

MEETING NO. 3196
JOURNAL OF PROCEEDINGS
BOARD OF TRUSTEES OF THE POLICE AND FIRE RETIREMENT SYSTEM
OF THE CITY OF DETROIT
HELD THURSDAY, MAY 17, 2018

09:00 A.M.
RETIREMENT SYSTEMS' CONFERENCE ROOM
ALLY DETROIT CENTER, 500 WOODWARD; SUITE 3000
DETROIT, MICHIGAN 48226

TRUSTEES PRESENT

MARK DIAZ	ELECTED TRUSTEE/POLICE
JOSEPH ENGLISH	ELECTED TRUSTEE/FIRE
MATTHEW GNATEK	ELECTED TRUSTEE/POLICE
ANGELA R. JAMES	EX/OFFICIO RETIRANT TRUSTEE/POLICE/MAYOR'S DESIGNEE
BRENDA JONES	EX/OFFICIO TRUSTEE/CITY COUNCIL PRESIDENT
CHRISTA MCLELLAN	EX/OFFICIO TRUSTEE/TREASURER
MEGAN S. MOSLIMANI	EX/OFFICIO TRUSTEE/CORPORATION COUNSEL'S ALTERNATE
JOHN NAGLICK	EX/OFFICIO TRUSTEE/FINANCE DIRECTOR
JEFFREY PEGG	ELECTED TRUSTEE/FIRE/VICE CHAIRMAN
PORTIA ROBERSON	EX/OFFICIO TRUSTEE/MAYOR'S ALTERNATE
JOHN SERDA	ELECTED TRUSTEE/POLICE/CHAIRPERSON
GREGORY TROZAK	ELECTED RETIRANT TRUSTEE/POLICE
JOHN G. TUCKER	ELECTED RETIRANT TRUSTEE/FIRE
STEVEN WATSON	EX/OFFICIO TRUSTEE/DIRECTOR OF SPECIAL PROJECTS-OFFICE OF CHIEF FINANCIAL OFFICER/BUDGET DIRECTOR'S DESIGNEE

TRUSTEES EXCUSED

SHAWN BATTLE	EX/OFFICIO TRUSTEE/FIRE PREVENTION CHIEF/MAYOR'S DESIGNEE
SEAN P. NEARY	ELECTED TRUSTEE/FIRE

TRUSTEES ABSENT

None

ALSO PRESENT

David Cetlinski	Executive Director
Kelly Tapper	Assistant Executive Director
Ryan Bigelow	Chief Investment Officer
Kevin Kenneally	Investment Officer
Ronald King	General Counsel
Bruce Babiarz	Public Relations Advisor
Dr. Oscar King III	Lobbyist
TaKneisha Johnson	Administrative Assistant III

STAFF EXCUSED

None

CHAIRPERSON

John Serda

The Board's Administrative Assistant took a verbal Roll Call at 09:05 a.m. and Chairperson Serda called the meeting to order.

Present at Roll Call: Mark Diaz, Joseph English, Matthew Gnatek, Christa McIellan, John Naglick, Jeffrey Pegg, Gregory Trozak, John Tucker, and John Serda.

Re: Approval of May 17, 2018 Agenda

Jeffrey Pegg moved to approve the agenda dated Thursday, May 17, 2018 with the change of time for the legal discussion. John Tucker supported. The motion passed unanimously.

Re: Approval of DROP Retirement Applications

Mark Diaz moved to approve the **DROP Retirements** as listed below. Gregory Trozak supported. The motion passed unanimously.

NAME-TITLE-DEPARTMENT:	DANYEL COX – OFFICER - POLICE
RETIREMENT TYPE-PLAN:	DROP - NEW
SERVICE CREDIT-EFFECTIVE DATE:	16 02 04 – 04 27 18

Re: Approval of HYBRID Retirement Applications

Gregory Trozak moved to approve the **HYBRID Retirements** as listed below. Joseph English supported. The motion passed unanimously.

NAME-TITLE-DEPARTMENT:	ELVIS JOHNSON – SERGEANT - FIRE
RETIREMENT TYPE-PLAN:	HYBRID DROP – 2014 PLAN
SERVICE CREDIT-EFFECTIVE DATE:	03 04 00 – 10 20 17

Re: Approval of Retirement Applications

Gregory Trozak moved to approve the **Retirements** as listed below. Joseph English supported. The motion passed unanimously.

NAME-TITLE-DEPARTMENT: EUGENE BROWN – SERGEANT - POLICE
RETIREMENT TYPE-PLAN: VESTED - NEW
SERVICE CREDIT-EFFECTIVE DATE: 18 11 10 – 05 24 18

NAME-TITLE-DEPARTMENT: MICHAEL W HALVORSON – OFFICER - POLICE
RETIREMENT TYPE-PLAN: SERVICE - NEW
SERVICE CREDIT-EFFECTIVE DATE: 17 01 19 – 04 21 18

RECEIPTS: The Board received the following receipts for Acknowledgment:

Doc. Date	Module	Tran. Type	Doc. Nbr.	Description	R/C Bus. Acct.	Begin. Balance	Receipt
5/4/2018				Hybrid Pension Contribution 5/4/18			94,285.96
5/11/2018				Hybrid Pension Contribution 5/11/18			259,782.76
							<u>354,068.72</u>

Doc. Date	Module	Tran. Type	Doc. Nbr.	Description	R/C Bus. Acct.	Begin. Balance	Receipt
5/4/2018				Loan Program ded 4/27/18			126,883.54
5/11/2018				Loan Program ded 5/4/18			51,198.94
							<u>178,082.48</u>

Total Receipts 532,151.2

Re: Approval of Disbursements

Mark Diaz moved to approve the **Disbursement List** as outlined below; *with the exception of the Clark Hill legal invoices until such time they may be properly vetted*. Joseph English supported. The motion passed unanimously.

Disbursements

Page: 1 of 2
 Date: 5/16/2018 1:40 PM

Account	Payment Method	Currency			
F ACCT PAY	ACH	US			
Vendor Name	Invoice Number	Invoice Description	Amount To Pay		
500 WEBWARD LLC	868159	Electrical Billing: 3/28/18-4/27/18, Meter #16055044	674.43		
500 WEBWARD LLC	868160	Electrical Billing: 3/28/18-4/27/18, Meter #16055070	796.82		
500 WEBWARD LLC	53597	Office Maintenance	329.55		
500 WEBWARD LLC	53977	Rent - May 2018	23,765.04		
CLARK HILL, PLC	770164	Alamerica Bank for February 2018	299.63		
CLARK HILL, PLC	770165	General Counsel Services for February 2018	26,190.40		
CLARK HILL, PLC	770166	Gregory Davis for February 2018	2,006.85		
CLARK HILL, PLC	770167	North Point Advisors for February 2018	3,304.50		
CLARK HILL, PLC	770168	CTPF Book Cadillac for February 2018	36,314.55		
CLARK HILL, PLC	770169	Wolverine Pipeline Company for February 2018	359.55		
CLARK HILL, PLC	771721	Onyx Capital Litigation for March 2018	314.50		
CLARK HILL, PLC	771723	General Counsel Services for March 2018	26,317.00		
CLARK HILL, PLC	771724	Chapter 9 Compliance & Implementation for March 2018	158.10		
CLARK HILL, PLC	771725	Gregory Davis for March 2018	875.50		
CLARK HILL, PLC	771726	North Point Advisors for March 2018	289.85		
CLARK HILL, PLC	771727	CTPF Book Cadillac for March 2018	24,848.90		
CLARK HILL, PLC	771728	Combined Plan for March 2018	210.80		
CLARK HILL, PLC	771730	Mesirow Fin'l Real Estate Value Fund III for March 2018	1,892.10		
CLARK HILL, PLC	771731	Linda Stirling for March 2018	1,785.00		
Cogent Communications, Inc.	050118	Internet Service	1,038.34		
MELLON CAPITAL MANAGEMENT	20170630-1312-A	Management Fees - 2nd Qtr '17	43,545.30		
MELLON CAPITAL MANAGEMENT	20170930-1312-A	Management Fees - 3rd Qtr '17	45,606.14		
MELLON CAPITAL MANAGEMENT	20171231-1312-A	Management Fees - 4th Qtr '17	46,772.75		
MELLON CAPITAL MANAGEMENT	20180226-1312-A	Management Fees - 1st Qtr '18 (thru 2/28/18)	29,261.32		
Open Text, Inc.	RC279138	Imaging Software	12,231.27		
UHY Advisors MI, Inc.	1252460	Professional Accounting Services for April 2018	18,965.63		
Bridgett Hardy	043018BH	IT Contractual Wages - April 2018	5,483.68		
James R. Hollins	043018JH	IT Contractual Wages - April 2018	4,315.39		
Raymond R. Tchou	043018RT	IT Contractual Wages - April 2018	5,666.68		
Scott D. Vrooman	043018SV	IT Contractual Wages - April 2018	1,755.00		

Re: Approval of Disbursements -Continued

F ACCT PAY ACH US			
Vendor Name	Invoice Number	Invoice Description	Amount To Pay
Venkat Rallapalli / Highbrow Systems, Inc.	043018VR	IT Contractual Wages - April 2018	6,612.85
Cash Account/Payment Method Total:		31 Documents	371,987.42

F ACCT PAY CHECK US			
Vendor Name	Invoice Number	Invoice Description	Amount To Pay
BAB ASSOCIATES, LLC	2018-044	Media Consultant - April 2018	2,997.70
BASSETT & BASSETT	14964	Web Development - March 2018	113.85
BLOOMBERG FINANCE LP	5604362815	Bloomberg Anywhere 4/21/18-7/20/18	5,625.00
BLOOMBERG FINANCE LP	5604362787	Computer Equipment	53.00
CINTAS CORPORATION-300	300240156	Floor Mats	80.71
COMCAST	041718	High Speed Internet	177.44
CREATIVE BREAKTHROUGHS INC	1198881	Software Maintenance	10,400.00
DIRECTV	34055492517	Service Charges 4/23/18-5/22/18	35.50
FEDEX	112800005251	FedEx Printing	317.08
FEDEX	6-161-63566	FedEx Mailings	37.34
First CHOICE Coffee Services	548498	Equipment Rental	11.13
First CHOICE Coffee Services	550152	Coffee Supplies	52.95
HARLAND TECHNOLOGY SERVICE	14255820	Toner Supplies	1,746.00
INT'L FOUNDATION OF EMPLOYEE BEN	INV-486267-Z4N8C3	New Job Posting	120.00
IRON MOUNTAIN	149830	Data Domain Service	1,688.50
Iron Mountain Records Management	PVH8107	Shredding Service Charges	289.68
Iron Mountain Records Management	PYC6290	Shredding Service Charges	100.11
Iron Mountain Records Management	AARU306	Records Storage	2,066.05
KELLEY CAWTHORNE	9166	Lobbyist Services for May 2018	7,500.00
OFFICE DEPOT	124589486001	Office Supplies	32.50
QUILL CORPORATION	6556726	Office Supplies	209.19
QUILL CORPORATION	6585935	Office Supplies	28.29
RACINE & ASSOCIATES	12309	DPF v. Paramount 4/1/18-4/30/18	4,760.80
Revize LLC	6369	Website Design	7,035.00
SHRED-IT USA	8124593297	Shredding Service Charges	49.73
WELLS FARGO VENDOR FINANCIAL SVCS, LLC	100476650	Printer Maintenance	129.11
Cash Account/Payment Method Total:		26 Documents	45,656.66

* Payment amount is estimated based on the effective date 5/16/2018

- **Public Relations Consultant Bruce Babiarz entered the Boardroom at 09:11 a.m.**

Re: Approval of Refunds (Accumulated Contributions)

Jeffrey Pegg moved to approve the **Refunds/Accumulated Contributions** as outlined below. Mark Diaz supported. The motion passed unanimously.

LIST NUMBER 3735 - \$642,302.32

LIST NUMBER 3736 - \$233,969.54

Re: Approval of the Frozen Defined Contribution Plan/ Employee Loan Program

Mark Diaz moved to approve the **Frozen Defined Contribution Plan/ Employee Loan Program** as outlined below. John Tucker supported. The motion passed unanimously.

LIST #1 5/10/2018 – \$146,447.00

LIST #2 5/17/2018 – \$59,605.00

Re: Approval of Minutes/Journal of Proceedings No. 3192 – (04/19/18)

Jeffrey Pegg moved to approve the **Minutes/Journal of Proceedings No. 3192 (04/19/2018)** Matthew Gnatek supported. The motion passed unanimously.

ASSISTANT EXECUTIVE DIRECTOR'S REPORT

Assistant Executive Director, **Kelly Tapper**, addressed the following with the Board of Trustees:

- Estimate Disclaimer
- Orlando Potts Appeal

- *Trustee Megan Moslimani entered the Boardroom at 09:22 a.m.*
- *Trustee Steven Watson entered the Boardroom at 09:24 a.m.*
- *Lobbyist Dr. Oscar King III entered the Boardroom at 9:33 a.m.*
- *Trustee Portia Roberson entered the Boardroom at 09:35 a.m.*

CHIEF INVESTMENT OFFICER'S REPORT

Chief Investment Officer **Ryan Bigelow**, had no formal report, but discussed the following with the Board:

- Police and Fire Investment Committee Telephonic meeting is scheduled for **Monday May 21st, 2018**
 - *The Investment Committee wants to know more regarding the engagement process for management firms.*

- *Trustee Brenda Jones entered the Boardroom at 09:43 a.m.*

PUBLIC RELATIONS ADVISOR REPORT

Public Relations Advisor, **Bruce Babiarz**, discussed the following matters with the Board:

- Bloomberg Freedom of Information Act/ FOIA request
- Freedom of Information Act/ FOIA Policy
- Christine Ferretti inquiry regarding pension fund's year end/overall performance
- Robert Snell of the Detroit News is inquiring about the Voluntary Employee Beneficiaries Association /VEBA Board make-up
- PR Consultant Bruce Babiarz is stepping down as the Detroit Athletic Club Chairperson but accepting a new position as the head of the DAC Car Society.

LOBBYIST'S REPORT

Lobbyist, **Dr. Oscar King III**, discussed the following matters with the Board:

- Forty-two current legislative bills are all related to budgeting
- Michigan State University litigation/lawsuit settlement update
- Michigan Supreme Court granted a stay on Auditor certified minimum wage petition
- Senate/House of Representatives seat updates

GENERAL COUNSEL'S REPORT

General Counsel **Ronald King**, in addition to his formal legal report discussed the following matters with the Board:

- Chapter 9 Compliance (Item II in the legal report)
 - City of Detroit Annual Interim Reaffirmation pursuant to Section 2.4 of the Omnibus Transaction Agreement, dated May 15, 2018.
- Freedom of Information Act /FOIA Sherry
The Retirement System issued a 10-day extension notice to Mr. Sherry to PFRS's response to his FOIA Request dated April 26, 2018. Further response is being prepared.
- DRO/EDROS
 - Lawanda Lenard v. Derwin Lenard Case No. 17-852682-DM
 - Sylvester Hewston v. Maria Perkins Case No. 12-802736-DM

Re: Lawanda Lenard. v. Derwin Lenard, Case No.: 17-852682-DM
Oakland County Circuit for the State of Michigan, Pontiac, Michigan

Motion By: Trustee Diaz Supported By: Trustee Gnatek

WHEREAS, the Board of Trustees for the Police and Fire Retirement System for the City of Detroit ("Board") is in receipt of a Domestic Relations Order ("DRO") entered on May 15, 2018, which amends/supplements a Judgment of Divorce entered on January 12, 2018 wherein Alternate Payee **LAWANDA ARVETTE LENARD** is awarded certain rights to the duty disability benefits and retirement benefits of Participant **DERWIN ALLEN LENARD**, who is an active employee, and

WHEREAS, the Board has been informed that Participant **DERWIN ALLEN LENARD** is an active employee who is currently receiving duty disability benefits and is not receiving retirement benefits, and

WHEREAS, Participant has attained 25 years of service,

WHEREAS, the DRO awards the Alternate Payee **LAWANDA ARVETTE LENARD** a portion of the Participant's duty disability benefits, and

WHEREAS, the Alternate Payee **LAWANDA ARVETTE LENARD** **IS** entitled to claim a portion of the Participant's duty disability benefits, as set forth in the DRO and SUBJECT TO ALTERNATE PAYEE FILING AN APPLICATION FOR SAME, and

WHEREAS, upon conversion of Participant's duty disability benefits to service retirement benefits, the DRO awards the Alternate Payee **LAWANDA ARVETTE LENARD** a portion of the Participant's Component I Retirement Allowance, and

WHEREAS, upon conversion of Participant's duty disability benefits to service retirement benefits, the Alternate Payee **LAWANDA ARVETTE LENARD** **IS** entitled to claim a portion of the Participant's Component I Retirement Allowance, when the Participant is eligible to receive such benefits, as set forth in the DRO and SUBJECT TO ALTERNATE PAYEE FILING AN APPLICATION FOR SAME, and

WHEREAS, the DRO awards the Alternate Payee **LAWANDA ARVETTE LENARD** a distribution from the Participant's Component I Voluntary Employee Contributions, and

WHEREAS, the Alternate Payee **LAWANDA ARVETTE LENARD** **IS** entitled to claim a distribution from the Participant's Component I Voluntary Employee Contributions, as set forth in the DRO and SUBJECT TO ALTERNATE PAYEE FILING AN APPLICATION FOR SAME, and

Re: Lawanda Lenard. v. Derwin Lenard, Case No.: 17-852682-DM
Oakland County Circuit for the State of Michigan, Pontiac, Michigan

WHEREAS, upon conversion of Participant's duty disability benefits to service retirement benefits, the DRO awards the Alternate Payee **LAWANDA ARVETTE LENARD** a portion of the Participant's Component II Pension, and

WHEREAS, upon conversion of Participant's duty disability benefits to service retirement benefits, the Alternate Payee **LAWANDA ARVETTE LENARD IS** entitled to claim a portion of the Participant's Component II Pension, as set forth in the DRO and SUBJECT TO ALTERNATE PAYEE FILING AN APPLICATION FOR SAME, and

WHEREAS, the DRO awards the Alternate Payee **LAWANDA ARVETTE LENARD** a distribution from the Participant's Annuity Savings Fund, and

WHEREAS, the Alternate Payee **LAWANDA ARVETTE LENARD IS** entitled to claim a distribution from the Participant's Annuity Savings Fund, as set forth in the DRO and SUBJECT TO ALTERNATE PAYEE FILING AN APPLICATION FOR SAME, and

WHEREAS, the court order provides for the parties to share the cost of the actuary's fees, and

WHEREAS, the Board has been advised by General Counsel that the applicable terms of said court order are consistent with the provisions of the Retirement System and applicable law, including Public Act 46 of 1991, MCL 38.1701, *et seq.*, and Public Act 100 of 2002, MCL 38.1681, *et seq.*, as applicable,

RESOLVED, that this file be forwarded to the Board's actuary for calculation of the benefits to be paid to the Alternate Payee, and be it further

RESOLVED, that a copy of this resolution be added to the Participant's pension file, and other appropriate records be kept for the Retirement System relative to this matter, and be it further

RESOLVED, that copies of this resolution be sent to Alternate Payee LaWanda Arvette Lenard, Alternate Payee's legal counsel, Steven D. Richter, Participant Derwin Allen Lenard, and Participant's legal counsel, Donald G. McGuigan, II.

Yeas – Diaz, English, Gnatek, Jones, Moslimani, Mclellan, Naglick, Pegg, Roberson, Trozak, Tucker, Watson and Chairperson Serda - 13

Nays – None

**Re: Sylvester Hewston Jr. v. Maria Perkins, Case No.: 12-802736-DM
Oakland County Circuit for the State of Michigan, Pontiac, Michigan**

Motion By: Trustee Diaz Supported By: Trustee Gnatek

WHEREAS, the Board of Trustees for the Police and Fire Retirement System for the City of Detroit ("Board") is in receipt of an Eligible Domestic Relations Order ("EDRO") entered on May 9, 2018, which supplements a Judgment of Divorce entered on May 13, 2013, wherein Alternate Payee **MARIA PERKINS** is awarded certain rights to the retirement benefits of Participant **SYLVESTER HEWSTON, JR.**, who is an active employee, and

WHEREAS, the Board has been informed that Participant **SYLVESTER HEWSTON, JR.** is an active employee and is not receiving retirement benefits, and

WHEREAS, Participant has attained over 19 years of service credit, and

WHEREAS, the EDRO awards the Alternate Payee **MARIA PERKINS** fifty percent (50%) of the marital portion of the Participant's Component I Retirement Allowance, and

WHEREAS, the EDRO awards the Alternate Payee **MARIA PERKINS** a distribution equal to fifty percent (50%) of the Participant's Component I Voluntary Employee Contributions accumulated balance as of the division date, May 13, 2013, and

WHEREAS, because the division date of May 13, 2013, precedes the establishment of the Police and Fire Retirement System's Component I plan effective July 1, 2014, no Component I benefits are available to either the Participant or the Alternate Payee, and

WHEREAS, the EDRO awards the Alternate Payee **MARIA PERKINS** a portion of the Participant's Component II Pension, and

WHEREAS, the Alternate Payee **MARIA PERKINS** IS entitled to claim a portion of the Participant's Component II Pension when the Participant **SYLVESTER HEWSTON, JR.** is eligible to receive such benefits, as set forth in the EDRO and SUBJECT TO ALTERNATE PAYEE FILING AN APPLICATION FOR SAME, and

WHEREAS, the EDRO awards the Alternate Payee **MARIA PERKINS** a distribution of a portion of the Participant's Component II Annuity Savings Fund, and

WHEREAS, the Alternate Payee **MARIA PERKINS** IS entitled to claim a distribution of a portion of the Participant's Component II Annuity Savings Fund, when the Participant is eligible to receive such benefits, as set forth in the EDRO and SUBJECT TO ALTERNATE PAYEE FILING AN APPLICATION FOR SAME, and

Re: Sylvester Hewston Jr. v. Maria Perkins, Case No.: 12-802736-DM
Oakland County Circuit for the State of Michigan, Pontiac, Michigan- CONTINUED

WHEREAS, the court order provides for the parties to share the cost of the actuary's fees, and

WHEREAS, the Board has been advised by General Counsel that the applicable terms of said court order are consistent with the provisions of the Retirement System and applicable law, including Public Act 46 of 1991, MCL 38.1701, *et seq.*, and Public Act 100 of 2002, MCL 38.1681, *et seq.*, as applicable,

THEREFORE BE IT RESOLVED, that the Board acknowledges receipt of said court order and shall pay pension benefits consistent with said court order and this resolution SUBJECT TO APPLICATION BEING FILED BY THE PARTY SEEKING PAYMENT, and be it further

RESOLVED, that this file be forwarded to the Board's actuary for calculation of the benefits to be paid to the former spouse, and be it further

RESOLVED, that a copy of this resolution be added to the Participant's pension file, and other appropriate records be kept for the Retirement System relative to this matter, and be it further

RESOLVED, that copies of this resolution be sent to Alternate Payee Maria Perkins, Alternate Payee's legal counsel, Regina D. Jemison, and Participant Sylvester Hewston, Jr. *In Pro Per.*

Yeas – Diaz, English, Gnatek, Jones, Moslimani, Mclellan, Naglick, Pegg, Roberson, Trozak, Tucker, Watson and Chairperson Serda - 13

Nays – None

Re: Entering Into Closed Session

Resolution Moved By: Trustee Pegg – Supported By: Trustee Gnatek

WHEREAS, the Retirement System is subject to the limitation of the Open Meetings Act (“OMA”) being MCL 15.261 et seq. and has adopted a resolution on October 24, 2012 relative thereto; **THEREFORE BE IT**

RESOLVED, that the Board enters into Closed Session for the purpose of discussing Attorney-Client Privileged matters regarding pending litigation matters concerning Carpenter’s/Book Cadillac litigation and other legal matters deemed confidential by the Board’s General Counsel.

A Roll Call Vote was taken as follows:

Yeas – Diaz, English, Gnatek, Jones, Moslimani, Mclellan, Naglick, Pegg, Roberson, Trozak, Tucker, Watson and Chairperson Serda - 13

Nays – None

The Board entered into **Closed Session** at 10:00 a.m.

- *Trustee Angela James entered the Boardroom at 10:02 a.m.*
- *Trustee Brenda Jones excused herself from the Boardroom at 10:57 a.m.*

Re: Open Session

Resolution Moved By: Trustee Gnatek – Supported By: Trustee Diaz

RESOLVED, that the Board come out of Closed Session.

The Board returned to **Open Session** at 11:03 a.m.

- *Trustee Brenda Jones returned to the Boardroom at 11:05 a.m.*

Re: Pending Litigation Strategy

Mark Diaz moved to accept the litigation strategy as recommended by the Board's General Counsel regarding the Carpenter's/Book Cadillac litigation as discussed in closed session. Matthew Gnatek supported. The motion passed by vote as follows:

Yeas – Diaz, English, Gnatek, James, Jones, Moslimani, Mclellan, Naglick, Pegg, Roberson, Trozak, Tucker, Watson and Chairperson Serda - 14

Nays – None

Re: Legal Fees

Mark Diaz moved to accept General Counsel's recommendation and direction to proceed with legal fees with respect to Carpenter's/Book Cadillac Litigation as discussed in closed session. Matthew Gnatek supported. The motion passed by vote as follows:

Yeas – Diaz, English, Gnatek, James, Moslimani, Mclellan, Naglick, Trozak, Watson and Chairperson Serda - 10

Nays – Jones, Pegg, Roberson and Tucker - 4

Open Forum

Chairperson **John Serda** opened the meeting for public discussion:

City of Detroit Fire employee **Orlando Potts** addressed the Board regarding the following:

- Return to Work Denial Letter dated April 5, 2018.

Re: Entering Into Closed Session

Resolution Moved By: Trustee Diaz – Supported By: Trustee Gnatek

WHEREAS, the Retirement System is subject to the limitation of the Open Meetings Act (“OMA”) being MCL 15.261 et seq. and has adopted a resolution on October 24, 2012 relative thereto; **THEREFORE BE IT**

RESOLVED, that the Board enters into Closed Session for the purpose of discussing Attorney-Client Privileged matters regarding a medical/disability matter.

A Roll Call Vote was taken as follows:

Yeas – Diaz, English, Gnatek, James, Jones, Moslimani, Mclellan, Naglick, Pegg, Roberson, Trozak, Tucker, Watson and Chairperson Serda - 14

Nays – None

The Board entered into **Closed Session** at 11:22 a.m.

Re: Open Session

Resolution Moved By: Trustee Gnatek – Supported By: Trustee Diaz

RESOLVED, that the Board come out of Closed Session.

The Board returned to **Open Session** at 11:35 a.m.

The Board of Trustees will discuss and opine on the return to work appeal concerning Mr. Potts at a later date.

- ***Trustee Christa Mclellan excused herself from the Boardroom at 11:38 a.m.***
- ***Mesirow Advisors enters the Boardroom at 11:45 a.m.***

Presentation: Mesirow Financial Advisors

Mesirow Representatives Benjamin Blakney, Managing Director and Alasdair Cripps, Chief Executive Officer and Co-Chief Investment Officer addressed the following with the Board of Trustees:

- Mesirow Financial Institutional Real Estate Directive Investments Overview

~Mesirow Presentation concludes at 12:23 p.m. ~

- ***UHY Consultants enters the Boardroom at 12:40 p.m.***

Presentation: UHY Advisors

Representatives Cory McNeely and Cynthia Hannafey addressed the following with the Board of Trustees:

- Process and ERP Implementation and update.

~UHY Presentation concludes at 1:20 p.m. ~

NEW BUSINESS/OLD BUSINESS

- ***General Counsel Ronald King excused himself from the Boardroom at 1:25 p.m. at the request of the Board of Trustees.***

- The Board proceeded with tabled Legal Discussion regarding Clark Hill
 - ***The discussion and any subsequent action will come back before the Board on June 7th, 2018 (the Board's next regularly scheduled meeting).***

- ***Trustee Brenda Jones excused herself from the Boardroom at 2:02 p.m.***

- Trustee Pegg thanked Staff for assisting in creating the DROP list to identify current Police Officers and Fire Fighters who are in the DROP plan.
- Trustee Trozak requested a list of all "vested deferred" participants.

ADJOURNMENT

Chairperson Serda adjourned the meeting at 2:11 p.m. The Board's next meeting is scheduled for **Thursday, June 7th, 2018**, at 09:00 a.m. in the Retirement Systems' Conference Room, 500 Woodward Avenue Suite 3000; Detroit, Michigan 48226.

RESPECTFULLY SUBMITTED,

A handwritten signature in cursive script, appearing to read "Kelly Tapper", written in black ink. The signature is fluid and extends to the right with a long horizontal stroke.

Kelly Tapper, Assistant Executive Director