

**MEETING NO. 3248**  
**JOURNAL OF PROCEEDINGS**  
**BOARD OF TRUSTEES OF THE POLICE AND FIRE RETIREMENT SYSTEM**  
**OF THE CITY OF DETROIT**  
**HELD THURSDAY, NOVEMBER 7, 2019**

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
Matthew Gnatek	Elected Trustee/Police/ Chairperson
Angela R. James	Ex/Officio Retiree Trustee/Police/Mayoral Designee
Brenda Jones	Ex/Officio Trustee/City Council President
Megan S. Moslimani	Ex/Officio Trustee/Corporation Counsel /Vice-Chairperson
John Naglick Jr.	Ex/Officio Trustee/Finance Director
George Orzech	Elected Retiree Trustee/Fire
Jeffrey Pegg	Elected Trustee/Fire
Dean Pincheck	Elected Trustee/Fire
Portia Roberson	Ex/Officio Trustee/Mayoral Alternate
Ronald Thomas	Elected Trustee/Police
Gregory Trozak	Elected Retiree Trustee/Police
Steven Watson	Ex/Officio Trustee/Deputy Budget Director/Budget Director's Designee

**TRUSTEES EXCUSED**

Christa McLellan	Ex/Officio Trustee/Treasurer
John Serda	Elected Trustee/Police

**ALSO PRESENT**

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

**STAFF EXCUSED**

None

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CHAIRPERSON

**Matthew Gnatek**

A verbal Roll Call commenced at 9:19 a.m. and Chairperson Gnatek called the meeting to order.

***Present at Roll Call: Michael Berent, Matthew Gnatek, Megan Moslimani, John Naglick, George Orzech, Jeff Pegg, Dean Pincheck, Ronald Thomas and Gregory Trozak.***

**Re: Approval of November 7, 2019 Agenda**

Trustee Pegg moved to approve the agenda dated Thursday, November 7, 2019. Trustee Berent supported. The motion passed unanimously.

**Re: Approval of DROP Applications**

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

NAME, TITLE, DEPARTMENT	Brandon D. Lewis – Police Sergeant - Police
RETIREMENT TYPE-PLAN	Drop - New
SERVICE CREDIT-EFFECTIVE DATE	19 08 12 – 10 09 19

NAME, TITLE, DEPARTMENT	Janeen S. Grear-Mitchell – Police Officer - Police
RETIREMENT TYPE-PLAN	Drop - New
SERVICE CREDIT-EFFECTIVE DATE	15 11 25 – 10 09 19

NAME, TITLE, DEPARTMENT	Charles L. Roland – Comm Ofcr-Pol Ofcr - Police
RETIREMENT TYPE-PLAN	Drop - New
SERVICE CREDIT-EFFECTIVE DATE	17 06 29 – 10 10 19

NAME, TITLE, DEPARTMENT	Matthew A. Vanraaphorst - Police Officer - Police
RETIREMENT TYPE-PLAN	Drop - New
SERVICE CREDIT-EFFECTIVE DATE	14 09 03 – 10 07 19

NAME, TITLE, DEPARTMENT	Tyrone Waldon - Police Officer - Police
RETIREMENT TYPE-PLAN	Drop - New
SERVICE CREDIT-EFFECTIVE DATE	14 09 04 – 10 09 19

NAME, TITLE, DEPARTMENT	Steven L. Willis - Police Officer - Police
RETIREMENT TYPE-PLAN	Drop - New
SERVICE CREDIT-EFFECTIVE DATE	15 08 26 – 10 10 19

**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	Arnella K. Barnes – Police Officer - Police
RETIREMENT TYPE-PLAN	Service - New
SERVICE CREDIT-EFFECTIVE DATE	14 08 19 – 11 01 19

NAME, TITLE, DEPARTMENT	Nancy L. Foster – Police Officer - Police
RETIREMENT TYPE-PLAN	Service - New
SERVICE CREDIT-EFFECTIVE DATE	17 01 19 – 10 12 19

NAME, TITLE, DEPARTMENT	Samuel N. Jackson – Fire Lieutenant - Fire
RETIREMENT TYPE-PLAN	Conversion from Duty Disability Type 35 - New
SERVICE CREDIT-EFFECTIVE DATE	25 00 00 – 08 17 19

**Re: Approval of HYBRID Applications**

**None**

**RECEIPTS:**

The Board acknowledged the following receipts:

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Cash Receipts  
 Company: RSCD-PFRS  
 Cash Account: HYBLIQRES  
 Start Date: 10/11/2019  
 End Date: 11/4/2019

Doc. Date	Module	Tran. Type	Doc. Nbr.	Description	R/C	Receipt
10/11/2019	GL			Post tax annuity contributions 10-11-19		10,132.63
10/11/2019	CA	Cash Entry	001541	Pre tax pension contributions 10-11-19	R/C	279,950.52
10/18/2019	GL			Post tax annuity contributions 10-18-19		10,324.13
10/18/2019	CA	Cash Entry	001550	Pre tax pension contributions 10-18-19	R/C	106,722.49
10/25/2019	GL			Post tax annuity contributions 10-25-19		9,654.20
10/25/2019	CA	Cash Entry	001559	Pre tax pension contributions 10-25-19	R/C	279,913.83
						696,697.80

Cash Receipts  
 Company: RSCD-PFRS  
 Cash Account: LIQUID RES  
 Start Date: 10/11/2019  
 End Date: 11/4/2019

Doc. Date	Module	Tran. Type	Doc. Nbr.	Description	R/C	Receipt
10/18/2019	CA	Cash Entry	001549	Loan Deductions 10-11-19 (\$75,393.36)	R/C	75,393.36
10/23/2019	CA	Cash Entry	001558	Loan Deductions 10-18-19 (\$40,259.01)	R/C	40,259.01
10/29/2019	CA	Cash Entry	001562	Loan Deductions 10-25-19 (\$71,038.47)	R/C	71,038.47
						186,690.84
<b>Total Receipts</b>						<b>883,388.64</b>

➤ **Trustee Watson entered the Boardroom 9:26 a.m.**

**Re: Approval of Disbursements**

Trustee Pegg moved to approve the Disbursement List as outlined below with the exception of the Gallagher Law bill. Trustee Pincheck supported. The motion passed unanimously.

**The Gallagher Law invoice is related to services provided to the Investment Committee at the IC’s request. Such expenses do not require Board approval under the Plan of Adjustment. However, the Board is required to review and approve all disbursements by the System even where in this circumstance the Board does not agree with the necessity or reasonableness of the expense. The Board acknowledged the Gallagher Law invoice.**

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 Date: 11/4/2019 9:53 AM

Disbursement Report

Account	Payment Method	Currency		
LIQUID RES	WIRE	US		
Vendor Name	Invoice Number	Invoice Description	Amount To Pay	
BNY Mellon	111-2019-0036762	Management Fees - 3rd Qtr '19	50,679.56	
CRESCENT DIRECT LENDING LEVERED FUND II	103119	Capital Call	2,065,818.00	
HAMILTON LANE SECONDARY FUND IV	102419	Capital Call	2,705,326.00	
HL - Platinum Equity Capital Partners IV	110819	Capital Call	282,972.00	
PLATINUM EQUITY SMALL CAP FUND	102319	Capital Call	983,250.00	
TT International	20190930-114-A	Management Fees 3rd Qtr '19	122,594.59	
Bridgett Hardy	103119BH	IT Contractual Wages - October 2019	4,560.28	
James R. Hollins	103119JH	IT Contractual Wages - October 2019	4,203.77	
Raymond R. Tchou	103119RT	IT Contractual Wages - October 2019	7,592.38	
Venkat Rallapalli / Highbrow Systems, Inc.	103119VR	IT Contractual Wages - October 2019	6,180.85	
<b>Cash Account/Payment Method Total:</b>			<b>10 Documents</b>	<b>6,233,177.43</b>
HUNT VEND	ACH	US		
Vendor Name	Invoice Number	Invoice Description	Amount To Pay	
500 WEBWARD LLC	92915	Door Repair and Odor Tracking	39.83	
500 WEBWARD LLC	94079	November 2019 Rent	26,050.95	
American Realty Advisors (ARA)	7183	Management Fees 3rd Qtr '19	26,000.00	
ATIVO CAPITAL	2355	Management Fees 3rd Qtr '19	38,809.25	
BLOOMBERG FINANCE LP	5605200502	Bloomberg Anywhere 10/21/19-1/20/20	5,857.75	
CDW GOVERNMENT	VDB0951	Computer Equipment	407.55	
CDW GOVERNMENT	VDF5116	Computer Equipment	57.51	
CLARK HILL, PLC	906761	General Counsel Services for July 2019	26,250.00	
CLARK HILL, PLC	922783	Salkowski DROP Litigation for September 2019	1,840.67	
CLARK HILL, PLC	922787	General Counsel Services for September 2019	26,405.40	
CRESTWOOD ASSOCIATES L.L.C.	INV051564	Acumatica Training & Implementation	75.00	
GABRIEL, ROEDER, SMITH & CO	450402	EDRO Calculations for Gregory Brown	1,500.00	
Hamilton Lane Advisors, LLC (HL)	02199	Management Fees 4th Qtr '19	258,656.00	
HARDMAN JOHNSTON GLOBAL ADVISORS	DETPFRE888590919	Management Fees 3rd Qtr '19	145,431.08	

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Vendor Name	Invoice Number	Invoice Description	Amount To Pay
HARVEST FUND ADVISORS LLC	Detroit P&F 2019 Q3	Management Fees 3rd Qtr '19	131,812.07
KENNEDY CAPITAL MANAGEMENT	3Q19	Management Fees - 3rd Qtr '19	163,453.00
LOOMIS, SAYLES & COMPANY, L.P.	203003	Management Fees 3rd Qtr '19	61,702.73
PARADIGM ASSET MANAGEMENT CO.	3Q19	Management Fees 3rd Qtr '19	62,728.58
PAYDEN & RYGEL	1612-M819	Management Fees - August 2019	8,954.00
PIEDMONT INVESTMENT ADVISORS	INV12266	Management Fees - 3rd Qtr '19	20,561.30
Premier Parking (fka Ultimate Parking)	192129	Parking - November 2019	1,947.00
PROCENTIA, INC.	2333	Procentia Implementation	55,398.06
PUGH CAPITAL MANAGEMENT, INC.	3Q19	Management Fees 3rd Qtr '19	51,873.41
QUILL CORPORATION	2022294	Office Supplies	531.00
RHUMBLINE ADVISERS	detpol2019Q3	Management Fees 3rd Qtr '19	15,368.00
RHUMBLINE ADVISERS	g13mpfrsd2019Q3	Management Fees 3rd Qtr '19	5,944.00
SALIENT CAPITAL ADVISORS, LLC	3Q19	Management Fees 3rd Qtr '19	113,707.53
SMITH GRAHAM	3Q19	Management Fees 3rd Qtr '19	21,414.00
STEPSTONE GROUP REAL ESTATE LP	10715	Management Fees 3rd Qtr '19	51,906.00
WELLS CAPITAL MANAGEMENT	12560426	Management Fees - 3rd Qtr '19	98,821.94
WELLS CAPITAL MANAGEMENT	12561358	Management Fees - 3rd Qtr '19	167,430.13
<b>Cash Account/Payment Method Total:</b>		<b>31 Documents</b>	<b>1,590,933.74</b>

HUNT VEND CHECK US

Vendor Name	Invoice Number	Invoice Description	Amount To Pay
ASCENSION MICHIGAN AT WORK	366744	Disability Initial Exam Fees	1,050.00
ASCENSION MICHIGAN AT WORK	369460	Disability Re-Exam Fee	250.00
ASCENSION MICHIGAN AT WORK	369462	Consultation Fee & Medical Record Review	150.00
CINTAS CORPORATION-300	4033854406	Floor Mats	130.65
COMCAST	101719	High Speed Internet	180.25
Dean Pincheck	091919DP	Trustee Parking	20.00
DELL MARKETING, LP	10339983697	Computer Equipment	113.62
DEROY & DEVEREAUX	3Q19	Management Fees - 3rd Qtr '19	45,547.00
DIRECTV	36830878947	Service Charges 10/23/19-11/22/19	39.12
FEDEX	6-754-93537	FedEx Mailing	41.66
FEDEX	6-762-85185	FedEx Mailing	26.26
First CHOICE Coffee Services	648507	Coffee Supplies	150.53
First CHOICE Coffee Services	650139	Equipment Rental	30.00
IRON MOUNTAIN	170025	Data Domain Service	1,229.54

**Re: Approval of Refunds (Accumulated Contributions)**

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

- List number 3811 - \$277,928.09
- List number 3812 - \$351,406.34
- List number 3813 - \$185,009.36

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

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

- List 3271 – \$26,214.00
- List 3272 - \$25,645.00
- List 3273 - \$40,629.00

**Re: Approval of Minutes**

Trustee Pincheck moved to approve the Minutes of September 19, 2019. Trustee Orzech supported. Trustees Gnatek and Thomas abstained as they were not at the meeting. The motion passed unanimously.

**ASSISTANT EXECUTIVE DIRECTOR'S REPORT**

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

- Save the date from Piedmont Investment Advisors
- Global Governance Advisors
- Request from CDPSU Trust Fund for post January 1, 2015 retiree mailing information

➤ *Trustee Watson and Trustee Battle enter the Boardroom at 9:30 a.m.*

Trustee Orzech made a motion to approve the request by the CDPSU Trustee. Trustee Naglick supported. Trustee Battle abstained. Motion passed unanimously.

**EXECUTIVE DIRECTOR'S REPORT**

Executive Director, David Cetlinski, addressed the following with the Board of Trustees:

- Reminded the trustees that the office is closed on November 11, 2019 in observance of Veteran's day.
- Procedure for the Disability Hearings later this morning
- Acknowledgement of a 25 year employee, Juanita Waller, is retiring and we will be issuing a special acknowledgment later in the meeting.

➤ *Trustee Roberson entered the Boardroom at 9:41a.m.*

**CHIEF INVESTMENT OFFICER'S REPORT**

Chief Investment Officer, Ryan Bigelow, addressed the following with the Board of Trustees:

- The Investment Committee meeting is November 18, 2019 at 10:00a.m.

➤ *Ronald King entered the Boardroom at 9:43a.m.*

- The June 30, 2019 gross & net return numbers are being reviewed by Wilshire
- Black & Blue Report –adding short duration high yield investments

➤ *Trustees James and Jones entered the Boardroom 9:49a.m.*

- SAS Balanced Real Estate Fund, L.P.

Trustee Pegg made a motion as recommended by the Chief Investment Officer, Ryan Bigelow, to approve granting the Cavan Opportunity Fund, LLC an option to purchase the membership

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interests of Glendale Desert Holding, LLC in Glendale-303 Holdings, LLC. Trustee Pincheck supported the motion. The motion passed unanimously.

- Liability Study discussion
- Liquidity Analysis discussion

Disability Appeal Hearing –Knighton

Resolution Moved By: Trustee Jones Supported By: Trustee Berent

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 physician-patient privileged matters regarding the following:

- (1) Items subject to physician-patient privilege/Disability Appeal Hearing- Knighton

A Roll Call Vote was taken as follows:

Yeas – Battle, Berent, James, Jones, Moslimani, Naglick, Orzech, Pegg, Pincheck, Roberson, Thomas, Trozak, Watson and Chairperson Gnatek – 14

Nays – None

The Board entered into Closed Session at 10:18 a.m.

**Re: Open Session**

Trustee Pegg moved to come out of closed session. Trustee Berent supported.

The motion passed unanimously.

The Board returned to Open Session at 11:14 A.M.

**PUBLIC COMMENT**

None

**PUBLIC RELATIONS REPORT**

- Detroit Free Press inquiry on the Book Cadillac
- 60 minutes will be airing a piece on Detroit on Sunday
- Trustee Roberson in Crain’s

**LOBBYIST’S REPORT**

- State Budget



- HB5175

## **GENERAL COUNSEL’S REPORT**

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

- Trustee Pegg inquired about a decision from Bankruptcy Court on the DROP case. No decision has been made.

David Cetlinski asked employee Juanita Waller to join him at the head of the table as she is retiring. Juanita is recognized for her 25 years of service and drive for excellence with the Spirit of Detroit award by City of Detroit City Council. We thank Juanita for her dedication and send her best wishes in retirement.

Trustee Pincheck made a motion to recognize Juanita Waller for her 25 years of service. Trustee Pegg supported the motion. The motion pass unanimously.

### **Re: Entering Into Closed Session**

Resolution Moved By: Trustee Pegg 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 Physician-Patient privileged matters regarding the following:

- Physician-Patient Privileged information for Disability Applications & Re-Exams

A Roll Call Vote was taken as follows:

Yeas – Battle, Berent, James, Jones, Moslimani, Naglick, Orzech, Pegg, Pincheck, Roberson, Thomas, Trozak, Watson and Chairperson Gnatek – 14

Nays – None

The Board entered into Closed Session at 11:44 a.m.

**Re: Open Session**

Trustee Pegg moved to come out of closed session. Trustee Trozak supported. The motion passed unanimously.

The Board returned to Open Session at 12:00 P.M.

Trustee James made a motion to table the re-exam approval for Lisa Diaz and new disability application for Rhuetlia Carter-Smith until more information can be sent to the doctor and he can adjust his disability letters to the Board. Trustee Orzech supported. Motion passed unanimously.

**NEW BUSINESS/OLD BUSINESS**

Trustee Pegg reported on his attendance to IFEBP with fellow Trustees James, Serda and Berent.

Trustee James offered extra handouts that she found informative at IFEBP, with a concentration on operational audits.

**ADJOURNMENT**

Trustee Pegg moved to adjourn meeting #3248; Trustee Pincheck supported.

Chairperson Gnatek adjourned the meeting at 12:03 P.M. The Board's next meeting is scheduled for Thursday, November 21, 2019, at 9:00 a.m. in the Retirement Systems' Conference Room, 500 Woodward Avenue Suite 3000; Detroit, Michigan 48226.

RESPECTFULLY SUBMITTED,



Kelly Tapper, Assistant Executive Director