

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 20, 2016
Tuesday, 8:30 a.m.

The Board was called to order at 8:33 a.m.

Present: Trustees Fabus, Good, Oleson, St. Aubin, Wohlfert, Wood – 6.
Absent: Trustee Bernero.

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

It was moved by Trustee Good and supported by Trustee Wohlfert to approve the Official Minutes of the Police and Fire Retirement System Board Meeting of November 8, 2016.

Adopted by the following vote: 6 – 0

It was moved by Trustee Wood and supported by Trustee Oleson to approve of the Official Minutes of the Joint Police and Fire Retirement System Board and the Employees Retirement System Board Meeting of November 10, 2010.

Adopted by the following vote: 6 – 0

Mr. Christopher Wilcox was introduced as the new Fire Trustee, elected to replace Trustee Robert Oleson.

Secretary's Report.

0 new fire member(s), 10 new police members, 0 reinstatement(s), 0 refund(s), 0 transfers, 0 retired. Total: Active membership: 335. 0 death(s). 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 November 2016 amounted to \$2,549,647.36. Total retirement checks printed for the P&F System: 730. Total retirement checks printed for both systems: 1636. 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

December 20, 2016
Tuesday, 8:30 a.m.

Page Two

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

Jeffrey Brown, Fire Department, age 49, 25 years of credit (with the purchase of 2 months of service credits.) effective December 24, 2016.

Adopted by the following vote: 6 – 0.

There were no requests for Duty Disability retirements.

There were no requests for Non Duty Disability retirements.

There were no requests for Refund of Accumulated Contributions.

It was moved by Trustee Oleson and supported by Trustee Good to excuse Trustee Robert Rose from the December Police and Fire Retirement Board meeting.

Adopted by the following vote: 6 -0.

Attorney Ken Lane reported that a draft of the Retirement Ordinance was sent the Mayor's Office to be referred to City Council.

Trustee Wood recommended that legal counsel forward a copy of the Retirement Ordinance amended draft so that Board members could review and make corrections prior to Council review and approval.

Attorney Lane discussed the 40-bill package regarding retirement pension and health care reform in Michigan. House Bill 6075 would amend Public Act 314 so that the required annual report would be sent to the State Treasurer within thirty days after Board approval. The State Treasurer would post a summary report of the municipalities on the state website. Municipalities funded below 50% would require steps to be listed regarding what the pension board is doing to correct the funding level.

Trustee Wood inquired who is responsible for creating the list of steps regarding what the pension board is doing to correct the funding level.

Attorney Lane said the Retirement Board would be responsible for providing the steps on the website.

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

December 20, 2016
Tuesday, 8:30 a.m.

Page Three

Attorney Lane distributed a vendor policy that includes a review of investment managers, Boomershine and Asset Consulting Group. The Board requested that the medical director be included in the review.

Attorney Lane distributed the Police and Fire Board of Trustees projected 2017 budget. Attorney Lane will add the total expenditures for calendar year 2016 when they become available.

Trustee Wood inquired about the contract services for data migration.

Karen Williams explained the budget item is no longer necessary, the clerk has completed the data migration for Arrivos and the Board assignments as of November 2016.

Ms. Bennett explained that the data clerk's contract was renewed by the Finance Department to continue assisting with file migration, scanning and Retirement Office backlog.

Attorney Lane updated the Police and Fire Retirement Board that the City Attorney's Office reviewed the issue regarding if trainees in the fire department can be members of the retirement system. The City Attorney's Office confirmed that only sworn firefighters and police officers are members of the system.

Trustee Wood inquired if the City Clerk's Office will be sending copies of members' swearing-in certificates.

Ms. Williams confirmed that the Retirement Office has received the certificates and those certificates have been placed in the members folder.

Attorney Lane distributed the City of Lansing Police and Fire Retirement System Portfolio Monitoring Report from Milberg for the third quarter of 2016.

Ms. Williams distributed the Police and Fire Actuarial Experience Study for Board review.

The Board requested that Mr. Greg Stump, Boomershine Consulting Group, be invited to the next meeting to review the actuarial experience study.

Ms. Williams distributed election results for the Fire Trustee. She reported that Mr. Christopher Wilcox, Fire Department (Suppression) filed a valid petition and received the most votes in the general election held on Tuesday and Wednesday, December 13-14, 2016. Mr. Wilcox, upon certification from the Police and Fire Retirement Board of the election results, will serve the term beginning January 1, 2017 through December 31, 2021.

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

December 20, 2016
Tuesday, 8:30 a.m.

Page Four

It was moved by Trustee Oleson and supported by Trustee Wohlfert to certify the election results and approve the election of Christopher Wilcox as Fire Trustee for term ending December 31, 2021.

Adopted by the following vote: 6 - 0.

Attorney Lane reported that he will contact the Information Technology manager to attend a future Board meeting to review the SAS 70/Custody and Fund Services SOC 1 Report and to discuss cyber securities.

Karen Williams distributed information regarding the last contract for the Medical Director for Board review. Ms. Williams reviewed the Medical Director was first hired in 2004. The medical director's contract was renewed at 2009.

Trustee Eric Wohlfert recommended a review and request for proposal. Trustee Wohlfert suggested a possible two doctor approval system.

Trustee Fabus noted that many of the national conferences indicate a panel of doctors' approval system is preferred in systems. Trustee Fabus requested legal counsel investigate other systems that have more than one doctor.

Trustee Wood requested that legal counsel seek a sample request for proposal for medical directors.

Trustee St. Aubin placed the item on pending.

Karen Williams reported that on November 30, 2016, \$11,521,768 was transferred by the City to the Police and Fire Retirement System for the 2016 (FY 2017) pension contribution. Ms. Bennett noted that the contribution is 100% of the actuarially-determined contribution amount from the 12/31/2016 valuation.

It was moved by Trustee Wohlfert and supported by Trustee Wood to accept the contribution of \$11,521,768 that was transferred from the City of Lansing to the Police and Fire Retirement System for 2016.

Adopted by the following vote: 6 - 0.

The Tegrity Visit was proposed for spring 2017.

Karen Williams reported that Trustee Rose had a preliminary conversation with the City Clerk's Office. The City Clerk's Office has future plans to coordinate archived minutes with the various departments and boards.

Ms. Williams presented Securities Lending Report for the month of November 2016.

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

Adopted by the following vote: 6 -0

The meeting adjourned at 9:11 a.m.

Minutes approved on _____

Angela Bennett, Secretary
Police & Fire Retirement System

Brad St. Aubin, Chairperson
Police & Fire Retirement System