

MEETING NO. 3235
JOURNAL OF PROCEEDINGS
BOARD OF TRUSTEES OF THE POLICE AND FIRE RETIREMENT SYSTEM
OF THE CITY OF DETROIT
HELD THURSDAY, APRIL 04, 2019

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

TRUSTEES PRESENT

SHAWN BATTLE	EX/OFFICIO TRUSTEE/FIRE PREVENTION CHIEF/MAYOR'S DESIGNEE
MICHAEL F. BERENT	ELECTED TRUSTEE/FIRE
MARK DIAZ	ELECTED TRUSTEE/POLICE
MATTHEW GNATEK	ELECTED TRUSTEE/POLICE
ANGELA R. JAMES	EX/OFFICIO RETIRANT TRUSTEE/POLICE/MAYOR'S DESIGNEE
MEGAN S. MOSLIMANI	EX/OFFICIO TRUSTEE/CORPORATION COUNSEL /VICE-CHARPERSON
JOHN NAGLICK	EX/OFFICIO TRUSTEE/FINANCE DIRECTOR
GEORGE ORZECH	ELECTED RETIRANT TRUSTEE/FIRE
JEFFREY PEGG	ELECTED TRUSTEE/FIRE/CHAIRPERSON
DEAN PINCHECK	ELECTED TRUSTEE/FIRE
PORTIA ROBERSON	EX/OFFICIO TRUSTEE/MAYOR'S ALTERNATE
JOHN SERDA	ELECTED TRUSTEE/POLICE
GREGORY TROZAK	ELECTED RETIRANT TRUSTEE/POLICE
STEVEN WATSON	EX/OFFICIO TRUSTEE/DIRECTOR OF FORECASTING AND ECONOMIC ANALYSIS-BUDGET DEPARTMENT/BUDGET DIRECTOR'S DESIGNEE

TRUSTEES EXCUSED

BRENDA JONES	EX/OFFICIO TRUSTEE/CITY COUNCIL PRESIDENT
CHRISTA MCLELLAN	EX/OFFICIO TRUSTEE/TREASURER

ALSO PRESENT

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

STAFF EXCUSED

None

CHAIRPERSON

JEFFREY PEGG

A verbal Roll Call commenced at 09:06 a.m. and Chairperson Pegg called the meeting to order.

Present at Roll Call: Michael F. Berent, Mark Diaz, Matthew Gnatek, John Naglick, *George Orzech (via telephone), Dean Pincheck John Serda, Gregory Trozak and Steven Watson (*Trustee Orzech cannot vote via telephone*)

Re: Approval of April 04, 2019 Agenda

John Serda moved to approve the agenda dated **Thursday April 4th, 2019**. Matthew Gnatek supported. The motion passed unanimously.

Re: Approval of DROP Retirement Applications

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

NAME, TITLE, DEPARTMENT	Kenneth E. Bowers - Police Officer - Police
RETIREMENT TYPE-PLAN	Drop - New
SERVICE CREDIT-EFFECTIVE DATE	15 06 17 – 02 27 19

NAME, TITLE, DEPARTMENT	Lee E. Brown – Police Officer - Police
RETIREMENT TYPE-PLAN	Drop - New
SERVICE CREDIT-EFFECTIVE DATE	15 03 23– 03 15 19

NAME, TITLE, DEPARTMENT	Kenneth N. Downer - Police Officer - Police
RETIREMENT TYPE-PLAN	Drop - New
SERVICE CREDIT-EFFECTIVE DATE	15 03 27– 03 25 19

NAME, TITLE, DEPARTMENT	Stephanie L. Harrington – Police Officer - Police
RETIREMENT TYPE-PLAN	Drop - New
SERVICE CREDIT-EFFECTIVE DATE	15 04 00 – 03 01 19

NAME, TITLE, DEPARTMENT	Carl E. Mack - Police Officer - Police
RETIREMENT TYPE-PLAN	Drop - New
SERVICE CREDIT-EFFECTIVE DATE	15 04 10 – 03 07 19
SERVICE CREDIT-EFFECTIVE DATE	20 04 27 – 02 15 19

Re: Approval of DROP Retirement Applications- Continued

NAME, TITLE, DEPARTMENT Ryan M. May - Police Officer - Police
RETIREMENT TYPE-PLAN Drop - New
SERVICE CREDIT-EFFECTIVE DATE 15 03 29 – 03 25 19

NAME, TITLE, DEPARTMENT Todd R. Messineo – Police Sergeant - Police
RETIREMENT TYPE-PLAN Drop - New
SERVICE CREDIT-EFFECTIVE DATE 20 05 27 – 02 28 19

NAME, TITLE, DEPARTMENT Emanuel Roberson – Police Officer - Police
RETIREMENT TYPE-PLAN Drop - New
SERVICE CREDIT-EFFECTIVE DATE 15 03 27 – 03 25 19

NAME, TITLE, DEPARTMENT Joseph H. Smith – Police Sergeant - Police
RETIREMENT TYPE-PLAN Drop - New
SERVICE CREDIT-EFFECTIVE DATE 23 05 27 – 03 07 19

NAME, TITLE, DEPARTMENT Duane J. Thomas – Police Officer - Police
RETIREMENT TYPE-PLAN Drop - New
SERVICE CREDIT-EFFECTIVE DATE 16 10 20 – 02 26 19

NAME, TITLE, DEPARTMENT Nigel L. Villarreal - Police Officer - Police
RETIREMENT TYPE-PLAN Drop - New
SERVICE CREDIT-EFFECTIVE DATE 15 06 17 – 02 28 19

NAME, TITLE, DEPARTMENT James D. Woodside - Police Officer - Police
RETIREMENT TYPE-PLAN Drop - New
SERVICE CREDIT-EFFECTIVE DATE 15 04 00 – 03 05 19

Re: Approval of HYBRID Retirement Applications

Mark Diaz moved to approve the **HYBRID Retirements** as listed below.
Dean Pincheck supported. The motion passed unanimously.

NAME, TITLE, DEPARTMENT	Celeste A. Jackson – Comm Ofcr-Pol Ofcr - Police
RETIREMENT TYPE-PLAN	Hybrid - Vested
SERVICE CREDIT-EFFECTIVE DATE	04 08 00 – 02 28 19

NAME, TITLE, DEPARTMENT	Todd R. Messineo – Police Sergeant-Promt Lst - Police
RETIREMENT TYPE-PLAN	Hybrid - Drop
SERVICE CREDIT-EFFECTIVE DATE	04 08 00 – 02 28 19

Re: Approval of Retirement Applications

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

NAME, TITLE, DEPARTMENT	Celeste A. Jackson – Comm Ofcr-Pol Ofcr - Police
RETIREMENT TYPE-PLAN	Vested - New
SERVICE CREDIT-EFFECTIVE DATE	17 09 00 – 04 01 19

NAME, TITLE, DEPARTMENT	Steven R. Riley – Police Officer - Police
RETIREMENT TYPE-PLAN	Service - New
SERVICE CREDIT-EFFECTIVE DATE	15 11 25 – 02 28 19

NAME, TITLE, DEPARTMENT	Kareem D. Wheeler - Police Officer - Police
RETIREMENT TYPE-PLAN	Service - New
SERVICE CREDIT-EFFECTIVE DATE	15 03 23 – 03 23 19

RECEIPTS: The Board received the following receipts for Acknowledgment:

Cash Receipts
Company: RSCD-PFRS
Cash Account: HYBLIQRES
Start Date: 3/15/2019
End Date: 4/1/2019

Doc. Date	Module	Tran. Type	Doc. Nbr.	Description	R/C	Receipt
3/15/2019	CA	Cash Entry	001228	Pretax Pension Contributions 3-15-19	R/C	271,740.82
3/22/2019	CA	Cash Entry	001251	Pre tax Pension Contributions 3-22-19	R/C	94,332.31
						366,073.13

Cash Receipts
Company: RSCD-PFRS
Cash Account: LIQUID RES
Start Date: 3/15/2019
End Date: 4/1/2019

Doc. Date	Module	Tran. Type	Doc. Nbr.	Description	R/C	Receipt
3/21/2019	CA	Cash Entry	001239	Loan Deduction Program 3-15-19 (\$78,127.13)	R/C	78,127.13
3/27/2019	CA	Cash Entry	001252	Loan Deduction Program 3-22-19 (\$37,812.23)	R/C	37,812.23
						115,939.36

Total Receipts **482,012.49**

Re: Approval of Disbursements

Mark Diaz moved to approve the **Disbursement List** as outlined below.
Matthew Gnatek supported. The motion passed unanimously.

Disbursements

Page: 1 of 2
Date: 4/1/2019 8:25 AM

Account	Payment Metho	Currency			
LIQUID RES	WIRE	US			
Vendor Name			Invoice Number	Invoice Description	Amount To Pay
AMERICAN SECURITIES PARTNERS VIII, LP - HL			032819	Capital Call	5,081.00
ARA - American Core Realty Fund (Acct # 1349)			040119	Capital Call	10,000,000.00
CENTRE LANE CREDIT PARTNERS II LP			040419	Capital Call	1,633,986.93
DRA Growth and Income Fund IX, LLC			032719	Capital Call	1,269,036.00
THL CREDIT SELECT SERIES CLO EQUITY FUND			040519	Capital Call	2,714,288.55
THOMA BRAVO			040819	Capital Call	388,579.00
			Cash Account/Payment Method Total:	6 Documents	16,010,971.48
HUNT VEND	ACH	US			
Vendor Name			Invoice Number	Invoice Description	Amount To Pay
500 WEBWARD LLC			76431	Light Bulbs Replacement and Door Lock Repair	433.25
500 WEBWARD LLC			77252	April 2019 Rent	24,998.49
500 WEBWARD LLC			963099	Electrical Billing: 2/28/19-3/28/19, Meter #16055044	744.54
500 WEBWARD LLC			963100	Electrical Billing: 2/28/19-3/28/19, Meter #16055070	1,896.20
CLARK HILL, PLC			852765	DROP Program for January 2019	163.62
CLARK HILL, PLC			852766	Donald V. Watkins et al. Litigation for January 2019	359.55
CLARK HILL, PLC			852767	General Counsel Services for January 2019	26,271.00
CLARK HILL, PLC			852769	Gregory Davis for January 2019	215.05
CLARK HILL, PLC			852770	Combined Plan for January 2019	2,858.55
CLARK HILL, PLC			852772	Environmental Geo-Technologies for January 2019	7,151.05
CLARK HILL, PLC			852773	Medical Director RFP for January 2019	671.92
CLARK HILL, PLC			852774	Medical Director RFP Response for January 2019	635.80
HARDMAN JOHNSTON GLOBAL ADVISORS			DETPFRE888591218	Management Fees - 4th Qtr '18	163,091.73
MERCURY STORAGE			17648	Annual Service Maintenance for Tape Backup Unit	3,714.00
Premier Parking (fka Ultimate Parking)			181446	Parking - April 2019	2,552.00
WILSHIRE ASSOCIATES INCORPORATED			INV00180375	Consulting Services - 2nd Qtr '19	136,401.37
			Cash Account/Payment Method Total:	16 Documents	372,158.12
HUNT VEND	CHECK	US			
Vendor Name			Invoice Number	Invoice Description	Amount To Pay
ALLEGRA			61347011	Office Supplies	412.50
ALLEGRA			61616011	Office Supplies	142.50
ANGELA JAMES			031319AJ	Trustee Parking	100.00
BRIE FORT			032219BF	Fred Pryor Learning Solutions Course Reimbursemer	99.50
CHRYSALIS CONSULTING, LLC			26015	Consulting Services 2/1/19-2/28/19	2,831.88
CINTAS CORPORATION-300			4018637424	Floor Mats	115.51
COMCAST			031719	High Speed Internet (Acct #8529 10 205 0807923)	177.09
Dean Pincheck			030719DP	Trustee Parking	100.00
FEDEX			1-792-37335	FedEx Mailing	41.68
FEDEX			6-488-24909	FedEx Mailing	26.04
FEDEX			6-495-96652	FedEx Mailing	25.98
First CHOICE Coffee Services			610385	Equipment Rental	30.00
GABRIEL, ROEDER, SMITH & CO			445589	EDRO Calculations for Joe Tucker	1,350.00
KELLEY CAWTHORNE			10049	Lobbyist Services for April 2019	7,500.00
MELISSA DATA CORP			4397191	Imaging Software License Renewal: 4/6/19-4/4/20	1,442.50
RACINE & ASSOCIATES			12463	DPF v. Paramount 1/1/19-1/31/19	7,720.63
RACINE & ASSOCIATES			12478	DPF v. Paramount 2/1/19-2/28/19	4,935.90
			Cash Account/Payment Method Total:	17 Documents	27,051.71

* Payment amount is estimated based on the effective date 4/1/2019

Re: Approval of Refunds (Accumulated Contributions)

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

LIST NUMBER 3781 - \$393,343.01

LIST NUMBER 3782 - \$159,373.94

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. Dean Pincheck supported. The motion passed unanimously.

LIST #1 03/28/2019 – \$91,653.00

LIST #2 04/04/2019 – \$76,471.00

Re: Approval of Minutes/Journal of Proceedings No. 3233 – (03/07/2019)

Mark Diaz moved to approve the **Minutes/Journal of Proceedings No. 3233 (03/07/2019)** Michael Berent supported. The motion passed unanimously.

ASSISTANT EXECUTIVE DIRECTOR'S REPORT

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

- The new Retirement Systems website went live on April 1, 2019
- Klausner Conference (June 10-12, 2019) Approval
- The Joint Personnel Committee met on March 31st, 2019 to discuss compensation for the Executive Director, the Assistant Executive Director; Police and Fire as well as the Assistant Executive Director; General City as well as the Chief Accounting Officer.

➤ **Trustee Shawn Battle entered the Boardroom at 9:11 a.m.**

Re: Klausner 2019 Client Conference June 10-12, 2019

Resolution Moved By: Trustee Diaz Supported By: Trustee Serda

Resolved, that the Board approve the attendance of any interested Trustee, the Executive Director, the Assistant Executive Director and General Counsel at the aforementioned conference, **and BE IT Further**

Resolved, that the Board approve expenditures for any interested Trustee, the Executive Director, the Assistant Executive Director and General Counsel to attend said conference, **and BE IT FURTHER**

Resolved, that a copy of said conference brochure or applicable conference literature be provided to Retirement System Staff member JoAnn Harrison. The motion passed unanimously.

Re: Approval of Recommendation of the Joint Personnel Committee of Compensation adjustments for the Executive Director and the Assistant Executive Director

Resolution Moved By: Trustee Naglick - Supported By: Trustee Diaz

WHEREAS, on March 28, 2019, a meeting of the RSCD Joint Personnel Committee (“JPC”) was conducted pursuant to proper notice;

WHEREAS, Executive Director, David Cetlinski, recommended compensation adjustments for the Executive Director and Assistant Executive Director consistent with memoranda provided to JPC members in support of the recommendation;

WHEREAS, JPC members were also furnished with performance evaluations submitted by RSCD trustees with respect to the Executive Director;

WHEREAS, the recommendation presented to the JPC was to approve a compensation adjustment for the Executive Director from step four to step six as listed in the City of Detroit General Governmental Salary Schedule (Ex2) effective March 1, 2019;

WHEREAS, the recommendation presented to the JPC was to approve a compensation adjustment for the Assistant Executive Director from step four to step five as listed in the City of Detroit General Governmental Salary Schedule (Ex4) effective March 1, 2019;

WHEREAS, following discussion and consideration, the JPC voted unanimously to approve the compensation recommendation and forward its decision to the PFRS Board for consideration and approval;

WHEREAS, this matter has been reviewed by the PFRS Board and discussed in open session;

Re: Approval of Recommendation of the Joint Personnel Committee of Compensation adjustments for the Executive Director and the Assistant Executive Director - Continued

NOW THEREFORE BE IT RESOLVED, that the PFRS Board approves and adopts the recommendation of the JPC with respect to the compensation adjustments of the Executive Director and Assistant Executive Director as set forth above;

BE IT FURTHER RESOLVED that a copy of this resolution be provided to appropriate staff for implementation consistent with this resolution.

Yeas – Battle, Berent, Diaz, Gnatek, Naglick, Pincheck, Serda, Trozak, Watson and Chairperson Pegg - 10

Nays – None

CHIEF INVESTMENT OFFICER'S REPORT

Chief Investment Officer, **Ryan Bigelow**, discussed the following matters with the Board:

- The Board discussed in some detail the frequency and substance of reporting by Investment staff of the investment activities and performance of the fund. Mr. Bigelow requested to come before the Board monthly with a detailed reporting of Investment matters and other performance related issues for the Board's review. Mr. Bigelow and Investment staff will deliver the report in both verbal and written form. At the request of the Board, Investment staff are required to be in attendance at all Board meetings and should provide interim reporting with respect to the activities of Investment staff and otherwise be available to address issues raised by the Board.

➤ ***Trustee Portia Roberson entered the Boardroom at 9:19 a.m.***

PUBLIC RELATIONS ADVISOR REPORT

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

- Photographers from the Detroit News are in attendance at today's meeting
- Paramount update
- Christine Feretti of the Detroit News has made inquiry with respect to Compensation for the Chief Investment Officer and the Deputy- Chief Investment Officer.

- ***Trustee Angela James entered the Boardroom at 9:31 a.m.***

LOBBYIST'S REPORT

Lobbyist, **Dr. Oscar King III**, provided the Board with a legislative update as listed below:

- The Legislature is in recess until April 9, 2019
- There will be a delay in Budget processing due to the "Road Bill"

GENERAL COUNSEL'S REPORT

General Counsel, **Ronald King**, discussed the following matters with the Board:

- EDROS for approval
 - Re: William Zeolla v Crystal Lee Benner Zeolla., Case No.: 12-101686-DM Wayne County Circuit for the State of Michigan, Detroit, Michigan
 - Re: Shari A. Peil v Steven L. Peil., Case No.: 2013-00679-DM Macomb County Circuit for the State of Michigan, Mt. Clemens, Michigan
 - Re: William Morrison v Jessica Lee Morrison., Case No.: 16-2705-DM Macomb County Circuit for the State of Michigan, Mt. Clemens, Michigan
- PFRS Board of Trustees March 22, 2019 Meeting Update
 - Email from General Counsel to Investment Committee regarding Board Action at March 22, 2019 Board Meeting. General Counsel provided an email that was the follow-up to phone conference with PFRS IC Chair, Robert Smith, with respect to action of PFRS Board at its March 22, 2019 meeting related to compensation adjustments for CIO/ Deputy CIO and dispute resolution process.

Re: Correspondence to PFRS Investment Committee Chairperson

Matthew Gnatek moved to direct General Counsel to transmit formal notification to Police and Fire Investment Committee Chairperson Robert Smith with respect to the Board's opposition to Investment Staff compensation adjustments approved by the PFRS Investment Committee. The correspondence shall also outline the Board's reasons for disagreeing with PFRS IC's actions and shall commence the dispute resolution process as set forth in the State Contribution Agreement. Dean Pincheck supported. The motion passed unanimously.

GENERAL COUNSEL'S REPORT- Continued

**Re: William Zeolla v Crystal Lee Benner Zeolla., Case No.: 12-101686-DM
Wayne County Circuit for the State of Michigan, Detroit, Michigan**

Motion By: Trustee Diaz Supported By: Trustee Berent

WHEREAS, the Board of Trustees for the Police and Fire Retirement System for the City of Detroit ("Board") is in receipt of a Eligible Domestic Relations Order ("EDRO") entered on August 1, 2012, which supplements a Judgment of Divorce entered on May 16, 2012, wherein Alternate Payee **CRYSTAL LEE BENNER ZEOLLA** is awarded certain rights to the retirement benefits of Participant **WILLIAM ANTHONY ZEOLLA**, who is an active employee, and

WHEREAS, the Board has been informed that Participant **WILLIAM ANTHONY ZEOLLA** is an active employee who is not receiving retirement benefits, and

WHEREAS, the EDRO awards the Alternate Payee **CRYSTAL LEE BENNER ZEOLLA** a monthly benefit of fifty percent (50%) portion of the Participant's Defined Benefit Plan, including a prorata share of any guaranteed automatic annual pension increases, which has accrued as of May 16, 2012, and

WHEREAS, the Alternate Payee **CRYSTAL LEE BENNER ZEOLLA** **IS** entitled to a monthly benefit of fifty percent (50%) portion of the Participant's Defined Benefit Plan, including a prorata share of any guaranteed automatic annual pension increases, which has accrued as of May 16, 2012, when the Participant is eligible to receive such benefits and as set forth in the First Amended EDRO and SUBJECT TO ALTERNATE PAYEE FILING AN APPLICATION FOR SAME, and

WHEREAS, the EDRO awards the Alternate Payee **CRYSTAL LEE BENNER ZEOLLA** a monthly benefit of fifty percent (50%) of the Participant's balance of the Defined Contribution Plan which has accrued as of May 16, 2012, including a prorata share of any annual adjustments made after May 16, 2012 attributable to periods before May 16, 2012, and

WHEREAS, the Alternate Payee **CRYSTAL LEE BENNER ZEOLLA** **IS** entitled to a monthly benefit of fifty percent (50%) of the Participant's balance of the Defined Contribution Plan which has accrued as of May 16, 2012, including a prorata share of any annual adjustments made after May 16, 2012 attributable to periods before May 16, 2012, when the Participant is eligible to receive such benefits and as set forth in the EDRO and SUBJECT TO ALTERNATE PAYEE FILING AN APPLICATION FOR SAME, and

GENERAL COUNSEL'S REPORT- Continued

**Re: William Zeolla v Crystal Lee Benner Zeolla., Case No.: 12-101686-DM
Wayne County Circuit for the State of Michigan, Detroit, Michigan**

WHEREAS, the EDRO provides that the actuary's fees shall be paid by attorney Theodora B. Fader via trust account check, and that any additional fees charged by the actuary shall be shared by the parties, and

WHEREAS, the Board has been advised by General Counsel that the applicable terms of the EDRO 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 the EDRO, that said court order qualifies as a Domestic Relations Order pursuant to the Public Employee Retirement Benefit Protection Act, MCL 38.1681, 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 Crystal Lee Benner Zeolla, and Participant William Anthony Zeolla.

Yeas – Battle, Berent, Diaz, Gnatek James, Naglick, Roberson, Pincheck, Serda, Trozak, Watson and Chairperson Pegg - 12

Nays – None

GENERAL COUNSEL'S REPORT- Continued

Re: Shari A. Peil v Steven L. Peil., Case No.: 2013-00679-DM
Macomb County Circuit for the State of Michigan, Mt. Clemens, Michigan

Motion By: Trustee Gnatek Supported By: Trustee Serda

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 March 8, 2019, which supplements a Judgment of Divorce entered on July 25, 2013, wherein Alternate Payee **SHARI A. PEIL** is awarded certain rights to the Component II Retirement Allowance, Annuity Savings Fund, and Component II DROP Program benefits of Participant **STEVEN L. PEIL**, who is a retired employee enrolled in the Deferred Retirement Option Plan ("DROP"), and

WHEREAS, the Board has been informed that Participant **DAVID PEIL** is a retired employee currently enrolled in DROP, and

WHEREAS, Participant has attained 23 years of service credit, and

WHEREAS, the EDRO does not award the Alternate Payee **SHARI A. PEIL** a portion of the Participant's Component I Pension or Component I DROP benefits, and

WHEREAS, the Alternate Payee **SHARI A. PEIL** **IS NOT** entitled to claim a portion of the Participant's Component I Pension or Component I DROP benefits when the Participant **STEVEN L. PEIL** is eligible to receive such benefits, as set forth in the EDRO, and

WHEREAS, the EDRO awards the Alternate Payee **SHARI A. PEIL** a portion of the Participant's Component II Pension and Component II DROP benefits, and

WHEREAS, the Alternate Payee **SHARI A. PEIL** **IS** entitled to claim a portion of the Participant's Component II Pension and Component II DROP benefits when the Participant **STEVEN L. PEIL** 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 **SHARI A. PEIL** a distribution of a portion of the Participant's Component II Annuity Savings Fund, and

GENERAL COUNSEL'S REPORT- Continued

Re: Shari A. Peil v Steven L. Peil., Case No.: 2013-00679-DM
Macomb County Circuit for the State of Michigan, Mt. Clemens, Michigan

WHEREAS, the Alternate Payee **SHARI A. PEIL 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 Amended EDRO 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,

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 Shari A. Peil, *In Pro Per*, , and Participant Steven L. Peil, *In Pro Per*.

Yeas – Battle, Berent, Diaz, Gnatek James, Naglick, Roberson, Pincheck, Serda, Trozak, Watson and Chairperson Pegg - 12

Nays – None

GENERAL COUNSEL'S REPORT- Continued

**Re: William Morrison v Jessica Lee Morrison., Case No.: 16-2705-DM
Macomb County Circuit for the State of Michigan, Mt. Clemens, 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 First Amended Eligible Domestic Relations Order ("Amended EDRO") entered on February 26, 2019, which supplements a Judgment of Divorce entered on October 6, 2016, wherein Alternate Payee **JESSICA LEE MORRISON** is awarded certain rights to the retirement benefits of Participant **WILLIAM MORRISON**, who is an active employee, and

WHEREAS, the Board has been informed that Participant **WILLIAM MORRISON** is an active employee who is not receiving retirement benefits, and

WHEREAS, the Amended EDRO awards the Alternate Payee **JESSICA LEE MORRISON** an amount equal to \$12,000.00 of the Participant's Vested Account Balance accumulated under the Plan from November 19, 2010 through October 6, 2016,

WHEREAS, the Alternate Payee **JESSICA LEE MORRISON** **IS** entitled to claim \$12,000.00 of the Participant's Vested Account Balance accumulated under the Plan from November 19, 2010 through October 6, 2016, when the Participant is eligible to receive such benefits and as set forth in the Amended EDRO and **SUBJECT TO ALTERNATE PAYEE FILING AN APPLICATION FOR SAME**, and

WHEREAS, the Amended EDRO 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 the Amended EDRO 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 the Amended EDRO, that said court order qualifies as a Domestic Relations Order pursuant to the Public Employee Retirement Benefit Protection Act, MCL 38.1681, 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

GENERAL COUNSEL'S REPORT- Continued

**Re: William Morrison v Jessica Lee Morrison., Case No.: 16-2705-DM
Macomb County Circuit for the State of Michigan, Mt. Clemens, Michigan**

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 Jessica Lee Morrison and her counsel, Alison Bowden, and Participant William Morrison.

Yeas – Battle, Berent, Diaz, Gnatek James, Naglick, Roberson, Pincheck, Serda, Trozak, Watson and Chairperson Pegg - 12

Nays – None

Re: Entering Into Closed Session

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

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 the following: to discuss pending litigation and real estate transactions and items subject to physician-patient privilege regarding the following: Environmental Geo-Technologies, LLC, Davis v PFRS, et al, Medical Director’s Report and McKesson Class Action update.

A Roll Call Vote was taken as follows:

Yeas – Battle, Berent, Diaz, Gnatek James, Naglick, Roberson, Pincheck, Serda, Trozak, Watson and Chairperson Pegg - 12

Nays – None

The Board entered into **Closed Session** at 09:55 a.m.

➤ ***Trustee Megan Moslimani entered the Boardroom at 10:10 a.m.***

Re: Open Session

Matthew Gnatek moved to come out of closed session. Mark Diaz supported. The motion passed unanimously.

The Board returned to **Open Session** at 10:26 a.m.

Re: Samuel Anderson

Resolution Moved By: Trustee Diaz Supported By: Trustee Gnatek

RESOLVED, that the report of the Medical Director on the case of **Samuel Anderson** be **ACCEPTED**, and **FURTHER BE IT**

RESOLVED, that based on the recommendation of the Medical Director, the Board **APPROVE** the application for a **Duty Disability Retirement** filed by Mr. Anderson **with a re-exam in one year:**

Yeas – Battle, Berent, Diaz, Gnatek James, Moslimani, Naglick, Roberson, Pincheck, Serda, Trozak, Watson and Chairperson Pegg - 13

Nays – None

Re: Robert Avery

Resolution Moved By: Trustee Diaz Supported By: Trustee Gnatek

RESOLVED, that the report of the Medical Director on the case of **Robert Avery** be **ACCEPTED**, and **FURTHER BE IT**

RESOLVED, that based on the recommendation of the Medical Director, the Board **APPROVE** the application for a **Duty Disability Retirement** filed by the Police Department on behalf of Mr. Avery **with a re-exam in one year:**

Yeas – Battle, Berent, Diaz, Gnatek James, Moslimani, Naglick, Roberson, Pincheck, Serda, Trozak, Watson and Chairperson Pegg - 13

Nays – None

➤ ***The Board recessed for a break at 10:26 a.m. and resumed at 10:35 a.m.***

Open Forum

Chairperson Pegg opened the meeting for public comment/discussion:

Russ Zarras addressed the Board during public comment regarding the following:

- DROP Program Parity Issues related to the implementation of the 5 year DROP participation limitation imposed on DFFA members as set forth in the approval of the Plan of Adjustment approved by the court in the city's Chapter 9 bankruptcy case..

NEW BUSINESS/OLD BUSINESS

- Policy Committee Meeting is scheduled for Monday April 08th, 2019 at 10:00 a.m.
- The top three legal firms as selected by the Board of Trustees via ballot. Interviews are scheduled for May 2nd, 2019:
 - Couzens, Lansky, Fealk, Ellis Roeder and Lazar P.C.
 - Gallagher Law
 - Ron King- Clark Hill

ADJOURNMENT

John Serda moved to adjourn meeting #3235; Michael Berent supported.

Chairperson Pegg adjourned the meeting at 11:01 a.m. The Board's next meeting is scheduled for **Thursday, April 18th, 2019**, at 09:00 a.m. in the Retirement Systems' Conference Room, 500 Woodward Avenue Suite 3000; Detroit, Michigan 48226.

RESPECTFULLY SUBMITTED,



Kelly Tapper, Assistant Executive Director