

# 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

March 20, 2018  
Tuesday, 8:30 a.m.

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

Present: Trustees Fabus, Good, Rose, C. Wilcox, R. Wilcox, Wohlfert, Wood (8:16)– 7.

Absent: Schor

Others: Karen E. Williams, Angela Bennett, Finance Department; Attorney Ken Lane, Clark Hill (representing the City Attorney's Office); Thomas L. Krug, Capitol City Labor Program, Inc.; Tim Garver, Eric Weber, IAFF, Local 421.

It was moved by Trustee Fabus and supported by Trustee Good to approve the Official Minutes of the Police and Fire Retirement System Board meeting of February 20, 2018.

Adopted by the following vote: 7 -0.

It was moved by Trustee Good and supported by Trustee Ryan Wilcox to approve the Official Minutes of the Joint Police and Fire Retirement System Board and the Employees' Retirement System Board meeting of February 20, 2018.

Adopted by the following vote: 7-0

0 new fire member(s), 2 new police members, 0 reinstatement(s), 0 refund(s), 0 transfers, 1 retired. Total: Active membership: 358. 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 February 2018, amounted to \$2,662,785.46. Total retirement checks printed for the P&F System: 738. Total retirement checks printed for both systems: 1647. Domestic relations order received: 0. Domestic relations orders pending: 0. Eligible domestic relations orders certified: 0.

It was moved by Trustee Christopher Wilcox and supported by Trustee Good to approve the following application for Regular Age & Service Retirement:

Eric Janzen, Police Department, 25 years of service credits, age 48, effective March 17, 2018. (Sworn Date, 4/6/1993).

Adopted by the following vote: 7- 0.

There were no requests for duty disability retirement.

There were no requests for non duty disability retirement.

Karen Williams provided the dates for the following conferences: MAPERS Spring Conference, May 19-22; ABS Investor Conference, May 9-10 and NCPERS Annual Conference, May 13-16.

Attorney Lane updated the Police and Fire Retirement System Board regarding Tegrit's notification of its intent to switch hosting providers. Tegrit intends to be fully migrated off the old system May 1, 2018. The City's Information Technology Director reviewed the proposed change on behalf of the Board. He did not have a concern with the move to the new provider, but had some additional questions. Attorney Lane prepared a confidential memo that discussed security information. Attorney Lane recommended closed session if the members wished to discuss the security details.

Ms. Williams indicated that the Information Director had contracted Tegrit to address his questions and concerns and would notify the Board.

The Police and Fire Retirement Board requested that Tegrit be available at the next meeting to answer questions.

Attorney Lane updated that the Police and Fire Retirement Board regarding letters that Police and Fire members were sent letters explaining the sworn issue.

Ms. Bennett indicated that all members received a letter explaining the dates for those affected and for those whose dates did not change.

Attorney Lane reviewed the legal opinion regarding Police and firefighter trainees. Trainees under the Ordinance are not eligible to be members of the Retirement System. The City Attorney's office listed members who were trainees when their contributions and service credits began. The City Attorney's Office determined these service credits should be rescinded and contributions returned to members.

Attorney Lane explained if the corrections are not made for the trainees, it could violate the IRS qualified status of the Police and Fire Retirement Plan. Attorney Lane explained that the Board may make retroactive adjustments of the members sworn dates for the "street ready" members. Those members are not receiving any additional benefit by adjusting the sworn dates.

Trustee Wood inquired about members who have already retired.

Attorney Lane opined that there is case law in place that the Board cannot retroactively adjust credits and modify pensions for members who have already retired.

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

March 20, 2018  
Tuesday, 8:30 a.m.

**Page Three**

Trustee Wohlfert reported that some fire member had certification dates that differed from the Human Resource dates and other members were paid a trainee wage in error and were given retroactive payment.

Attorney Lane requested that members can forward their documentation for the City Attorney's Office to review.

Mr. Eric Weber indicated he would like to review the list of dates for accuracy with the information that he had. Mr. Weber also expressed concern that letters were sent out to membership before the union could review them. Mr. Weber received many calls from members who were concerned about their service credits upon receiving letters. Mr. Tim Garver, Local 421 agreed with Mr. Weber that the state records and certifications would be a better source to determine "street ready."

Trustee Fabus also recommended using state records to determine "street ready" and checking with the City Clerk's records.

Ms. Bennett reported that the Finance Department did receive additional records from the clerk's office after the list was prepared.

Mr. Klug inquired if for Police, before contributions are made and letters sent out, the union would like to review the letters.

Mr. Weber inquired if social security would be taken out of the refunds.

Attorney Lane noted that the refunds are on a different track than the Memorandum of Understanding for "street ready" members.

Trustee Wohlfert inquired who should receive the state documentation.

Mr. Weber expressed concern about the City records. He has received information from members that had different dates and would like to review the spreadsheet.

Attorney Lane recommended that for members who have had issues regarding their dates forward that information to the City Attorney's Office.

Mr. Klug requested that refunds of contributions not be released until the issues on dates are resolved.

Ms. Bennett suggested that a letter would go to affected members indicating the amount of refund. Checks would not be mailed until the Board takes action.

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

March 20, 2018  
Tuesday, 8:30 a.m.

**Page Four**

It was moved by Trustee Good and supported by Trustee Wood for individuals who think their information is incorrect to get their documentation to either City Attorney, Finance Director or Union officials.

Mr. Weber expressed concern that meetings set up with the administration to fix the issue have been delayed.

Attorney Lane indicated that the City Attorney's Office has been working on a memorandum of understanding to resolve the issues with the "street ready" members.

Trustee Wood recommended both the administration and union meet prior to the memorandum of understanding to review all the information.

Mr. Weber suggested that members are unaware of the IRS implications and the effect of this issue on the Plan.

Trustee Good withdrew her motion, but would like action made on the issue.

Attorney Lane distributed a revised budget for 2018 that included the travel expenses average of trustees.

It was moved by Trustee Wood and supported by Trustee Christopher Wilcox to approve the 2018 budget as submitted.

Adopted by the following vote: 7 – 0.

Ms. Bennett indicated that Trustee Schor provided a proposal to reduce the travel expense allocation from \$10,000 per member to \$5,000 per member when looking at recent years' usage. Ms. Bennett stated that the budget is a public document and Trustee Schor expressed that it was a good way to show the public that the Board is sensitive to the concerns regarding how retirement monies that is spent on travel.

It was moved by Trustee Fabus and supported by Trustee Wood to approve the following 2018 Police and Fire Subcommittee membership list:

Disability Committee	– Fabus, Good, C. Wilcox, Wohlfert
Investment Committee	-- Rose, Wohlfert, Wood, C. Wilcox, Good
Education Committee	-- C. Wilcox, R. Wilcox, Wood
Special Projects	-- Wood, R. Wilcox, Wohlfert, Ex-officio Legal Counsel

Attorney Lane indicated that he contacted his colleague for information on the Medical Director for the City of Detroit. The retirement system's medical director is a part of the Henry Ford Health System.

Karen Williams recommended sending out a request for information to MAPERS administrators.

Attorney Lane posed the two questions for the request for information: Who serves as the system's medical director? How long has the person or entity served as the medical director?

Ms. Williams reviewed the Monthly Investment Report and the Securities Lending report for the month of February 28, 2018.

Trustee Fabus reported that he was contacted by a retiree who had social security taken out of his pension check. Trustee Fabus inquired if the retirees checks were reviewed for accuracy.

Trustee Wohlfert inquired if there was a policy in place for reviewing retiree checks.

Ms. Bennett was aware of the retiree and reported that the pension check had been corrected. Ms. Bennett will follow up with Human Resources and report back to the Board.

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

Adopted by the following vote: 7 – 0.

The meeting adjourned at 9:43 a.m.

Minutes approved on \_\_\_\_\_

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Angela Bennett, Secretary  
Police & Fire Retirement System

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Eric Wohlfert, Chairperson  
Police & Fire Retirement System