

# CITY OF LANSING POLICE AND FIRE RETIREMENT SYSTEM MEETING MINUTES

Meeting Minutes  
10<sup>th</sup> Floor Conference Room

September 13, 2022  
Tuesday, 8:30 a.m.

The meeting was called to order at 8:30 a.m. - Police and Fire Retirement System

Present: Trustee: Moore, Schor, Taylor, C. Wilcox, R. Wilcox, Wohlfert, Wood – 7  
Absent: Excused: Kirkland

Others present: Karen Williams, Evangelina Hernandez, Human Resources Department, Jeffrey Scharnowske, Finance Department, Attorney Joseph Abood, City Attorney's Office; Attorney Aaron Castle, VanOverbeke, Michaud & Timmony, P.C.; George Tarlas, Asset Consulting Group.

It was moved by Trustee R. Wilcox and supported by C. Wilcox to approve the Official Joint Minutes of the Employees' Retirement System and the Police and Fire Retirement System Boards meeting of August 16, 2022.

Adopted by the following vote: 7 - 0

There were no public comments for items on the agenda.

## Secretary's Report:

0 new sworn fire member(s), 0 new sworn police members, 0 reinstatement(s), 0 refund(s), 0 transfers, 0 retired. Total active membership: 366. 0 death(s). Refunds made since the last regular meeting amounted to \$0 Reimbursements to the System year-to-date amount to \$0. Retirement allowances paid for the month of August 2022 amounted to \$2,889,950.55 Total retirement checks printed for the P&F System: 758. Total retirement checks printed for both systems: 1705. Domestic relations order received: 0. Domestic relations orders pending: 0. Eligible Domestic Relations Order Certified: 0

Ms. Williams reported that the Board stated at an earlier meeting that Conversions be reported during the Regular Age and Service Retirement section, so the board is notified when retirees convert.

John E. Lindsey (Fire – IAFF) 25 years of service credits, age 55 effective 8/1/2022, (Hire Date 6/9/1997, No Sworn date) – Conversion to Age and Service from Duty Disability

Robert L. Tucker (Police – CCLP Non-Supervisory) 25 years of service credits, age 51, effective 9/1/2022 (Hire Date: 8/10/1997, No Sworn date) – Conversion to Age and Service from Duty Disability

Trustee Wohlfert inquired if the Board needed to vote for the conversions.

Ms. Williams reported that the Police and Fire Retirement Ordinance indicated that the duty disability retirees would automatically convert upon reaching eligibility, so there was no requirement to approve or vote.

Ms. Williams reported that letters was sent to applicant's #2022-P0719 and #2202-F0720. The Retirement Office has received their medical release form and are awaiting medical records from the City of Lansing. Upon receipt of those documents, we will schedule appointments for the applicant's to be seen by the Medical Director.

Trustee Wohlfert indicated that he received an email request by an employee who wanted to apply for nonduty disability.

Ms. Williams reported that she provided the employee was sent an application to apply for disability under the new process.

Attorney Castle reported that the applicant must fill out an application, so we a record of his request and more information on him and return back to us.

Trustee Wood inquired if there was of timeline of 30, 60 or 90 days for the information to be returned to us.

Attorney Castle responded that there is no timeline, and that an employee could change their mind and not apply at all or come back 6 months later.

There are no Request for Non-Duty retirements.

Ms. Williams reported the following requests for refunds of accumulated contributions:

De'Jeeiare David, Police, not vested, \$18,254.53  
Jacob Marckini, Police, not vested, \$19,246.44

It was moved by Trustee R. Wilcox and supported by Trustee Moore to approve these requests for refund of accumulated contributions for Mr. De'Jeeiare David and Mr. Jacob Marckini.

Adopted by the following vote: 7 - 0

Ms. Williams reported that the 3<sup>rd</sup> Annual Michigan Institutional Forum, a 1-Day Seminar, October 6, 2022, that Trustee Kirkland would be attending and interested trustees could still register.

Ms. Williams reported for the ABS 2022 Annual Conference has yet to be voted on and that is why it is on the agenda. Ms. Williams reported that there are 2 to 3 members interested in attending.

It was moved by Trustee R. Wilcox and support by Trustee C. Wilcox to approve the following for the ABS 2022 Annual Conference.

Adopted by the following vote: 7 - 0

Ms. Williams reported that for those attending the upcoming conferences for Mapers, NCPERS and IFEBP should have received information. Trustees who have not received registration materials should reach out to Ms. Hernandez.

There were no comments for items not on the agenda.

Ms. Williams reported that she has invoices from Tegrit and IFEBP annual membership dues. The Police and Fire Retirement System splits the cost of the Tegrit fees and the IFEBP membership dues with the Employees Retirement System.

It was moved by Trustee R. Wilcox and support by Trustee C. Wilcox to approve the Police and Fire Retirement System Board invoices for September.

Adopted by the following vote: 7 - 0

Ms. Williams reported that she received a letter from Mr. Robert Tucker and distributed to Police and Fire Retirement Board. Ms. Williams provided the letter to the chairperson and legal counsel prior to the Board meeting. Mr. Tucker requested a review of the rates at which his pension was converted from duty disability to age and service retirement. Ms. Williams reported that she provided documentation to Mr. Tucker, the section of the Police and Fire Ordinance regarding conversion and the rates that were used for his conversion. Ms. Williams reported that there are monthly salary rates and they do change annually. Ms. Williams reported that she mailed to Mr. Tucker salary tables from 2012 to the present. Mr. Tucker has also requested bargaining agreements from 2009 to the present.

Trustee Wood reported that she too, also received that letter from Mr. Tucker. Trustee Wood recommended that the contracts are public information and that those documents should be sent to Mr. Tucker. Trustee Wood recommended that Attorney Castle to review the information and send a letter on behalf of the Police and Fire Retirement System Board. Trustee Wood indicated that the Board cannot make calculated changes that are not based within the contracts.

It was moved by Trustee Wood and supported by Trustee R. Wilcox to send requested contracts and have legal counsel review Mr. Tucker's letter and information and reply on behalf of the Police and Fire Retirement System Board.

Adopted by the following vote: 7 - 0

Ms. Williams reported the Mr. Anderson has requested purchase service credits and that is enclosed in the Police and Fire Retirement packet. Ms. Williams reported that Mr. Anderson initially contacted her in July 2022, but that he is now separated from the City of Lansing and have asked if he could still purchase service credits. Ms. Williams reported that Mr. Anderson never returned the military purchase request form and fee.

Mr. Anderson communicated to Ms. Williams that he contacted his union, and they informed him that he could not purchase service credits. Mr. Anderson stated that he spoke to someone else who said he could in fact purchase service credits.

Mr. Anderson has requested from the board to evaluate his request since he was provided conflicting information prior to his separation from the City of Lansing.

Attorney Castle reported that Ms. Williams did email him regarding Mr. Anderson's request. Mr. Anderson may have submitted his request for purchase of service credits while actively employed by the City of Lansing. Mr. Anderson did not complete the form at the time, but the Retirement Office does have some written communication from him that he wanted to purchase service credits while still employed with the City of Lansing.

Attorney Castle said, he would like to review the information further and give a formal opinion before making a recommendation to the board at the next meeting.

Ms. Williams reported that Mr. Anderson had eight years of service credits but wanted to purchase two years to vest into the Police and Fire Retirement system. The Board's Policies and Ordinance states that 5 years of service credits is required.

It was moved by Trustee Wood and supported by Trustee Moore to approve to table Mr. Anderson's request until the next meeting.

Adopted by the following vote: 7 - 0

Ms. Williams reported they received a recommendation from Mr. Patrick Miller, ACG for the Quarterly Cashflow and to transferring \$4 million from T. Rowe Price and \$3 million from Integrity and \$2 million from Blackrock to the Board's Comerica accounts.

It was moved by Trustee Wood and supported by Trustee Taylor to approve the Quarterly Cashflow as recommended by Asset Consulting Group to transfer \$4 million from T. Rowe Price and \$3 million from Integrity and \$2 million from Blackrock to the Board's Comerica accounts.

Adopted by the following vote: 7 - 0

Ms. Williams report that Mr. Larry Fumarolo, the Board's banking manager has left Northern Trust Bank Company and in the interim Claudiu Besoaga has been filling in until Northern Trust assigns a permanent replacement.

Ms. Williams reported that she has informed Mr. Besoaga of the request that the Police and Fire Retirement System would like to submit employee and employer contributions to Northern Trust Bank and for the bank to pay invoices. Mr. Claudiu Besoaga explained how contributions would come from the City of Lansing and the administrative and investment expenses could be paid through Northern Trust Bank.

Mr. Claudiu Besoaga provided an email for employee contributions, in which there would be no fee. However, there is a \$10.00 fee for wire payments per invoice. Ms. Williams reported that there is no fee for ACH checks. Mr. Claudiu Besoaga informed her that the City of Lansing would have to set up this online process with Northern Trust Bank.

Ms. Williams reported that the process for (WCM) Web Cash Movements (transfers) were done by a LOD "Letter of Direction" written by ACG and sent to the board's chairperson to be signed and approved. Then sent to Northern Trust Bank. Northern Trust Bank would be charging a fee of \$100.00 for each transfer. The fee of \$100.00 can be avoided by setting up an online account for (WCM) Web Cash Movements for secured trades and transfers.

Ms. Williams reported that the City of Lansing's Retirement Boards were not set up for (WCM) Web Cash Movement (transfers). The board can avoid fees if we set up an online banking account and designate a person who has authority to initiate the request for these transfers and designate a board trustee to approve and authorize the initial transfer on behalf of the Retirement Boards.

Trustee Wohlfert inquired if the online banking of this type of process is common with other retirement boards?

Mr. George Tarlas answered, that online banking for institutions and retirement plan is more prevalent now.

Attorney Aaron Castle reported that the board must assigned a designated person to do these requests these transfers and another person to be assigned to authorizer of any Web Cash Movements (transfers). Prior to transaction, the information would be presented to Police and Fire Retirement board for review and approval, then the transaction could be submitted online.

Trustee. Wood stated that she would like to recommend Ms. Karen Williams, Department of Human Resources, Retirement Analyst as the designated requester for the Web Cash Movement (transfers) online transaction and send the request to the Police and Fire Retirement board chair Eric Wohlfert for approval.

Ms. Williams also recommended we have a backup or second person to approve transactions.

Trustee Wood stated the Board approves cash flow transaction every six months to a year. Ms. Wood commented the whole purpose of having Northern Trust Bank collect contributions and pay invoices was to get away from the Finance Department to have that responsibility. Trustee Wood said, it makes better sense to assign the backup person for approving the transaction be the Vice Chair.

Trustee Wohlfert asked if the Retirement Board is being charged a fee of \$10.00 per invoice by the City of Lansing, Finance Department for paying invoices?

Mr. Jeffrey Scharnowske responded that the Board's invoices are paid by check and therefore, no fees.

It was moved by Trustee C. Wilcox and support by Trustee Wood to approve the Northern Trust Bank, (WCM) Web Cash Movement online banking system, with Ms. Karen Williams as the requestor and Eric Wohlfert and Ryan Wilcox as approvers.

Adopted by the following vote: 7 - 0

Ms. Williams updated the Police and Fire Retirement System regarding an estimate of additional hours that the Board could purchase for the software updates. Tegrit indicated that the annual hours allocated for the contract should be enough to update the software. Tegrit also provided an estimate of 248 additional hours for the death audit process, adding the mortality tables and Fire contract changes. The death audit and mortality table hours could be split between both Boards. The Police contracts are not included in the estimate.

Ms. Williams stated that Tegrit contract provides 160 hours as an annual base. Tegrit stated in a previous meeting that the base amount would be used to bring the benefit calculator and software up to date.

The Board discussed the cost of the additional hours at \$140 that would expire at the end of the year of this year, December 31, 2022.

It was moved by Trustee R. Wilcox and supported by Trustee C. Wilcox to approve the purchase of 400 additional hours from Tegrit at the reduced cost of \$140 per hour for the Police and Fire Retirement.

Adopted by the following vote: 7 - 0

Ms. Williams distributed the Public Meeting Notice for 2023 for review and approval. She also provided the 2023 Annual Conferences for MAPERS, IFEBP and NCPERS schedules.

It was moved by Trustee Wood and support by Trustee R. Wilcox to approve the 2023 Public Meeting schedule.

Adopted by the following vote: 7 - 0

Ms. Williams distributed a memo draft for the posting of the General Election for the Police Trustee, whose term expires December 31, 2022. Enclosed is a draft of memo for review, approval, and the Elections Rules.

Ms. Williams reported that the petitions will be available October 17, 2022, and would be due by November 17<sup>th</sup>, 2022, at 4:00 p.m. Ms. Williams reported because we have electronic voting, she would like to request that the board waive the 4-day waiting period to vote.

Ms. Williams reported, the Primary Election, if needed would be December 1, 2022, and General Election, if needed would be December 8, 2022.

Trustee Wood reported that it is her understanding that information that is a part of Board's policy for Actuary Report is due June 30<sup>th</sup> but has yet to be turned over by the Finance Department.

Ms. Williams reported that the demographics information of the Actuary Report for June 30<sup>th</sup> was provided to Boomershine Consulting Group.

Mr. Jeff Scharnowske indicated that he was late in turning over the information and informed Trustee Wood that the last report had been turned over yesterday, September 12, 2022.

Trustee Schor indicated that he was not aware that the information had not been submitted and inquired if the Actuary Report had made an official notification to the Board?

Trustee. Wood pointed out that the date of June 30<sup>th</sup>, was discussed with the Finance Department and both boards agreed and approved the policy for this date.

Mr. Jeff Scharnowske reported that due to staff turnover and having to train the person for that position caused some delays. Finance still does not have access to 16 of the 24 of those accounts.

It was moved by Trustee R. Wilcox and supported by Trustee C. Wilcox to give access to Mr. Jeff Scharnowske as Read Only to the Police and Fire Retirement System Board investment accounts.

Adopted by the following vote: 7 -0

Mr. George Tarlas reviewed the Police and Fire Retirement System Monthly Investment report for the period ending August 31, 2022.

It was moved by Trustee R. Wilcox and support by Trustee Moore to adjourn the September Police and Fire Retirement System Board meeting:

Adopted by the following vote: 7 – 0.

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September 13, 2022  
Tuesday, 8:30 a.m.

The Meeting adjourned at 9:25 a.m.

Minutes approved on 10/18/2022

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*Desiree Kirkland, Secretary  
Police & Fire Retirement System*

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*Eric P. Wohlfert, Chairperson  
Police & Fire Retirement System*