

OFFICIAL PROCEEDINGS OF THE BOARD OF TRUSTEES CITY OF LANSING POLICE AND FIRE RETIREMENT SYSTEM -updated

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

June 19, 2018
Tuesday, 8:30 a.m.

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

Present: Trustees Good, Rose, Schor, C. Wilcox, R. Wilcox, Wohlfert – 6.
Absent: Fabus, Wood

Others: Karen E. Williams, Angela Bennett, Finance Department; Attorney Ken Lane, Clark Hill (representing the City Attorney's Office); Eric Weber, IAFF Local 421; Thomas Krug, CCLP; Craig Powers, Fire Department.

It was moved by Trustee Rose and supported by Trustee Good to approve the Official Minutes of the Police and Fire Retirement System Board meeting of May 8 17, 2018.

Adopted by the following vote: 6 – 0

It was moved by Trustee Christopher Wilcox and supported by Trustee Good to approve the Employees' Retirement System and Police and Fire Retirement System Joint Meeting minutes of May 24, 2018

Adopted by the following vote: 6 -0

Mr. Eric Weber inquired that he wished to speak regarding the applications for regular age and service. Trustee Wohlfert requested that Mr. Weber could speak when we get to that item on the agenda.

0 new fire member(s), 2 new police members, 0 reinstatement(s), 0 refund(s), 0 transfers, 1 retired. Total: Active membership: 356. 2 death(s), Winifred Karnes, died February 14, 2018, age 88, spouse of Fire retiree; Patricia Koenigsknecht, died 5/21/2018, age 89, spouse of Police retiree. 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 2018, amounted to \$2,675,995.03. Total retirement checks printed for the P&F System: 744. Total retirement checks printed for both systems: 1655. Domestic relations order received: 0. Domestic relations orders pending: 0. Eligible domestic relations orders certified 0.

Karen Williams reported that there were applicants for Regular Age and Service Retirements.

Craig Powers, Fire Department, 24 years, 11 months of service credits, age 47, effective July 19, 2018, with the purchase of 2 years of universal service credits (Sworn Date, 9/15/1995)

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Mr. Eric Weber stated that arbitration regarding the sworn date issue had been requested. Mr. Weber stated that both members who submitted retirement applications were fully qualified as firefighters prior to their sworn date. Mr. Weber stated a memorandum of understanding had been drafted and submitted to the unions. Mr. Weber was advised by IAFF legal counsel to not sign the memorandum or action would be taken against the local 421. Mr. Weber stated that Trustee Wohlfert had advised that the issue was between the union, the city attorney and the City of Lansing. Mr. Weber disagreed and believed that the issue should come before the Board. Mr. Weber submitted and read a prepared statement (added as an addendum).

Attorney Lane explained indicated that three criteria must be met for an employee to be a member of the Police and Fire Retirement System: 1. Full-time permanent employee, 2. Hold a rank of police officer or firefighter, 3. taken the oath of office. Attorney Lane also explained the Memorandum of Understanding was drafted to address explained his role as legal counsel to the Board representing the City Attorney's Office. There are legal opinions from the City Attorney's office from 1996 regarding trainees. Attorney Lane also explained the Ordinance requires the Board to correct errors that are discovered that would allow members to receive more or less, than the member is entitled to and could affect the I.R.S. status.

It was moved by Trustee Rose and supported by Trustee Good to approve the following applications for regular age and service retirement:

Craig Powers, Fire Department, 24 years, 11 months of service credits, age 47, effective July 19, 2018, with the purchase of 2 years of universal service credits (Sworn Date, 9/15/1995)

Trustee Schor inquired what would happen if the applications were approved.

Karen E. Williams explained that the members retirement payments would be deferred until age 55.

Trustee Schor inquired if the application was denied, would the member need to reapply.

Karen Williams indicated that the member could reapply for retirement.

Trustee Rose explained that the members have the option to withdraw their application prior to their effective date. Trustee Rose expressed concern about denying the request. There is no valid reason to deny their application as presented.

Adopted by the following vote: 4 -1

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It was moved by Trustee Rose and supported by Trustee Good to approve the following applications for regular age and service retirement:

Brent Gillespie, Fire Department, 24 years, 8 months of service credits, age 53, effective July 13, 2018 (Sworn Date 12/17/1993)

Adopted by the following vote: 5 -0

Ms. Williams read a letter of request for duty disability from the Police Chief for Applicant #2018-P0619.

Applicant #2018-P0619 request for duty disability was referred to the disability subcommittee.

The Police and Fire Retirement Board recessed to allow the disability subcommittee to meet.

The Board recessed at 9:10 a.m.

The Board resumed at 9:15 a.m.

There were no requests for Non-Duty Disability Retirements.

Trustee Rose provided his oral report for attending MAPERS Spring Conference. He provided an overview of the actuary hour.

Trustee Ryan Wilcox attended the MAPERS Conference and gave an oral review of the New Trustee Development workshop, the actuary hour and at NCPERS he attended workshops regarding millennials and cybercrime.

Trustee Christopher Wilcox gave his oral report from his attendance to NCPERS Annual Conference and MAPERS Spring Conference. Trustee Wilcox explained that NCPERS provided investment strategies, and investment consultant. Trustee Wilcox also attended MAPERS and learned a lot from the actuary hour. He also attended the workshop that discussed investments from the consultant's view and learned information regarding due diligence visit.

Trustee Wohlfert provided his oral report for his attendance at the MAPERS Spring Conference. He discussed the actuary hour, which provided and breakdown of all the important numbers of the actuarial valuation. He also discussed investments for environment social and government strategies workshops. He also attended NCPERS and contrasted the plans, with some plans at 170 billion dollars. He found both conferences informative.

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Attorney Ken Lane also attended the MAPERS and discussed the legislative update. He discussed PA 202 and informed the Police and Fire Board that the Waiver for the Employees' Retirement System Board had been denied and a correction action plan would be necessary for the ERS Board and City Health Care plans. The Police and Fire Retirement System was above the 60% threshold and its reporting requirements for the year had been completed.

It was moved by Trustee Christopher Wilcox and supported by Trustee Good to excuse the Trustee Board members, Fabus and Wood from the June meeting.

Adopted by the following vote: 6 - 0

There were no requests for refund of accumulated contributions.

Mr. Tom Krug, CCLP reported that the Police union was sent the Memorandum of Understanding from the City. It has not been signed. The union is exploring additional remedies as necessary. Mr. Krug believes that if an employee has paid into the system, he should be a member from that date.

Mr. Craig Powers, Fire explained his situation and stated his qualifications at time of his hire. He feels he was being unjustly punished because his sworn date was later than hire date.

Attorney Lan Attorney Ken Lane indicated that he sent the Medical Director Request for Proposal to three additional organizations that were found by contacting MAPERS Administrators. The Board received one response from MMRO.

Trustee Rose recommended sending the RFPs to a committee for review.

Attorney Lane distributed a contract employee policy. This procedure would be used for evaluating contracts to ensure compliance with applicable ERS regulations.

Attorney Lane provided an update of the sworn date and contribution audit. Attorney Lane met with both union regard street ready members. Letters have gone to trainees regarding estimated refunds.

Karen Williams provided the annual Duty Disability Income Verification Report. Two disability retirees had not submitted their annual outside income certification. Retirees who did not respond would be sent a second letter. If the retiree does not respond, the Retirement Board will suspend the disability retirees' pension. Karen Williams also reported there would be one pension adjustment.

It was moved by Trustee Good and supported by Trustee Wilcox to send certified

return receipt letters to the remaining members who had not reported.

Adopted by the following vote: 6 - 0.

Attorney Lane recommended a duty disability medical re-evaluation policy detailing the criteria for annual medical reviews.

Trustee Wohlfert explained the current procedure for determining how disability retirees are reviewed.

Karen Williams reported that the August Joint Meeting would include new trustee training, performance review and education.

Karen Williams reported that ACG would provide an education forum for all of its Lansing areas clients, the week of September 10, 2018. ACG will provide more details as they become available.

Trustee Wohlfert referred the medical doctor RFP to the disability subcommittee. Karen Williams will distribute the RFPs to the membership.

Ms. Williams reviewed the Quarterly Expenses Report and the Securities lending report for the month of May 31, 2018.

The meeting adjourned at 9:48 a.m.

Minutes approved on _____

Angela Bennett, Secretary
Police & Fire Retirement System

Eric Wohlfert, Chairperson
Police & Fire Retirement System