

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

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

The Board was called to order at 8:35 a.m.

Present: Trustees Fabus, Good, Oleson, Rose, St. Aubin (8:50) , Wohlfert, Wood (9:10) – 7.

Absent: Trustee Bernero.

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

Trustee Oleson presided.

It was moved by Trustee Wood and supported by Trustee Good to approve the Official Minutes of the Police and Fire Retirement System Board Meeting of November 10, 2015.

Adopted by the following vote: 6– 0

It was moved by Trustee Good and supported by Trustee Wohlfert to approve the Official Minutes of the Joint Employees Retirement System Board and the Police and Fire Retirement System Board Meeting of November 19, 2015.

Adopted by the following vote: 6 - 0

Secretary's Report.

0 new fire member(s), 0 new police members, 0 reinstatement(s), 1 refund(s), 0 transfers, 2 retired. Total: Active membership: 322. 3 death(s), Peggy J. Backlund, died 11/19/2015, age 83, spouse of Police retiree; Stanley R. Burnett, Police, died 11/19/2015, age 91, spouse to receive 50%; Stephen T. Fraser, Fire, died 11/20/2015, no beneficiary. Refunds made since the last regular meeting amounted to \$5,615.66. Reimbursements to the System year-to-date amount to \$0.00. Retirement allowances paid for the month of November 2015 amounted to \$2,465,064.00. Total retirement checks printed for the P&F System: 720. Total retirement checks printed for both systems: 1634. Domestic relations order received: 0. Domestic relations orders pending: 0. Eligible domestic relations orders certified: 0.

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It was moved by Trustee Fabus and supported by Trustee Wood to approve the following applicants for regular age and service retirement:

Jay Varney, Police Department, 10 years, 9 months of service credits, age 55, effective December 1, 2015. (From Deferred)

Andrew Lawrence, Police Department, 10 years of service credit, age 55 effective January 1, 2016. (From Deferred)

Wayne G. Umholtz, Police Department, 15 years of service credit, age 55, effective January 1, 2016 (From Deferred)

Karen Williams reviewed the process for deferred retirements.

Adopted by the following vote: 6 – 0.

There were no requests for duty disability retirement.

Non Duty Disability Applicant #2015- P1110 was pending. The applicant was sent a request for documents to send to the medical director.

There were no requests for refund of accumulated contributions.

Attorney Ken Lane amended the service credit policy to reflect the verification process. The policy would detail that members must be paid to receive service credits.

Trustee Fabus inquired how the amended policy would affect a member who was called to active military duty.

Karen Williams explained the Retirement Ordinance section regarding how military active service is credited. Ms. Williams also described how the Retirement Ordinance currently calculates service credit using City payroll records.

The Police and Fire Retirement System Board requested that legal counsel draft a service credit verification process in cooperation with the Retirement Office.

Trustee St. Aubin arrived and presided over the meeting.

Attorney Lane noted that the Police and Fire Retirement Ordinance is under review by the City Attorney's Office.

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Attorney Lane reported that he had not heard from Tegrity regarding the use of the Board's logo. Tegrity was to provide a press release to be reviewed by the Board. Attorney Lane verified that Tegrity has not used the City Logo on its website. He indicated that Trustee Mark Parker of the Employees Retirement System had been in contact with Tegrity.

Attorney Lane presented the 2016 draft budget for the Police and Fire Retirement Board for review, and adoption at the January Meeting. Attorney Lane used the same amounts as last year's budget with some amendments for Tegrity maintenance, and eliminated Dewpoint. Attorney Lane noted in the budget that the Board's 2015 travel amounts were less than what is allowed by the State of Michigan.

Karen Williams notified that Police and Fire Retirement Board that deadline for turning in nominating petitions for the office as Police Trustee had been November 10, 2015. Two petitions were received and certified by the Secretary of the Board. On December 7, 2015, the Secretary of the Board and the Retirement Office received a written withdrawal from Mr. Ryan Wilcox for further consideration as Police Trustee.

In accordance with the Police and Fire Retirement Board rules and policy, since there was only one candidate remaining for the position, there was no General election held. Mr. Thomas Fabus filed a valid petition and was running unopposed.

He was declared the winner for the office of Police Department Trustee for the five year term ending December 31, 2020.

It was moved by Trustee Wood and supported by Trustee Wohlfert to receive the results of the Police Trustee Election for the Police and Fire Retirement Board naming Thomas Fabus to term ending December 31, 2020.

Adopted by the following vote: 7 - 0

Trustee Wood inquired to legal counsel if Trustee Fabus needed to be sworn in by the City Clerk.

Attorney Ken Lane indicated that Trustee Fabus should get sworn in by the January meeting.

Karen Williams distributed amended Police and Fire Retirement Election rules for Board review.

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Trustee Fabus indicated that he would be interested allowing members vote electronically by email.

Trustee Rose expressed concerned about the confidentiality of the voting. He requested that legal counsel review state law.

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Attorney Ken Lane will revise the election rules draft with the suggestions from the Board.

Ms. Williams reported that she researched the potential of using existing retirement board software to maintain Board minutes and documents. Ms. Williams distributed information on the Arrivos Imaging Module. The module is a stand-alone product that could be integrated with the current system. Ms. Williams is waiting additional responses to her questions regarding cost and implementation.

Trustee Rose suggested that the Police and Fire Retirement Board consider using the City of Lansing OnBase system. Trustee Rose believed the OnBase System could be used to maintain the Board's minutes and documents. Trustee Rose stated that he would contract the City Clerk's office to discuss how OnBase is used for clerk records.

Trustee Wood expressed concern about access to the OnBase System.

Angela Bennett reported that on November 25, 2015, \$10,884,312 was transferred by the City to the Police and Fire Retirement System for the 2015 pension contribution. Ms. Bennett appointed that the contribution is 100% of the actuarially-determined contribution amount from the 12/31/2014 valuation.

It was moved by Trustee Wood and supported by Trustee Wohlfert to accept the contribution of \$10,884,312 that was transferred from the City of Lansing to the Police and Fire Retirement System for 2015.

Adopted by the following vote: 7 - 0.

Attorney Ken Lane reviewed the firefighter children's duty death benefit draft policy. The Policy would recognize an unborn child of a firefighter who died in the line of duty in order to be eligible for a retirement allowance. Attorney Lane

explained the conditions in the policy are consistent with the Retirement Ordinance and bargaining agreements.

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It was moved by Trustee Oleson and supported by Trustee Wohlfert to accept the Firefighter Children's Duty Death Benefit draft policy.

Trustee Wood inquired if the policy was consistent with state law.

Attorney Lane confirmed that the policy was supported by state legislation.

Adopted by the following vote: 7 – 0.

Attorney Lane reviewed the Police and Fire Ordinance regarding the steps to recognize the death in the line of duty.

It was moved by Trustee Oleson and supported by Trustee Wohlfert to recognize Firefighter Dennis Rodeman's death as in the line of duty.

Adopted by the following vote: 7 - 0.

It was moved by Trustee Wood and supported by Trustee Good to move off the table from November 10, 2015, the request for death in the line of duty retirement benefits for Firefighter Dennis Rodeman.

Adopted by the following vote: 7 -0

It was moved by Trustee Wohlfert and supported by Trustee Good to accept the Request for death in the line of duty retirement benefits for Firefighter Dennis Rodeman.

Adopted by the following vote: 7 -0.

Trustee Fabus expressed his appreciation for the hard work of the trustees and legal counsel regarding Firefighter Rodeman's retirement.

Attorney Lane reported that City Attorney McIntyre was compiling the information for a written report providing an update regarding contract employees. The City Attorney Office has been analyzing existing contract and contacting departments to review contracts to ensure that they comply with IRS rules.

Attorney Lane recommended if the report was not received at the next meeting, the Police and Fire Retirement Board could send a request for status letter.

Trustee St. Aubin reported that Asset Consulting Group (ACG) contacted him about the departure from William Blair of one of the analysts that the retirement boards met at the due diligence.

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

Trustee Fabus inquired if the Retirement Board are planning for due diligence and education with Asset Consulting Group.

Trustee St. Aubin indicated that he contacted ACG regarding due diligence visits for 2016, and recommended September for the visit.

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

Adopted by the following vote: 7 – 0.

The meeting adjourned at 9:56 a.m.

Minutes approved on _____

Angela Bennett, Secretary
Police & Fire Retirement System

Brad St. Aubin, Chairperson
Police & Fire Retirement System