

**MEETING NO. 3250**  
**JOURNAL OF PROCEEDINGS**  
**BOARD OF TRUSTEES OF THE POLICE AND FIRE RETIREMENT SYSTEM**  
**OF THE CITY OF DETROIT**  
**HELD THURSDAY, DECEMBER 5, 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
Christa McLellan	Ex/Officio Trustee/Treasurer
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
John Serda	Elected Trustee/Police
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**

Brenda Jones	Ex/Officio Trustee/City Council President
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**ALSO PRESENT**

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

**STAFF EXCUSED**

None

CHAIRPERSON

**Matthew Gnatek**

A verbal Roll Call commenced at 9:09 a.m. and Chairperson Gnatek called the meeting to order.

**Present at Roll Call: Berent, Gnatek, McLellan, Naglick, Orzech, Pegg, Pincheck, Serda, and Trozak.**

➤ **Trustee Battle entered the Boardroom at 9:10 a.m.**

**Re: Approval of December 5, 2019 Agenda**

Trustee Berent moved to approve the agenda dated Thursday, December 5, 2019. Trustee Pincheck supported. The motion passed unanimously.

**Re: Approval of RETIREMENT Applications**

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

**RETIREMENT APPLICATIONS**

NAME, TITLE, DEPARTMENT	Keith A. Belyue- – Fire Sergeant – Fire
RETIREMENT TYPE-PLAN	Service - New
SERVICE CREDIT-EFFECTIVE DATE	23 00 14 – 08 13 19
NAME, TITLE, DEPARTMENT	Keith A. Belyue- – Fire Lt. – Fire
RETIREMENT TYPE-PLAN	Hybrid - Service
SERVICE CREDIT-EFFECTIVE DATE	05 01 00 – 08 13 19
NAME, TITLE, DEPARTMENT	William T. Bosley – Fire Investigator-Lt - Fire
RETIREMENT TYPE-PLAN	Conversion from Duty Disability Type 35 – New
SERVICE CREDIT-EFFECTIVE DATE	22 03 22 – 10 20 19
NAME, TITLE, DEPARTMENT	Dawn Herring – (Conrad Herring – Deceased) Fire
RETIREMENT TYPE-PLAN	Fighter - Fire
SERVICE CREDIT-EFFECTIVE DATE	Non-Duty Death Widow - New
NAME, TITLE, DEPARTMENT	19 11 13 – 09 29 19
NAME, TITLE, DEPARTMENT	Gerald C. Smith – Police Officer - Police
RETIREMENT TYPE-PLAN	Conversion from Duty Disability - New
SERVICE CREDIT-EFFECTIVE DATE	25 00 00 – 09 12 19

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NAME, TITLE, DEPARTMENT Ronald L. Taylor – Police Officer - Police  
 RETIREMENT TYPE-PLAN Drop - New  
 SERVICE CREDIT-EFFECTIVE DATE 17 01 19 – 06 07 19

**RECEIPTS:**

The Board acknowledged the following receipts:

<b>Cash Receipts</b>		Cash Account:	HYBLIQRES		
Company:	RSCD-PFRS	Start Date:	11/13/2019		
		End Date:	12/2/2019		

  

Doc. Date	Module	Tran. Type	Doc. Nbr.	Description	R/C	Receipt
11/15/2019	GL			Post tax annuity contributions 11-15-19		10,791.39
11/15/2019	CA	Cash Entry	001581	Pre tax pension contributions 11-15-19	R/C	106,755.66
11/22/2019	GL			Post tax annuity contributions 11-22-19		10,826.70
11/22/2019	CA	Cash Entry		Pre tax pension contributions 11-22-19		282,712.95
11/27/2019	CA	Cash Entry		Pre tax pension contributions 11-27-19		106,878.94
						517,965.64

<b>Cash Receipts</b>		Cash Account:	LIQUID RES		
Company:	RSCD-PFRS	Start Date:	11/13/2019		
		End Date:	12/2/2019		

  

Doc. Date	Module	Tran. Type	Doc. Nbr.	Description	R/C	Receipt
11/21/2019	CA	Cash Entry	001583	Loan Deductions 11-15-19 (\$26,726.15)	R/C	26,726.15
11/26/2019	CA	Cash Entry		Loan Deductions 11-22-19 (\$75,478.87)		75,478.87
						102,205.02
<b>Total Receipts</b>						<b>620,170.66</b>

**Re: Approval of Disbursements**

Trustee Pegg moved to approve the Disbursement List and acknowledge the Investment Committee Disbursement List as outlined below: Trustee Berent supported. The motion passed unanimously.

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Disbursement Report

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 Date: 12/3/2019 12:35 PM

Account	Payment Method	Currency			
LIQUID RES	WIRE	US			
<b>Vendor Name</b>			<b>Invoice Number</b>	<b>Invoice Description</b>	<b>Amount To Pay</b>
ABR Chesapeake Investors V-b LP			120519	Capital Call	2,000,000.00
CASTLELAKE V LP			120519	Capital Call	204,248.00
COMVEST CREDIT PARTNERS V LP			112519	Capital Call	2,000,000.00
HL - Platinum Equity Capital Partners IV, LP			120619	Capital Call	858,461.00
Bridgett Hardy			113019BH	IT Contractual Wages - November 2019	4,560.28
James R. Hollins			113019JH	IT Contractual Wages - November 2019	3,627.05
Raymond R. Tchou			113019RT	IT Contractual Wages - November 2019	7,145.34
Venkat Rallapalli / Highbrow Systems, Inc.			113019VR	IT Contractual Wages - November 2019	6,427.71
<b>Cash Account/Payment Method Total:</b>			<b>8 Documents</b>		<b>5,084,469.38</b>
HUNT VEND	ACH	US			
<b>Vendor Name</b>			<b>Invoice Number</b>	<b>Invoice Description</b>	<b>Amount To Pay</b>
500 WEBWARD LLC			96706	December 2019 Rent	26,050.95
500 WEBWARD LLC			95989	Work order #s 88912 and 90078	23.75
CLARK HILL, PLC			926092	General Counsel Services for October 2019	26,288.29
CLARK HILL, PLC			934158	General Counsel Services for November 2019	26,335.42
COUZENS, LANSKY, FEALK, ELLIS P.C.			128059	Book Cadillac-Ferchill Entities	4,504.50
CREATIVE BREAKTHROUGHS INC			INV2720	Parking Expense - Omar Faraji	25.00
Datawatch Corp.			INVDWCH26020	Monarch Classic Maintenance Renewal	2,672.34
NORTHPOINTE CAPITAL, LLC			4Q19	Management Fees 4th Qtr '19 (Final)	37,605.40
Premier Parking (fka Ultimate Parking)			193449	Parking Validation Charges - October 2019	315.00
Premier Parking (fka Ultimate Parking)			194253	Parking - December 2019	2,002.00
QUILL CORPORATION			2586784	Office Supplies	372.52
QUILL CORPORATION			2586881	Office Supplies	214.14
RICOH			5057956681	Printer Maintenance	389.80
Veriato			1216172	Software Maintenance Contract Renewal	756.00
<b>Cash Account/Payment Method Total:</b>			<b>14 Documents</b>		<b>127,555.11</b>

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HUNT VEND	CHECK	US		
Vendor Name	Invoice Number	Invoice Description		Amount To Pay
ALLEGRA	69625011	Retiree Mailing		2,417.51
ASCENSION MICHIGAN AT WORK(fka Providence Occ	370284	Disability Initial Exam Fee		525.00
ASCENSION MICHIGAN AT WORK(fka Providence Occ	364018	Disability Initial Exam & Re-Exam Fees		1,550.00
CANON SOLUTIONS AMERICA, INC	4031029595	Copier Maintenance		106.29
CINTAS CORPORATION-300	4036120817	Floor Mats		130.65
COMCAST	111719	High Speed Internet		183.41
CRAIN'S DETROIT BUSINESS	C8341606	Member Subscriptions		540.00
EXAMWORKS, INC.	160-1945615	Independent Medical Eval & Review of Medical Recs		1,475.00
FEDEX	6-844-32750	FedEx Mailing		47.53
FEDEX	6-850-65413	FedEx Mailing		26.14
First CHOICE Coffee Services	654182	Coffee Supplies		159.08
First CHOICE Coffee Services	655429	Filter Exchange		26.48
First CHOICE Coffee Services	656692	Equipment Rental		30.00
IRON MOUNTAIN	171853	Data Domain Service		1,155.86
Iron Mountain Records Management	CCHW208	Records Storage		1,937.00
Portia Roberson	110719PR	Trustee Parking		150.00
RACINE & ASSOCIATES	12631	DPF v. Paramount 10/1/19-10/31/19		4,886.95
U.S. Legal Support	110332068	Court Reporting Services		315.00
VERIZON WIRELESS	9841481189	Wireless Billing 10/5/19-11/4/19		2,144.84
XEROX	098626914	Printer Maintenance		40.94
<b>Cash Account/Payment Method Total:</b>			<b>20 Documents</b>	<b>17,847.68</b>

**Investment Committee Disbursement**

HUNT VEND	CHECK	US		
Vendor Name	Invoice Number	Invoice Description		Amount To Pay
GALLAGHER LAW	20190034	Engagement of Professionals Matter		9,240.00
GALLAGHER LAW	20190038	Engagement of Professionals Matter		910.00
<b>Cash Account/Payment Method Total:</b>			<b>2 Documents</b>	<b>10,150.00</b>

\* Payment amount is estimated based on the effective date 12/3/2019

➤ **Trustee Ronald Thomas entered the meeting at 9:12 a.m.**

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

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

List number 3817 - \$832,523.07

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

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

List #1 - \$32,285.00 – 11/28/2019

List #2 - \$12,238.00 – 12/05/2019

**Re: Approval of Minutes**

Trustee Orzech moved to approve the Minutes of November 7, 2019. Trustee Pegg supported. The motion passed unanimously.

## **ASSISTANT EXECUTIVE DIRECTOR'S REPORT**

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

- DPOA (Detroit Police Officers Association) Request for Information

Trustee Pegg made a motion to approve the request of DPOA for a list of information for members who have insurance deductions. Trustee Orzech supported. The motion passed unanimously.

## **EXECUTIVE DIRECTOR'S REPORT**

Executive Director, David Cetlinski, had no formal report, but discussed the following with the Board of Trustees:

- Introduced Marcella Brewer – Board Recording Secretary
- Mad Dog Technology, LLC Contract – Mr. Cetlinski advised the Board regarding the nature of this engagement and recommended that the Board approve the contract. It was noted that the contract was reviewed and approved by General Counsel.

### **Re: Mad Dog Technology, LLC**

Trustee Orzech made a motion to approve the recommendation made by Executive Director, David Cetlinski, to approve Mad Dog Technology, LLC contract. Trustee Pincheck supported. The motion passed unanimously.

## **CHIEF INVESTMENT OFFICER'S REPORT**

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

- Upcoming Special Investment Committee meeting on December 17, 2019
  - Update on Life Assurance Fund
  - Discussion on certain discrepancies related reported Returns -- gross, net, money weighted and time weighted. CIO indicated that this matter was being investigated by Wilshire and that a more comprehensive report would be forthcoming.
- 
- **Trustee Watson entered the meeting at 9:22 a.m.**
  - **Trustee James entered the meeting at 9:33 a.m.**
  - **Trustee Moslimani entered the meeting at 9:55 a.m.**

## **PUBLIC COMMENT**

Kathleen Colin, NASP (National Association of Securities Professionals) President addressed the Board of Trustees regarding the following:

- NASP Holiday Party at Floods Bar and Grill on Wednesday, December 11, 2019 at 5:30 p.m.

## **PUBLIC RELATIONS REPORT**

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

- Article on Investment Committee discussion of Deputy Chief Investment Officer salary
- Free Press Actuarial Funding Policy Request
- Free Press suing Valient News

## **LOBBYIST’S REPORT**

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

- Update on Legislature year-end report
  - Legislature Bills
  - State Budget
- **The Board recessed for a break at 10:20 a.m. and resumed at 10:30 a.m.**
- **Trustee Roberson entered the meeting at 10:25 a.m.**

## **GENERAL COUNSEL’S REPORT**

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

- Memo from Labaton Sucharow Securities Litigation – Energy Transfer
- Request for Termination of Right of First Refusal/Deed Restriction-PF Fund Mutual Building, Inc. – 18-24 W. Adams
- Appointment/Re-Appointment of Independent Investment Committee members
- Update on Deputy Chief Investment Officer salary

### **Re: Labaton Sucharow Securities Litigation**

Trustee Serda made a motion to approve the recommendation made by General Counsel, Ronald King, regarding the request from Labaton Sucharow to participate as lead counsel with respect to Energy Transfer LP. Trustee Pincheck supported. The motion passed unanimously.

**Re: PF Fund Mutual Building, Inc.: Dissolution**

Motion By: Trustee Orzech - Supported By: Trustee McLellan

**WHEREAS**, the Police and Fire Retirement System of the City of Detroit is the sole shareholder of PF Fund Mutual Building, Inc. (the “Corporation”),

**WHEREAS**, the Corporation is the sole member of PFRS West Adams, LLC (the “Company”),

**WHEREAS**, the Board has been requested to authorize the execution of:

- (a) the following documents dated April 17, 2014 with respect to the dissolution of the Corporation:
  - 1. Michigan Certificate of Dissolution,
  - 2. Limited Power of Attorney, Authorization for Disclosure of Information for Tax Clearance Purposes Only, and
  - 3. Tax Clearance Request for Corporation Dissolution or Withdrawal

by an officer of the Corporation, and

- (b) the following documents dated April 17, 2014 with respect to the dissolution of the Company:
  - 1. Michigan Certificate of Dissolution,
  - 2. Limited Power of Attorney, Authorization for Disclosure of Information for Tax Clearance Purposes Only, and
  - 3. Notice of Change or Discontinuance

by an officer of the Corporation as the sole member of the Company,

**WHEREAS**, the execution of said documents has been recommended by the Board’s special legal counsel, F. Logan Davidson,

**WHEREAS**, the execution of said documents has been reviewed and approved as to form by the Board’s legal counsel and the execution of said documents is consistent with prior action of the Board,

**RESOLVED**, that said documents be executed by the appropriate corporate officers on behalf of Corporation and on behalf of the Company, as applicable.

Yeas – Battle, Berent, James, McLellan, Moslimani, Naglick, Orzech, Pegg, Pincheck, Roberson, Serda, Thomas, Trozak, Watson and Chairperson Gnatek – 15



Nays – None

**Entry in Minutes**

**Re: PFRS West Adams, LLC: Dissolution**

The Board has been made aware of the execution of:

(a) the following documents dated April 17, 2014 with respect to the dissolution of PF Fund Mutual Building, Inc.:

1. Michigan Certificate of Dissolution,
2. Limited Power of Attorney, Authorization for Disclosure of Information for Tax Clearance Purposes Only, and
3. Tax Clearance Request for Corporation Dissolution or Withdrawal

by an officer of PF Fund Mutual Building, Inc., and

(b) the following documents dated April 17, 2014 with respect to the dissolution of the PFRS West Adams, LLC:

1. Michigan Certificate of Dissolution,
2. Limited Power of Attorney, Authorization for Disclosure of Information for Tax Clearance Purposes Only, and
3. Notice of Change or Discontinuance

by an officer of PF Fund Mutual Building, Inc., the sole member of the limited liability company.

➤ **Trustee McLellan excused herself from the Boardroom for the day at 11:05 a.m.**

➤ **Trustee Watson excused himself from the Boardroom for the day at 11:41 a.m.**

**Re: Entering Into Closed Session**

Resolution Moved By: Trustee James - Supported By: Trustee Thomas

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

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**RESOLVED**, that the Board enters into Closed Session for the purpose of discussing Attorney/Client privileged matters regarding the following: to discuss items subject to physician-patient privilege regarding the following: Medical Director's Report, and discussion regarding the compensation of the Deputy Chief Investment Officer.

A Roll Call Vote was taken as follows:

Yeas – Battle, Berent, James, McLellan, Moslimani, Naglick, Orzech, Pegg, Pincheck, Roberson, Serda, Thomas, Trozak, Watson and Chairperson Gnatek – 15

Nays – None

**Re: Open Session**

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

The Board returned to **Open Session** at 11:39 a.m.

**Re: Annual Re-Examinations**

Motion By: Trustee Roberson – Supported By: Trustee Orzech

**RESOLVED**, that in accordance with the recommendation of the Medical Director, the following be CONTINUED on the Disability Retirement Payroll with an examination in one (1) year:

**John Arasim**  
**Lisa Diaz**  
**Marc Frazier**  
**Christopher Townson**

Yeas – Battle, Berent, James, Moslimani, Naglick, Orzech, Pegg, Pincheck, Roberson, Serda, Thomas, Trozak, and Chairperson Gnatek – 13

Nays – None

**Re: Global Governance Advisors**

Trustee Pegg moved to accept the proposal of Global Governance Advisors dated November 12, 2018 and hire them to provide Board support services. Trustee Orzech supported. The motion passed unanimously.

**Re: Tabled Motion/Discussions**

*January 24, 2019 Meeting #3230: Table of Motion regarding Mr. Raby and Mr. Zawislak's Retirement Benefits. Motion made by Trustee Trozak; Supported by Trustee Serda.*

**Re: Granting of Retirement Benefits**

Trustee Pegg moved to remove from the table motion made on January 24, 2019. Trustee Orzech supported. The motion passed unanimously.

Trustee Roberson moved to take no further action for Mr. Raby and Mr. Zawislak. Trustee Serda supported. The motion passed unanimously. The action of the Board effectively acted as a denial of the request for benefits set forth in the January 24, 2019 motion.

**Re: Cancellation of Board Meeting**

Trustee Pincheck moved to cancel Police and Fire Board Meeting for Thursday, December 19, 2019 as there are no items on the Agenda. Trustee Pegg supported. The motion passed unanimously.

**NEW BUSINESS/OLD BUSINESS**

- Portia Roberson discussed an update on Marie Racine bills regarding Paramount
- Angela James discussed the Police and Fire Retiree Newsletter
- IFEBP Legislative Conference

**Re: IFEBP Legislative Conference Approval**

Trustee Pegg moved to approve the attendance by those interested to attend IFEBP Legislative Conference (**May 4-5, 2020**). Trustee Orzech supported. The motion passed unanimously.

**ADJOURNMENT**

Trustee Pegg moved to adjourn meeting #3250; Trustee Orzech supported.

Chairperson Gnatek adjourned the meeting at 12:10 P.M. The Board's next meeting is scheduled for Thursday, January 9, 2020 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