

MEETING NO. 3285
JOURNAL OF PROCEEDINGS
BOARD OF TRUSTEES OF THE POLICE AND FIRE RETIREMENT SYSTEM
OF THE CITY OF DETROIT
HELD THURSDAY, JUNE 3, 2021

9:00 A.M.
RETIREMENT SYSTEMS' CONFERENCE ROOM
ALLY DETROIT CENTER, 500 WOODWARD AVENUE; SUITE 3000
DETROIT, MICHIGAN 48226

TRUSTEES PRESENT

Shawn Battle	Ex/Officio Trustee/Fire Prevention Chief/Mayoral Designee
Michael F. Berent	Elected Trustee/Fire/Chairperson
Matthew Gnatek	Elected Trustee/Police
Angela R. James	Ex/Officio Retiree Trustee/Police/Mayoral Designee
Brenda Jones	Ex/Officio Trustee/City Council President
Christa McLellan	Ex/Officio Trustee/Treasurer
John Naglick Jr.	Ex/Officio Trustee/Finance Director
George Orzech	Elected Retiree Trustee/Fire
Jeffrey Pegg	Elected Trustee/Fire
Dean Pincheck	Elected Trustee/Fire
John Serda	Elected Trustee/Police
Ronald Thomas	Elected Trustee/Police/Vice-Chairperson
Gregory Trozak	Elected Retiree Trustee/Police
Steven Watson	Ex/Officio Trustee/Budget Director

TRUSTEES EXCUSED

Douglas Baker	Ex/Officio Trustee/Corporation Counsel Alternate/Vice-Chairperson
Portia Roberson	Ex/Officio/Mayor's Designee

ALSO PRESENT

Kelly Tapper	Assistant Executive Director
Ryan Bigelow	Chief Investment Officer
Ronald King	General Counsel
Dr. Oscar King III	Board Lobbyist
Bruce Babiarz	Public Relations Advisor
JoAnn Harrison	Administrative Assistant

STAFF EXCUSED

Marcella Brewer	Recording Secretary
David Cetlinski	Executive Director

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Meeting is being hosted electronically due to Covid-19 per City of Detroit Public Health Order through June 30, 2021

CHAIRPERSON

Michael Berent

A verbal Roll Call commenced at 9:06 a.m. and Chairperson Berent called the meeting to order.

Present at Roll Call: Battle (Wayne County, MI), Gnatek (Detroit, MI), James (Detroit, MI), McLellan (Livonia, MI), Naglick (Oakland County, MI), Orzech (Oakland County, MI), Pegg (Detroit, MI), Pincheck (Detroit, MI), Serda (Oakland County, MI), Thomas (Detroit, MI), Trozak (Macomb County, MI), and Berent – Chairperson (Detroit, MI)

Re: Approval of June 3, 2021 Agenda

Trustee Thomas moved to approve the agenda dated Thursday, June 3, 2021. Trustee Gnatek supported. The motion passed unanimously.

Re: Approval of RETIREMENT Applications

Trustee Pegg moved to approve the RETIREMENT applications as listed below. Trustee Pincheck supported. The motion passed unanimously.

NAME, TITLE, DEPARTMENT	Michael J. Dillon – Fire Sergeant - Fire
RETIREMENT TYPE-PLAN	Hybrid - Drop
SERVICE CREDIT-EFFECTIVE DATE	02 00 00 – 06 17 16

NAME, TITLE, DEPARTMENT	Rodney K. Rice – Police Officer - Police
RETIREMENT TYPE-PLAN	Vested - New
SERVICE CREDIT-EFFECTIVE DATE	16 02 06 – 07 12 21

NAME, TITLE, DEPARTMENT	Whitney Walton – Police Captain – NU POL UNI - Police
RETIREMENT TYPE-PLAN	Vested - New
SERVICE CREDIT-EFFECTIVE DATE	18 00 07 – 06 24 21

NAME, TITLE, DEPARTMENT	Joe D. Williams – Police Officer - Police
RETIREMENT TYPE-PLAN	Drop - New
SERVICE CREDIT-EFFECTIVE DATE	13 00 15 – 06 23 21

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Re: Approval of Disbursements

Trustee Pegg moved to approve the Disbursement as outlined below. Trustee Thomas supported. The motion passed unanimously.

Account	Payment Method	Currency		
LIQUID RES	WIRE	US		
Page: 1 of 2				
Date: 6/1/2021 9:17 AM				
Disbursement Report				
Vendor Name	Invoice Number	Invoice Description	Amount To Pay	
BENEFIT STREET PARTNERS DEBT FUND IV LP	060121	Capital Call	1,751,975.00	
HL 2020 TACTICAL MARKET FUND LP	052021	Capital Call	190,355.00	
PLATINUM EQUITY CAPITAL PARTNERS V, LP	052621	Capital Call	348,750.00	
ROARK CAPITAL PARTNERS V, L.P. - HAMILTON L	060421	Capital Call	627,617.42	
ROARK CAPITAL PARTNERS VI, LP	060421	Capital Call	1,550,636.49	
Cash Account/Payment Method Total:			5 Documents	4,469,333.91
HUNT VEND	ACH	US		
Vendor Name	Invoice Number	Invoice Description	Amount To Pay	
500 WEBWARD LLC	139145	June 2021 Rent	27,217.97	
ASYSCO	2021N026409	AMT Software License Renewal 8/1/21-7/31/22	17,666.58	
FEDEX	7-376-79627	Mailing	29.44	
FEDEX	7-383-63595	Mailing	29.51	
MONDRIAN INVESTMENT PARTNERS	232570	Management Fees - 3rd Qtr '20	93,643.83	
PAYDEN & RYGEL	1612-M421	Management Fees - April 2021	13,365.00	
PLANET TECHNOLOGIES, INC	I003853	MO 365, Exchange, and Azure Directory License Renew	10,338.00	
Premier Parking (fka Ultimate Parking)	145601	Parking Validation Charges - April 2021	110.00	
PROCENTIA, INC.	2399	Implementation	61,546.20	
QUALSTAR CORPORATION	177962	Tape Backup Service	3,714.00	
Cash Account/Payment Method Total:			10 Documents	227,660.53
HUNT VEND	CHECK	US		
Vendor Name	Invoice Number	Invoice Description	Amount To Pay	
ASCENSION MICHIGAN AT WORK(fka Providence O	426827	Disability Initial Exam Fee	575.00	
CANON SOLUTIONS AMERICA, INC	4036269748	Copier Maintenance	122.24	
COMCAST	051721	High Speed Internet	205.91	
First CHOICE Coffee Services	769844	Coffee Supplies	189.14	
First CHOICE Coffee Services	764198	Coffee Supplies	59.95	
INTERNATIONAL FOUNDATION OF EMPLOYEE BEI	052721MB	Registration Fee for 67th Annual Conference for M. Bere	1,625.00	
LAFORCE, INC (fka Electronic Security Systems, Inc.)	1162263	OCURE 9000 SSA Agreement	525.00	
Quadient Leasing USA (formerly MailFinance)	N8874651	Mail Machine Lease Payment 6/17/21-9/16/21	545.78	
THE HARTFORD	051021	Business Owners Policy Renewal (6/1/21 thru 6/1/22)	1,236.00	
XEROX	013370544	Printer Maintenance	11.08	
Cash Account/Payment Method Total:			10 Documents	5,096.10

* Payment amount is estimated based on the effective date 6/1/2021

Re: Approval of Refunds (Accumulated Contributions)

Trustee Thomas moved to approve the Refunds/Accumulated Contributions list as outlined below. Trustee Gnatek supported. The motion passed unanimously.

List number – 3894 - \$332,090.97

Re: Approval of the Defined Contribution Plan/Employee Loan Programs

Trustee Pegg moved to approve the Defined Contribution Plan/Employee Loan Program as outlined below. Trustee Gnatek supported. The motion passed unanimously.

List #1 - \$ 18,621.00 – 05/27/2021

List #2 - \$ 5,616.00 – 06/03/2021

Re: Approval of Minutes

Trustee Thomas moved to approve the Minutes of May 6, 2021. Trustee Pegg supported. The motion passed unanimously.

Trustee Jones joined the meeting at 9:10 a.m.

Trustee Watson joined the meeting at 9:12 a.m.

ASSISTANT EXECUTIVE DIRECTOR'S REPORT

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

- Stephen Rubin Direct Deposit Campaign Issue
- Public Act 314 Annual Compliance
- Disability Policy (tabled from last meeting)
- Due Diligence Police (tabled from last meeting)
- Annuity Rate (tabled from last meeting)

Re: Stephen Rubin Direct Deposit

Board directed AED, Kelly Tapper to come back with approximate costs to implement issuing physical checks.

Re: Removal of Disability and Due Diligence Policies from Table

Trustee Pegg moved to remove the Disability and Due Diligence Policies from the table. Trustee Gnatek supported. The motion passed unanimously.

Re: Disability and Due Diligence Policies

Trustee Pegg moved to approve the Disability and Due Diligence Policies with the updated changes. Trustee Pincheck supported. The motion passed unanimously.

Re: Removal of Annuity Rate from Table

Trustee Pegg moved to remove the annuity rate from the table. Trustee Thomas supported. The motion passed unanimously.

Re: Annuity Rate

Trustee Pegg moved to approve the amended annuity rate for the fiscal year July 1, 2021 through June 30, 2022 from 1.2% to 1.6%. Trustee Pincheck supported. The motion passed unanimously.

CHIEF INVESTMENT OFFICER’S REPORT

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

- Hamilton Lane - Finalizing material with PFIC at their meeting on June 14, 2021.

Trustee Naglick exited the meeting at 10:05 a.m.

Trustee McLellan exited the meeting at 10:05 a.m.

Re: Chairperson Nomination

Trustee Pegg moved to nominate Trustee Thomas as Chairperson. Trustee Thomas accepted the nomination. No other nominations were made. Trustee Gnatek supported. The motion passed unanimously.

Re: Vice Chairperson Nomination

Trustee Pegg moved to nominate Trustee Pincheck as Vice Chairperson. Trustee Pincheck accepted the nomination. No other nominations were made. Trustee Gnatek supported. The motion passed unanimously.

Bruce Babiarz will provide a News release of the nominations.

Public Comment

None

PUBLIC RELATIONS REPORT

- Crain’s Article
- Medicare Gap
- Crenshaw Mall

Re: Medicare Gap

Trustee Pegg moved to have Bruce Babiarz move forward to pursue the Medicare Gap article. Trustee Thomas supported. The motion passed unanimously

LOBBYIST’S REPORT

- Legislative Log

GENERAL COUNSEL’S REPORT

General Counsel Ronald King, as part of his legal report, discussed the following matters with the Board:

- Proposed Charter Revisions
- EDRO
- Crain’s Op-ed
- Foundation of Detroit’s Future-Annual Interim Re-Affirmation
- Pluralsight – 220 Demand
- Lawsuits regarding Stimulus Money

Re: EDRO

Re: Steven L. Brown v. Sandra A. Brown, Case No. 19-8193-DO Macomb County Circuit Court, Mt. Clemens, Michigan

Motion By: Trustee Pegg – 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 March 31, 2020, which supplements the Judgment of Divorce entered on December 12, 2019, wherein Alternate Payee SANDRA A. BROWN is awarded certain rights to the retirement benefits of Participant STEVEN L. BROWN, a retired employee,

WHEREAS, the EDRO contemplates the division of all retirement benefits accumulated during Participant's employment. The April 16, 2021 Consent Order to Modify Judgment of Divorce confirms same;

WHEREAS, the EDRO awards the Alternate Payee SANDRA A. BROWN a monthly benefit from the retirement allowance portion of Participant's Component I benefit in an amount equal to 50% of the Participant's retirement allowance, including a pro-rata share of any guaranteed automatic pension increases accrued as of the Participant's date of retirement, and

WHEREAS, the Alternate Payee SANDRA A. BROWN IS entitled to receive a monthly

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benefit from the retirement allowance portion of Participant's Component I benefit in an amount equal to 50% of the marital portion Participant's retirement allowance, including a pro-rata share of any guaranteed automatic pension increases accrued as of the participant's date of retirement, 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

WHEREAS, the EDRO awards the Alternate Payee **SANDRA A. BROWN** a distribution from the voluntary employee contributions of the Participant's Component I benefit equal to 50% of the marital portion of the accumulated balance as of Participant's date of retirement; and

WHEREAS, the Alternate Payee **SANDRA A. BROWN IS** entitled a distribution from the voluntary employee contributions of the Participant's Component I benefit equal to 50% of the marital portion of the accumulated balance as of Participant's date of retirement, 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

WHEREAS, the EDRO awards the Alternate Payee SANDRA A. BROWN a monthly benefit from the Pension portion of Participant's Component II benefit in an amount equal to 50% of the marital portion Participant's retirement pension, including a pro-rata share of any guaranteed automatic pension increases accrued as of December 13, 2019, and

WHEREAS, the Alternate Payee SANDRA A. BROWN IS entitled to receive a monthly benefit from the Pension portion of Participant's Component II benefit in an amount equal to 50% of the marital portion Participant's retirement pension, including a pro-rata share of any guaranteed automatic pension increases accrued as of December 13, 2019, 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

WHEREAS, the EDRO awards the Alternate Payee SANDRA A. BROWN a distribution from the Annuity Savings Fund of the Participant's Component II benefit equal to 50% of the marital portion of the accumulated balance under the plan as of the date of Participant's retirement, and

WHEREAS, the Alternate Payee SANDRA A. BROWN IS entitled a distribution from the Annuity Savings Fund of the Participant's Component II benefit equal to 50% of the marital portion of the accumulated balance under the plan as of the date of Participant's retirement, 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

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WHEREAS, the EDRO awards the Alternate Payee SANDRA A. BROWN 50% of the marital portion Participant's DROP proceeds when the DROP is eligible for disbursement at the time Participant terminates employment with the City of Detroit, or December 13, 2019, whichever is later; and

WHEREAS, the Alternate Payee SANDRA A. BROWN IS entitled to 50% of the marital portion Participant's DROP proceeds when the DROP is eligible for disbursement at the time Participant terminates employment with the City of Detroit, or December 13, 2019, whichever is later, subject to the Participant's submitting the appropriate application with the third-party administrator; and

WHEREAS, the 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 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 Sandra A. Brown and her counsel, Denise A. Hirschmann and Participant Steven L. Brown and his counsel, Diane M. Zentner.

Yeas: Battle, Gnatek, James, Jones, Orzech, Pegg, Pincheck, Serda, Thomas, Trozak, Watson and Chairperson Berent - 12

Nays: None

COMMITTEE REPORT

None

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Re: Cancellation of Meeting

Trustee Orzech moved to cancel the July 1, 2021 Board meeting. Trustee Trozak supported. The motion passed unanimously.

NEW BUSINESS/OLD BUSINESS

Trustee Pegg gave an update on the conference call with DFFA regarding sick time being rolled into firefighter's pension.

Trustee Orzech inquired about an update on when the Board is expected to return to face-to-face meeting.

ADJOURNMENT

Trustee Pegg moved to adjourn meeting #3285. Trustee Thomas supported.

Chairperson Berent adjourned the meeting at 11:02 AM. The Board's next meeting is scheduled for Thursday, June 17, 2021 at 9:00 a.m. via Go to Meeting. Please see the news tab on our website for meeting login instructions.

RESPECTFULLY SUBMITTED,

A handwritten signature in black ink, appearing to read 'Kelly Tapper', written in a cursive style.

Kelly Tapper, Assistant Executive Director