

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

January 19, 2016
Tuesday, 8:30 a.m.

The Board was called to order at 8:34 a.m.

Present: Trustees Fabus, Oleson, Rose, St. Aubin, Wood – 5.

Absent: Trustee Bernero, Good, Wohlfert

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

It was moved by Trustee Fabus and supported by Trustee Oleson to approve the Official Minutes of the Police and Fire Retirement System Board Meeting of December 15, 2016.

Adopted by the following vote: 5– 0

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: 321. 1 death(s), Robert Spalding, died 12/19/2015, age 87, 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 December 2015 amounted to \$2,445,396.08 . Total retirement checks printed for the P&F System: 717. Total retirement checks printed for both systems: 1632. Domestic relations order received: 0. Domestic relations orders pending: 0. Eligible domestic relations orders certified: 0.

There were no applications for Regular Age & Service Retirement.

Karen E. Williams reported that Applicant #2016-F0119 requested a Duty Disability Retirement.

The request was referred to the disability subcommittee.

The Police and Fire Retirement Board recessed to allow the disability committee to meet at 8:37

The Police and Fire Retirement Meeting resumed at 8:39 a.m.

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

January 19, 2016
Tuesday, 8:30 a.m.

Page Two

It was moved by Trustee Fabus and supported by Trustee Wood to begin the duty disability process to send the applicant to the medical director for evaluation.

Adopted by the following vote: 5 – 0

Karen E. Williams was reported that documentation was received from Applicant #2015-P1110. The documentation will be forwarded to the Medical Director for review and scheduling.

Karen E. Williams reported that there was a MAPERS One Day Conference scheduled for March 4, 2016. She requested that members who wished to attend should contact the Retirement Office.

Trustee St. Aubin reported that he contacted Asset Consulting Group for a training, education and due diligence visit for September.

Trustee St. Aubin announced that the City Council Ways and Means Committee have scheduled Greg Stump, Boomershine, to review the actuarial valuation for the period ending 12/31/2014.

Trustee Wood indicated the importance of having the Actuary review the valuation so that Council has a better understanding of the pension system, its assets and liabilities. Trustee Wood noted the reporting changes in GASB and how health care liabilities have been lumped in with the pension in many discussions.

There were no requests for refund of accumulated contributions.

It was moved by Trustee Oleson and supported by Trustee Fabus to excuse Trustee Wohlfert from the Police and Fire Retirement Board January meeting.

Adopted by the following vote: 5 – 0.

Attorney Ken Lane distributed the amended the service credit policy to reflect the verification process. The policy details that members must be paid to receive service credits. Attorney Ken Lane added additional language regarding how military time is accounted for. Attorney Lane requested additional time to meet with the new Human Resources Director regarding the verification process.

Attorney Ken Lane distributed the duty death policy adopted by the Police and Fire Retirement Board.

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

January 19, 2016
Tuesday, 8:30 a.m.

Page Three

Attorney Ken Lane reported that he provided a response to Ms. Bartholomew who requested to change her beneficiary to her spouse. At the time of the retirement election in 2005, same-sex marriage was not recognized. Attorney Lane opined that the retirement board could not retroactively change a retirement election in that was in effect.

Trustee Wood inquired about an update for the Police and Fire Retirement Ordinance.

Attorney Lane reported that Attorney Roberts of the City Attorney's Office stated that the Ordinance was close to completion.

Attorney Lane presented the 2016 draft budget for the Police and Fire Retirement Board for review, and adoption. Attorney Lane indicated the Employees Retirement Board recommended amendments for Tegrity maintenance for data migration. Trustee Wood requested that the allocated and actual expenses for 2015 are incorporated into the budget.

Karen Williams also distributed information for electronic voting. The system would allow for anonymous voting. The Board requested additional information regarding pricing and a possible demonstration. Attorney Lane opined that the person who cast a vote could waive their confidentiality if voting by email.

Karen Williams distributed the current subcommittee assignments for review. Trustee Wood inquired if there was a need for the Joint Ad Hoc Committee on Health Care. The Police and Fire Retirement System Board agreed to eliminate the Joint Ad Hoc Committee on Health Care.

The 2016 Subcommittee Assignments:

Disability Committee: Fabus, Good, St. Aubin, Wohlfert
Investment Committee: Oleson, Rose Wohlfert, Wood
Education Committee: Fabus, Oleson, St. Aubin, Wood
Special Projects: Oleson, St. Aubin, Wohlfert, Wood,
Legal Counsel, Ex-officio

Karen Williams distributed the Asset Consulting Group 2016 Investment manager schedule for the Joint Retirement Board meeting.

Trustee Wood inquired about the status of the contract employee update since there is a new Human Resources Director. Attorney Ken Lane indicated that he will check to see who would be working on the update from Human Resources.

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

Karen Williams indicated that the Comerica Account has a large amount of cash reserves and Asset Consulting Group has not recommended a quarterly cash flow withdrawal from the portfolio.

Trustee Wood expressed concern regarding if the monies in Comerica was receiving interest. Trustee Wood recommended a threshold that would trigger money to be invested to the portfolio.

Trustee Fabus requested a recommendation from Asset Consulting Group regarding what could be done with access cash.

Trustee Oleson inquired how the monies would be allocated to the portfolio, lump sum or installments..

Karen Williams recommended \$10,000 from the Securities Lending for the Board's Administrative Expenses.

It was moved by Trustee Wood and supported by Trustee Rose to approve \$10,000 from the Securities Lending Account for the Police and Fire Retirement Board Administrative expenses.

Adopted by the following vote: 5 – 0.

The meeting adjourned at 9:26 a.m.

Minutes approved on _____

Angela Bennett, Secretary
Police & Fire Retirement System

Brad St. Aubin, Chairperson
Police & Fire Retirement System