustee Fabus and supported by Trustee Wood to approve the Official Minutes of the Police and Fire Retirement System Board Meeting of August 18, 2015.

Adopted by the following vote: 5- 0

It was moved by Trustee Fabus and supported by Trustee Wood to approve the Official Joint Minutes of the Police and Fire Retirement System Board and the Employees' Retirement System Board meeting of August 18, 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, 6 retired. Total: Active membership: 329. 1 death(s), Gloria A, Sample, Fire, died 8/17/2015, age 79, spouse of IAFF 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 August 2015 amounted to \$2,432,087.61. Total retirement checks printed for the P&F System: 716. Total retirement checks printed for both systems: 1631. Domestic relations order received: 0. Domestic relations orders pending: 0. Eligible domestic relations orders certified: 0.

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

September 15, 2015
Tuesday, 8:30 a.m.

Page Two

It was move by Trustee Wood and supported by Trustee Rose to approve the following applicant for Regular Age & Service Retirements:

Jon F. Daniels, Fire Department, 25 years of service credits, age 50, effective October 16, 2015.

Adopted by the following vote: 5 -0

There were no requests for duty disability.

Trustee St. Aubin appointed Trustee Good to the disability subcommittee.

The Police and Fire Retirement Board recessed to allow the disability subcommittee to meet regarding the medical report for non-duty applicant #2015-P0512

The Board resumed at 8:39

Trustee Fabus reported that the disability subcommittee had met and reviewed the medical report for non-duty applicant #2015-P0512. The disability subcommittee concurred with the Medical Director's opinion and recommended approval of the non-duty disability request.

It was moved by Trustee Fabus and supported by Trustee Good to approve the Non-Duty disability of Applicant #2015 – P0512.

Adopted by the following vote: 5 – 0.

Karen Williams reminded members of the upcoming MAPERS Fall Conference and the NCPERS Public Safety Conference. Ms. Williams indicated that members who wished to attend should contact the Retirement Office.

Karen Williams indicated the retirement estimator would be placed on the website for use by employees.

There were no refunds of accumulated contributions.

Trustee St. Aubin reported that he was contacted by Trustee Oleson and Trustee Wohlfert that they would not be at the September meeting.

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

September 15, 2015
Tuesday, 8:30 a.m.

Page Three

It was moved by Trustee Wood and supported by Trustee Rose to excuse Trustee Oleson and Trustee Wohlfert from the September meeting of the Police and Fire Retirement System Board.

Adopted by the following vote: 5 - 0.

Attorney Lane reported that the City Attorney's Office was waiting for the completion of the collective bargaining process to finish the Police and Fire Retirement Ordinance.

Trustee Wood reported that the contracts which have been negotiated have been approved by City Council.

Attorney Lane indicated that Northern Trust had a hearing on August 5 regarding the appropriateness of the settlement. The Retirement Board should receive information shortly regarding the settlement.

Attorney Lane distributed the updated Frequently Asked Questions document to members for final review.

Attorney Ken Lane notified that the Police and Fire Retirement System Board that it has its contract with Dewpoint through December 31, 2015. Attorney Lane stated the monies allocated for the contract has not been exhausted and Dewpoint services can be utilized through the end of the year, if needed.

Attorney Ken Lane also updated the Police and Fire Retirement Board regarding Tegrity's request to prepare a press release including the City of Lansing as one of its clients. Also, the request wanted to include the City of Lansing and its logo on the Tegrity website.

Attorney Ken Lane requested a copy of the press release to be reviewed by the Retirement Boards prior to granting permission to use the City logo.

Karen Williams reported that Trustee Fabus Police Trustee term was nearing completion at the end of the year. Ms. Williams distributed Police and Fire Retirement System Election guidelines and a posting of the election time frames.

The Police and Fire Retirement Board discussed the due diligence visit to see Northern Trust and William Blair. Asset Consulting Group recommended November 4 -6 for the visits and the Board discussed travel by train. The Retirement Office will coordinate arrangement with Asset Consulting Group.

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

September 15, 2015
Tuesday, 8:30 a.m.

Page Four

Karen Williams distributed the preliminary draft of the Police and Fire Actuarial Valuation Report for the period ending 12/31/2014 for review.

Trustee Wood requested that Attorney Ken Lane send a letter to current Council Members who are up for elections regarding state law restrictions on accepting contributions from City of Lansing Retirement Board vendors or individuals providing service to the Boards..

Attorney Lane explained that Public Act 314 amendment that retirement system vendors cannot provide contributions to officials that would have influence or decision making regarding the City's Retirement Systems. Attorney Lane stated that would include the Mayor and City Council members.

Attorney Lane updated the Police and Fire Retirement System Board regarding a request from a retiree who wished to change her 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 Lane reported that the Retirement Board would need to amend its policy to allow certain retirees to change their beneficiary. The Retirement Ordinance and collective bargaining agreements would not need to be changed for future retirees.

The Board discussed issues that could occur with amending its policy for certain retirees to change beneficiaries. Trustee Wood expressed concern that opening a small window for certain retirees and not others could be discriminatory.

The Police and Fire Retirement System Board requested that legal counsel provide a letter to the retiree detailing the provisions of the Ordinance, collective bargaining and its decision to maintain its current policy.

Attorney Ken Lane provided an update of his opinion regarding contract employees. Attorney Lane stated that the administration had been made aware of the issues. He also informed the Board that the Human Resources Director was reviewing information brought to her attention and working with Departments on finding permanent solutions.

Trustee Wood indicated that although the administration had been notified on paper, she inquired about the process to review existing contracts where there may be issues.

Trustee St. Aubin inquired about the Board's fiduciary responsibility to the plan.

Attorney Ken Lane opined that the Board had provided its fiduciary due diligence by making the administration aware of the problem.

Trustee St. Aubin requested that the item regarding contract employee remain on the agenda in order to receive an update of the administration's response to the issue.

Ms. Williams presented Monthly Investment Report and the Securities Lending Report for the month of August 2015.

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

Adopted by the following vote: 5 – 0.

The meeting adjourned at 9:21 a.m.

Minutes approved on _____

Angela Bennett, Secretary
Police & Fire Retirement System

Brad St. Aubin, Chairperson
Police & Fire Retirement System