

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

August 21, 2018
Tuesday, 8:30 a.m.

The meeting was called to order at 8:38 a.m.

Present: Trustees Fabus, Good, Rose, C. Wilcox, R. Wilcox, Wohlfert, Wood – 7.
Absent: Schor.

Others: Karen E. Williams, Finance Department; Linda Sanchez-Gazella, Human Resources Department; City Attorney James Smiertka, Deputy City Attorney Joseph Abood, Attorney Ken Lane (at the request of the City Attorney's Office); Eric Weber, IAFF Local 421.

It was moved by Trustee Good and supported by Trustee Christopher Wilcox to approve the Official Minutes of the Police and Fire Retirement System Board meeting of July 18, 2018.

Adopted by the following vote: 7 – 0

0 new fire member(s), 6 new police members, 0 reinstatement(s), 0 refund(s), 0 transfers, 0 retired. Total: Active membership: 364. 2 death(s). James Rapp, Police, died July 27, 2018, age 72, spouse to receive 50%; Carl Wagner, Fire, died July 6, 2018, age 93, spouse to receive 50%. Refunds made since the last regular meeting amounted to \$38,670.05. Reimbursements to the System year-to-date amount to \$0.00. Retirement allowances paid for the month of July 2018, amounted to \$2,672,249.76. Total retirement checks printed for the P&F System: 742. Total retirement checks printed for both systems: 1657. Domestic relations order received: 1. Domestic relations orders pending: 0. Eligible Domestic Relations Order Certified: 0.

It was moved by Trustee Ryan Wilcox and supported by Trustee Good to approve the following request for Regular Age and Service Retirement:

Bruce Odom, Fire Department, 23 years, 2 months of service credits from hire date, age 50, effective August 18, 2018, with purchase of military service credits (No Sworn Date)

Trustee Wood inquired regarding the sworn date. Karen Williams reported that the Retirement Office could not locate a sworn date certificate for Mr. Odom in the City Clerk's office. The Retirement Office only has a hire date for Mr. Odom of June 26, 1995. Mr. Odom did not remember what date he was sworn.

Trustee Good inquired into what classification was Mr. Odom hired. Ms. Williams reported that his payroll records indicated he was a firefighter I.

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Attorney Abood introduced himself and indicated that Attorney Ken Lane was at the meeting by invitation from the City Attorney's office. Attorney Lane has worked on the issue and has made his services available.

Attorney Abood indicated that the City Attorney's office reviewed the issues and opined that in absence of any records of his sworn date, the Law Department recommendation was to use the hire date.

Trustee Wood inquired when Mr. Odom started paying into the system. The Retirement System indicated that Mr. Odom began his contributions as of his hire date. Trustee Wood also inquired about when contributions were paid into the system for Mr. Powers and Mr. Burke. Ms. Williams indicated that contributions were made as of their hire date.

Trustee Wood inquired how many members did not have sworn dates.

Ms. Angela Bennett indicated that there were 27 members between Police and Fire that did not have sworn dates that were listed as Firefighter I or Police officer. There were 10 members between Police and Fire that did not have sworn dates that were listed as Trainees. The total amount of those members without sworn dates are 37.

Trustee Fabus inquired if Mr. Powers was hired as a firefighter or trainee. Ms. Williams indicated that Mr. Powers was hired as a Firefighter I.

Trustee Good stated that the Police and Fire Board has to use the Ordinance to consider the information that is before it.

Trustee Rose indicted that the predicament presented to the Board is not an action cause by the Board or the retirement fund. Trustee Rose indicated as fiduciaries of the fund, the Board must ensure that the fund is sustained and comply with the law.

Attorney Abood requested that Attorney Ken Lane review membership in the Police and Fire Retirement System as defined in the Ordinance.

Attorney Lane reviewed the Police and Fire Retirement System Ordinance Section 294.02(g) which defined membership. It does indicate when there is doubt; the Board has the ability to determine when membership began.

Trustee Wood indicated that there was a likelihood that Mr. Odom was sworn with this class on September 15, 2018.

Trustee Fabus indicated that the Police Department have their officers sworn on the first day. He inquired about Fire Department.

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Trustee Wohlfert indicated that the Fire did not have a procedure in place at the time. Members were generally sworn after they completed the City of Lansing training, even if they were certificated the date they were hired.

Attorney Abood indicates the sworn date is recognized in the Police and Fire Retirement System, the City Charter, and the Collective Bargaining Agreements. When there is a sworn date, the law is clear. The Board can speculate using additional information what the date could be in the case of a member who did not have a sworn date.

Trustee Wood inquired if a member had no sworn date and had not paid into the system until three months later, what would be the recommendation of the law department.

Attorney Abood indicated that the contribution date is not as significant as the sworn date or the hire date as a firefighter or police officer. The contributions can be corrected.

Trustee Wood detailed that the Police and Fire Retirement Board had two choices: one is to take the hire date or look at evidence of other people within the class and use the 9/15/2018.

Trustee Wood inquired to Attorney Ken Lane if the Board would be in jeopardy with other members who have retired or if the decision would be a precedent if the Board approved the retirement from the date of hire.

Attorney Ken Lane opined that the facts in Mr. Odom's case are unique. Attorney Lane indicated that he did not believe that approval of the retirement from hire date would place the Board in jeopardy. If a member with the identical facts and circumstances in Mr. Odom's case came before the Board, the decision made in Mr. Odom's case would be a precedent.

Trustee Wood inquired about Human Resources view on the subject.

Ms. Linda Sanchez-Gazella stated that the matter had been turned over to the Finance Department and City Attorney's Office.

Attorney Smiertka stated that the Board has the ability to interpret the ordinance as long as you have a rational basis. Attorney Smiertka opined that every Board has the ability to determine membership. Attorney Smiertka stated that the Ordinance can be amended.

Attorney Ken Lane indicated because there were so many different scenarios that an amendment was not recommended to City Council.

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Trustee Ryan Wilcox inquired if an amendment could be made that would allow someone to retire upon reaching 300 service credits no matter when they started.

Attorney Abood opined that the charter and ordinance indicates that a member must be sworn to be a police officer or firefighter for membership in the Police and Fire Retirement System.

Adopted by the following vote: 7 – 0.

It was moved by Trustee Good and supported by Trustee Rose to approve the following request for Regular Age and Service Retirement:

Craig Powers, Fire Department, 23 years, 1 months of service credits, age 47, effective September 15, 2018, with the purchase of 23 months of universal service credits (Sworn Date, 9/15/1995)

Trustee Wood inquired about the contributions from hire date 6/26/1995 through the sworn date 9/15/1995.

Ms. Bennett reported that the contributions between the hire date and sworn date would be refunded.

Trustee Fabus inquired if the member would receive contributions as describe in the Board's policy.

Trustee Fabus inquired if it was the Law Department's recommendation to use the sworn date for Mr. Powers who was hired on 6/26/1995.

Attorney Abood stated that it was the Law Department's recommendation to use the sworn date.

Adopted by the following vote: 7 – 0.

Mr. Eric Weber was granted permission to speak. Both Mr. Odom and Mr. Powers both hired upon the date and contributions were taken out at the same time. Mr. Odom was in training when the other members were sworn. Mr. Weber also discussed Mr. Gillespie and Mr. Brassington. Mr. Weber requested that Mr. Gillespie and Mr. Brassington to be approved for retirement effective immediately. He believed what was done for Mr. Odom should be considered for everyone who

hired in prior to 1996 to be fair and equitable.

Karen Williams reported that Applicant #2018 – P0619 had seen the medical director. The disability subcommittee is waiting for the medical report.

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There were no requests for Non-Duty Disability Retirements.

Karen Williams announced the following upcoming Training and Education for trustees:

ACG Joint Meeting and Education, August 21, 2018
ACG Education Forum, September 12, 2018
MAPERS 2018 Fall Conference, September 22-25, 2018

There were no members to excuse.

The Police and Fire Retirement System Board agreed to move the discussion for the Retirement Board Legal Counsel to the Joint meeting.

Karen Williams reported that two duty disability retirees' pension were withheld until they submitted their annual outside income certification. Ms. Williams reported that both retirees submitted their forms and have received their pension checks.

Karen Williams reported that the disability subcommittee was scheduled to meet to discuss the Medical Doctor RFP.

The Police and Fire Retirement System Board recessed to allow the disability subcommittee to meet regarding the medical director RFP.

The Police and Fire Board recessed at 9:21 a.m.

The Police and Fire Board resumed at 9:23 a.m.

Karen Williams reported that the disability subcommittee had met and had a recommendation for the Police and Fire Retirement Board.

It was moved by Trustee Good and supported by Trustee Christopher Wilcox to maintain the current contract with Dr. Roth.

Adopted by the following vote: 7 – 0.

Trustee Wood inquired about the length of the current contract.

Attorney Ken Lane indicated the contract is open-ended and allows either party to terminate with 30-day notice. There will be a letter sent to MMRO regarding the

Board's decision.

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

It was moved by Trustee Fabus and supported by Trustee Ryan Wilcox to adjourn the meeting.

Adopted by the following vote; 7 -0.

The meeting adjourned at 9:28 a.m.

Minutes approved on _____

Angela Bennett, Secretary
Police & Fire Retirement System

Eric Wohlfert, Chairperson
Police & Fire Retirement System