

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

October 13, 2015
Tuesday, 8:30 a.m.

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

Present: Trustees Fabus, Good, Oleson, Rose, St. Aubin, Wohlfert, Wood– 7.
Absent: Trustee Bernero.

It was moved by Trustee Fabus and supported by Trustee Wohlfert approve the Official Minutes of the Police and Fire Retirement System Board Meeting of September 15, 2015.

Adopted by the following vote: 7– 0

Mr. Chris Lake, IAFF expressed appreciation to the Police and Fire Retirement System, legal counsel and the citizens of Lansing for their support regarding the death of Mr. Dennis Rodeman.

Secretary's Report.

0 new fire member(s), 0 new police members, 0 reinstatement(s), 0 refund(s), 0 transfers, 1 retired. Total: Active membership: 326. 3 death(s), Celia Hildenbrand, Fire, died 9/8/2015, age 88, spouse of IAFF retiree; Carl Rinckey, Fire, died 9/23/2015, age 80, spouse to receive 50%; James Scheidt, Fire, died 9/7/2015, age 75, spouse to receive 50%. 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 September 2015 amounted to \$2,431,011.67. Total retirement checks printed for the P&F System: 715. Total retirement checks printed for both systems: 1630. Domestic relations order received: 0. Domestic relations orders pending: 0. Eligible domestic relations orders certified: 0.

The Police and Fire Board will wait for additional information regarding death in line of duty benefits for fire members at the request of the family.

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

Dennis Rodeman, Fire Department, 6 years, 10 months of service credit, effective September 8, 2015 (Death in the Line of Duty).

Adopted by the following vote: 7 -0

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It was Trustee Oleson and supported by Trustee Good to approve the following applications for Regular Age and Service Retirements:

LeAnn Garver, Fire Department, 25 years of service credit, effective October 24, 2015.

Christopher J. Magnus, Police Department, 14 years, 1 month of service credit, effective November 1, 2015. (From Deferred)

Adopted by the following vote: 7 – 0.

There were no requests for Duty Disability Retirement.

There were no requests for Non Duty Disability Retirement.

Trustee St. Aubin provided his oral MAPERS Fall Conference Report. Trustee St. Aubin attended the workshop sessions regarding actuarial, legal, and economic issues. Trustee St. Aubin noted that Dr. Elliot Eisenberg session, “Will the Economy Stand Up?” was one of the best sessions of the conference.

Trustee Oleson reported that he enjoyed the Trustee Development Seminar and the economy session at the MAPERS Fall Conference.

Trustee Wohlfert appreciated the networking opportunity and also enjoyed the Elliot Eisenberg session. He reported that Dr. Eisenberg has an email blog service that he signed up for.

Trustee Good also attended the same MAPERS Fall Conference and concurred with the comments of the trustees who attended. Trustee Good also attended the health care session and found the material informational.

Trustee Fabus attended the MAPERS Fall Conference and discussed the presentation by Greg Stump. Trustee Fabus appreciated that Mr. Stump could simplify that language and actuarial terms. Trustee Fabus also signed up for Dr. Eisenberg’s blog.

NCPERS Public Safety Conference registrations should have been received for members who are attending.

Karen Williams reported that the Due Diligence Visit has been scheduled for November 4 -6. Trustees will visit William Blair and Northern Trust. Travel arrangements and lodging will be coordinated with Asset Consulting Group

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There were no refunds of accumulated contributions.

Mr. Chris Lake, IAFF reported that four Fire members have not received pension service credits from their hire date. Mr. Lake stated that 24 members were hired last year. Mr. Lake contacted Human Resources and the Retirement Office regarding the four members who were not paying contributions into the retirement system and did not receive service credits. The four members were not sworn until the following year. Mr. Lake questioned if these members who were in training should have received service credits from date of hire, not the sworn date.

Attorney Lane reported that he attended the legislative breakfast at the MAPERS Fall Conference. He noted that SB 102 would affect the State Teachers Union and would switch them from a hybrid Defined Benefit/Defined Contribution Plan to a Defined Contribution Plan.

Attorney Lane also reported that HB 4522/4523 to expand subpoena powers of the Senate Oversight Committee to attain non-public records from public bodies throughout the state. Attorney Lane stated that public pension systems would fall under this bill.

Attorney Lane reported that there was no revised draft from City Attorney's Office for the Police and Fire Retirement Ordinance.

Attorney Lane stated that he will distributed updated Frequently Asked Questions document to members for final review.

Trustee Wood reported that the FOP Supervisory contract was approved by City Council. Trustee Wood noted that the Council had the final contract before the members and it could be ready for publication and to the website within weeks. Trustee Wood also noted that the contract had been ratified but was brought to Council after all the amendments had been finalized.

The FOP Non-Supervisory and the IAFF contracts have not been finalized.

Attorney Ken Lane provided an update of his opinion regarding contract employees. Attorney Lane stated that he has been in contact with Human Resources Department and will have a report at the next meeting.

Karen Williams reported that questions were brought to the Retirement Office regarding death in the line of duty benefit provisions for unborn children.

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Attorney Ken Lane explained that there is some case law regarding unborn children that could be presented to the Police and Fire Board to review and vote upon. Under the Ordinance, dependent child has been defined. Attorney Lane opined that dependent child is a surviving child that receives 50% economic support from their parent. The current Fire benefit provision does not designate dependent child. There is case law that recognized an unborn child at the death of the parent and could be used to craft a Board policy.

Attorney Lane noted that there were discussions to amend the Fire Death in the Line of Duty Benefit Provision. Attorney Lane reported that proposed Fire provisions would be similar to the Police Death in the Line of Duty provision. Police provisions do not provide child benefits if there was a surviving spouse.

Trustee St. Aubin requested that the Death in the Line of Duty provisions be moved to pending for additional information from legal.

Trustee St. Aubin recommended the Police and Fire Board create a policy that will ensure service credits. Trustee St. Aubin stated that it was brought to his attention that some members are taking leave without having the appropriate leave balances. He expressed concern that members could have break in service due to suspension or unpaid service. He wanted to create a policy in which the City would notify the retirement system when a member has unpaid leave balances and does not earn service credit. Trustee St. Aubin expressed concern that a member could retire with less than 25 years of service, if break of services are not known.

Karen Williams explained how the Retirement Office uses payroll records to track service credits for members. Karen Williams explained that the new system going forward tracks service credits.

Trustee St. Aubin inquired if Michelle Burkhardt's separation of service was counted in determining her retirement benefit.

Karen Williams verified that the break in service was not counted and no service credits were provided for that time.

Trustee Wohlfert inquired about the four members who did not start accruing service credits until this year. He inquired if members would need to purchase time for the service credits that were not earned last year.

Trustee St. Aubin indicated that employees of the Police department must be sworn before they are members of the Police and Fire Retirement System.

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Attorney Ken Lane reported that the Retirement Ordinance stated the definition of police officers and firefighters indicated that the member must be sworn. Attorney Lane stated that the current Ordinance was restated and members in the System prior to the re-statement may be grandfathered.

Trustee Oleson inquired where does past practice apply.

Attorney Ken Lane stated that past practice applies when there are gray areas regarding the issues. The Retirement Ordinance clearly provides a definition for police officers and firefighters.

Trustee Rose stated that collective bargaining would be important in determining when these four members accrue service credits.

Attorney Ken Lane will research the information and provide an opinion on when a member accrues service credits.

Trustee Wood reminded members that trustees met with union leadership and reviewed the Retirement Ordinance line by line before it was re-stated.

Trustee Wood inquired if changes in the FOP Sup contract could be added to the actuarial valuation. Trustee Wood had additional changes for the valuation.

Ms. Bennett stated that the contract language could be added to the valuation and indicated that the Finance Department is reviewing the valuation.

The Police and Fire Retirement Board will contact Boomershine Consulting Group with its changes to the draft.

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

Trustee Fabus inquired if other members had been charged for their rooms on their personal credit card. Trustee Fabus explained that he provided his personal credit card for incidentals and he now has the full room charge on his statement.

Ms. Williams indicated that she contacted the hotel regarding reversing the charges. All lodging was prepaid by the Retirement Board.

Trustee St. Aubin requested members to contact either the chair or vice chair at conferences to use the Retirement Board credit card for incidentals.

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

Adopted by the following vote: 5 – 0.

The meeting adjourned at 9:28 a.m.

Minutes approved on _____

Angela Bennett, Secretary
Police & Fire Retirement System

Brad St. Aubin, Chairperson
Police & Fire Retirement System