

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

June 20, 2017
Tuesday, 8:30 a.m.

The Board met in the Committee of the Whole.

Present: Trustees Rose, St. Aubin, Wohlfert, Wood– 4.
Absent: Trustee Bernero, Fabus, Good, Wilcox

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

There were no public comments.

Secretary's Report.

0 new fire member(s), 4 new police members, 0 reinstatement(s), 0 refund(s), 0 transfers, 0 retired. Total: Active membership: 353. 5 death(s), William B. Besley, Fire, died 5/1/2017, age 82, no surviving beneficiary; Richard Fox, Police, died 5/20/2017, age 87, no surviving beneficiary; Winifred Morris, died 5/11/2017, age 85, spouse of Police retiree; Joe Woodward, Fire, died 6/5/2017, age 90, no surviving beneficiary; Christian Ericks, died 6/14/2017, age 46, 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 May 2017, amounted to \$2,600,743.73. Total retirement checks printed for the P&F System: 735. Total retirement checks printed for both systems: 1642. Domestic relations order received: 0. Domestic relations orders pending: 1 Eligible domestic relations orders certified: 0.

Trustee Wohlfert provided a report of his attendance at MAPERS Annual Spring Conference. He commented that the first day featured the actuarial hour and was very informative. The workshops also included health care.

Trustee Rose also attended the MAPERS Spring Conference and reported he also enjoyed the actuary hour. Trustee Rose also discussed the session that included a discussion regarding the Michigan economy and the effect of interest rates. Trustee Rose also attended the workshop that discussed Green Energy that emphasized solar power and deemphasized wind power.

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Attorney Lane attended the MAPERS Legislative update and reported that the only pension item discussed was regarding school employees.

Ms. Williams reported that the MAPERS Fall Conference will be held September 16-19 and members who wished to attend should contact the Retirement Office.

Ms. Williams provided a retirement conference update. The Lansing Center has been scheduled for Thursday, September 7. Ms. Williams discussed presenters and vendors who have been requested to participate at the September retirement conference.

Trustee Wood inquired if there would be health care provider presentations. She expressed that members may have concerns and questions with health care and the Segal report that was recently released.

Ms. Bennett inquired what format the health care workshop would take. Ms. Bennett indicated that the health care providers would not be able to address specific concerns of employees.

Karen Williams reported that Ms. Rhonda Mensch, Police, not vested, had requested her contributions of \$10,285.28.

Trustee St. Aubin reported that Trustee Fabus, Trustee Good and Trustee Wilcox requested to be excused from the June meeting.

Attorney Lane discussed Public Act 530 which amends Public Act 314 that requires pension and retirement health systems to provide an annual report to the State Treasurer's Office as of March 29, 2017. Attorney Lane affirmed that the City of Lansing Police and Fire Retirement Board annual report is comprised of the actuarial valuation and the year-end financial report and indicated that the Board Secretary, Ms. Bennett sent the annual report to the State Treasurer via email.

Attorney Lane reported that the Retirement Ordinance has been approved by the City Council.

Attorney Lane requested to review and update the Police and Fire Retirement handbook at a future meeting.

Attorney Lane reported that Human Resources located approximately 9 fire and 1 police that had monies taken out as a trainee. Attorney Lane provided options to Board that would either allow those members by resolution to keep the current service credits and note that an error was made. Attorney Lane also stated that issues going forward would receive reimbursement of their contributions.

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Ms. Bennett requested clarification regarding the reimbursements.

Trustee St. Aubin requested that the Retirement Office researched a member's payroll records to find out when that member started contributing into the Police and Fire System and if it was prior to him being a sworn police officer.

Mr. Eric Weber, Fire, requested and was granted by the Board permission to speak on the topic. Mr. Weber explained how firefighter I classification are hired. In the past, these members were taken down to the City Clerk on their hire date. With changes in Fire administration and City administration, FireFighter I are not being sworn until they go through a training period. Mr. Weber has requested Human Resources to be proactive to make sure that the firefighter I are properly placed in the system as per the collective bargaining agreement and Retirement Ordinance. Mr. Weber stated that there were five members who had too much social security out of the paychecks and still had not been reimbursed.

Attorney Lane opined the City Attorney's Office provided an opinion in 1996 that indicates only sworn fire and police officers are members of the Police and Fire Retirement System.

Ms. Angela Bennett indicated the new policy is that the City Clerk Office will provide the sworn-in certificate for the Retirement Office.

Trustee Wohlfert wanted to ensure that all members have been found where corrections are needed.

Attorney Lane recommended that the after the initial Board action, all future members would need be to be refunded.

Trustee St. Aubin commented that the Board should be consistent for future errors. Either all members are grandfathered into the system because it was made whole by having the contributions made to the system; or all members should be refunded.

Trustee Wood suggested maybe considering a date certain for corrections.

Attorney Lane stated that he would have the options in writing for the next meeting.

Karen Williams provided the annual Duty Disability Income Verification Report. There are four members had not submitted their annual outside income certification. If the retiree does not respond, the Retirement Board may suspend the disability retirees' pension.

Karen Williams reported that the City Clerk's Office will provide begin providing orientation folders for new members of official Boards and Commissions.

Karen Williams provided dates for the due diligence visits to Wasatch, Franklin Templeton and Western Asset as recommended by Asset Consulting Group. Ms. Williams requested that member review the dates so that can narrowed for planning purposes. The trip would be scheduled for November or December.

The Police and Fire Retirement Board will discuss the medical director review next month.

Ms. Williams reviewed the monthly investment report and the securities lending report for the month of May 30, 2017.

The meeting adjourned at 9:07 a.m.

Minutes approved on _____

Angela Bennett, Secretary
Police & Fire Retirement System

Brad St. Aubin, Chairperson
Police & Fire Retirement System