

**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

May 20, 2010
Tuesday, 8:30 a.m.

The Board met in regular session and was called to order at 8:37 a.m.

Present: Trustees Fabus, Hecksel, Kraus, Oleson, Wood – 5.
Absent: Trustee Benson, Bernero, St. Aubin

Others: Karen E. Williams, Finance Department; Attorney Ken Lane, Clark Hill Law Office (representing the Law Department).

Trustee Oleson presided over the meeting.

It was moved by Trustee Wood and supported by Trustee Kraus to approve the Official Minutes of the Police and Fire Retirement System Board Meeting of April 20, 2010.

Adopted by the following vote: 5 – 0.

It was moved by Trustee Kraus and supported by Trustee Hecksel to approve the Official Minutes of the Police and Fire Retirement System Board Meeting of April 28, 2010.

Adopted by the following vote: 5 - 0.

Secretary's Report.

0 new fire member(s), 0 new police members, 0 reinstatement(s), 0 refund(s), 0 transfers, 2 retired. Total: Active membership: 465. 0 death(s). Refunds made since the last regular meeting amounted to \$ 0.00. Retirement allowances paid for the month of April, 2010 amounted to \$1,860,548.71. Total retirement checks printed for the P&F System: 638. Total retirement checks printed for both systems: 1449. Domestic relations order received: 0. Domestic relations orders pending: 0. Eligible domestic relations orders certified: 0.

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It was moved by Trustee Fabus and supported by Trustee Hecksel to approve the application for Regular Age and Service Retirement:

Jeffrey D. Hudak, Police Department, 25 year of service, age 50, effective May 15, 2010.

Adopted by the following vote: 5 – 0.

Karen Williams updated the Board regarding the Requests for Duty Disability. Ms. Williams spoke with Dr. Roth regarding the concerns about the information sent to the Medical Director for his review. Dr. Roth informed the Retirement Office that he will review any submitted material that the Board deems appropriate.

Trustee Hecksel inquired if Dr. Roth provided any indication that he wanted the Board's explanation of why certain materials was submitted to the medical director. Trustee Hecksel believed that it was a part of due diligence to provide an explanation of submitted material. Trustee Wood suggested that Dr. Roth attend the next meeting to discuss with the Board's policy and the thought process for submitting material to the medical director.

It was moved by Trustee Wood and supported by Trustee Hecksel to have Dr. Roth attend the next meeting.

Adopted by the following vote: 5 - 0.

Trustee Hecksel requested an update regarding applicant 2009-F1020 because he was informed from the union that the applicant was having difficulty obtaining an appointment. Karen Williams spoke with the applicant and scheduled an appointment at the University of Michigan Anxiety Clinic to see a psychiatrist. Trustee Hecksel suggested contacting Michigan State University for recommendations of a psychiatrist that treat mental health issues.

Karen Williams informed the Board that applicant 2009-F1020 has requested a copy of Dr. Roth's report. The Board agreed that releasing the medical director's evaluation prior to the Board determination was not appropriate. Trustee Wood suggested that the Board discuss with Dr. Roth, the rationale regarding the submitted material and suggestions for a local mental health doctor.

Ms. Williams updated the Board that all applicants had been contacted by letter regarding submitting information for the medical director's review.

There were no requests for Refund of Accumulated Contributions.

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It was moved by Trustee Wood and supported by Trustee Hecksel to excuse Trustee Brad St. Aubin from the Police and Fire Retirement System meeting.

Adopted by the following vote: 5 - 0.

Karen Williams distributed information regarding MAPERS Spring Conference at Soaring Eagle in Mt. Pleasant, Michigan, May 23 – May 25.

Trustee Kraus updated the Board regarding the Request for Proposal for Actuarial Services. The proposal was given to the Purchasing Division to distribute. Trustee Kraus was waiting for responses.

Attorney Kenneth Lane updated the Board regarding the Fraud Monitoring/Securities Litigation firms. Attorney Lane has been reviewing the contract documents for the two selected firms. Attorney Lane advised the Board that the three firms would store the Board's income information sent by Asset Consulting Group electronically.

Trustee Wood requested information regarding their security system and their liability if their computer system is hacked.

It was moved by Trustee Wood and supported by Trustee Hecksel to have a written document regarding precautions, and security of the Fraud Monitoring Firms to protect the sensitive information provided by the Board.

Adopted by the following vote: 5 - 0.

Karen Williams updated the Board regarding the Income Verification for Duty Disability retirees. Ms. Williams reviewed the Board's Policy for reporting of income for the previous year. There were retirees who had not reported as of April 30, 2010. These retirees would receive a second letter and if they did not comply, their names would be brought before the Board for pension adjustments.

Trustee Hecksel reported that the Investment Subcommittee met regarding replacement of BlackRock. The investment subcommittee interviewed several applicants and committee suggested TRowe Price to replace Black Rock.

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It was moved by Trustee Hecksel and supported by Trustee Wood to select T Rowe Price to replace Black Rock Investment, pursuant to legal review of the contract documents.

Adopted by the following vote: 5 - 0.

The Retirement Office requested the Board's direction regarding a media contact for investment decision information. The Board agreed that Trustee Kraus would be the contact for media requests.

Trustee Wood reported to the Board that actuarial evaluation would need to be completed regarding contract employees who return to work after leaving under the Targeted Retirement Incentive. These contract employees would have their pensions suspended. Attorney Kenneth Lane advised that under Public Act 314, a supplemental evaluation is needed when changes affect a retiree or the retirement system.

Trustee Wood requested a timeline for the Qualified Plan Documents and the Ordinance review. Trustee Wood recommended that Clark Hill provide a clean copy of the Ordinance. Trustee Wood will meet with representatives from the Police and Fire Union, and the City Attorney's office to update the Ordinance.

Karen Williams talked with Asset Consulting Group regarding Pension Software suggestions. Trustee Wood suggested members who are going to MAPERS to inquire with other municipalities regarding their software.

The meeting adjourned at 10:01 am.

Minutes approved on _____

Jerry Ambrose, Secretary
Police & Fire Retirement System

Brad St. Aubin Chairperson
Police & Fire Retirement