

MEETING NO. 3265  
JOURNAL OF PROCEEDINGS  
**BOARD OF TRUSTEES OF THE POLICE AND FIRE RETIREMENT SYSTEM**  
OF THE CITY OF DETROIT  
HELD THURSDAY, AUGUST 6, 2020

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

**TRUSTEES PRESENT**

Michael F. Berent	Elected Trustee/Fire/Chairperson
Shawn Battle	Ex/Officio Trustee/Fire Prevention Chief/Mayoral Designee
Matthew Gnatek	Elected Trustee/Police
Angela R. James	Ex/Officio Retiree Trustee/Police/Mayoral Designee
Megan S. Moslimani	Ex/Officio Trustee/Corporation Counsel
John Naglick Jr.	Ex/Officio Trustee/Finance Director
George Orzech	Elected Retiree Trustee/Fire
Jeffrey Pegg	Elected Trustee/Fire
Dean Pincheck	Elected Trustee/Fire
Ronald Thomas	Elected Trustee/Police/Vice-Chairperson
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
Christa McLellan	Ex/Officio Trustee/Treasurer
Portia Roberson	Ex/Officio/Mayor's Designee
John Serda	Elected Trustee/Police

**ALSO PRESENT**

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

**STAFF EXCUSED**

David Cetlinski	Executive Director
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POLICE AND FIRE RETIREMENT SYSTEM OF THE CITY OF DETROIT  
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Meeting is being hosted electronically due to Covid-19 per Executive Order 2020-154

CHAIRPERSON

**Michael Berent**

A verbal Roll Call commenced at 9:07 a.m. and Chairperson Berent called the meeting to order.

**Present at Roll Call: Gnatek, James, Naglick, Orzech, Pegg, Pincheck, Thomas, Trozak and Watson.**

**Re: Approval of August 6, 2020 Agenda**

Trustee Gnatek moved to approve the agenda dated Thursday, August 6, 2020. Trustee Pegg supported. The motion passed unanimously.

**Re: Approval of RETIREMENT Applications**

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

NAME, TITLE, DEPARTMENT	Gayle E. Bowden – Police Officer - Police
RETIREMENT TYPE-PLAN	Drop - New
SERVICE CREDIT-EFFECTIVE DATE	14 00 05 – 07 17 20

NAME, TITLE, DEPARTMENT	Dale C. Bradley – Asst. FD Comm Rel Crd - Fire
RETIREMENT TYPE-PLAN	Hybrid - Drop
SERVICE CREDIT-EFFECTIVE DATE	05 11 00 – 06 15 20

NAME, TITLE, DEPARTMENT	Dwayne T. Deck – Police Officer - Police
RETIREMENT TYPE-PLAN	Service - New
SERVICE CREDIT-EFFECTIVE DATE	14 01 00 – 06 01 20

NAME, TITLE, DEPARTMENT	James F. Edwards – Fire Trng Scl In-Lt - Fire
RETIREMENT TYPE-PLAN	Drop - New
SERVICE CREDIT-EFFECTIVE DATE	19 00 26 – 07 02 20

NAME, TITLE, DEPARTMENT	Pamela R. Foxhall – Police Officer - Police
RETIREMENT TYPE-PLAN	Drop - New
SERVICE CREDIT-EFFECTIVE DATE	14 07 16 – 07 01 20

NAME, TITLE, DEPARTMENT	Johnnie L. Harris – Police Officer - Police
RETIREMENT TYPE-PLAN	Service - New

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SERVICE CREDIT-EFFECTIVE DATE	14 06 05 – 07 28 20
NAME, TITLE, DEPARTMENT	Anthony B. Jackson - Police Officer - Police
RETIREMENT TYPE-PLAN	Service - New
SERVICE CREDIT-EFFECTIVE DATE	18 07 11 – 04 15 20
NAME, TITLE, DEPARTMENT	Donald Lawrence – Fire Engine Operator -
	Fire
RETIREMENT TYPE-PLAN	Vested - New
SERVICE CREDIT-EFFECTIVE DATE	13 04 03 – 06 06 20
NAME, TITLE, DEPARTMENT	Sheldon L. Loyd - Police Officer - Police
RETIREMENT TYPE-PLAN	Drop - New
SERVICE CREDIT-EFFECTIVE DATE	14 10 00 – 07 16 20
NAME, TITLE, DEPARTMENT	Frederick A. McIntyre – Police Officer -
	Police
RETIREMENT TYPE-PLAN	Drop - New
SERVICE CREDIT-EFFECTIVE DATE	14 00 05 – 07 10 20
NAME, TITLE, DEPARTMENT	Alvin M. Nelson – Police Officer - Police
RETIREMENT TYPE-PLAN	Drop - New
SERVICE CREDIT-EFFECTIVE DATE	13 11 00 – 08 03 20
NAME, TITLE, DEPARTMENT	Nicholle H. Quinn-Abdullah - Police Officer
	- Police
RETIREMENT TYPE-PLAN	Drop - New
SERVICE CREDIT-EFFECTIVE DATE	14 09 22 – 04 21 20

**RECEIPTS:**

The Board acknowledged the following receipts:



POLICE AND FIRE RETIREMENT SYSTEM OF THE CITY OF DETROIT  
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Disbursement Report

Page: 1 of 3  
 Date: 8/3/2020 8:46 AM

Account	Payment Method	Currency		
LIQUID RES	WIRE	US		
Vendor Name	Invoice Number	Invoice Description	Amount To Pay	
AMERICAN SECURITIES PARTNERS VIII, LP	060320	Capital Call	865,748.00	
BNY Mellon	111-2020-0025478	Management Fees - 2nd Qtr '20	50,751.46	
Bridgett Hardy	073120BH	IT Contractual Wages - July 2020	3,683.05	
HL - Gridiron Capital Fund III, LP	073120	Capital Call	37,131.00	
HL ASCRIBE OPPORTUNITIES FUND IV, L.P	070720	Capital Call	69,108.00	
James R. Hollins	073120JH	IT Contractual Wages - July 2020	3,484.42	
MESIROW FINANCIAL REAL ESTATE VALUE FUND III	080420	Capital Call	574,609.36	
MIDOCEAN PARTNERS V, LP	072920	Capital Call	111,380.00	
PERMIRA CREDIT SOLUTIONS III	081120	Capital Call	1,365,000.00	
PLATINUM EQUITY SMALL CAP FUND LP	072820	Capital Call	171,000.00	
PLATINUM EQUITY SMALL CAP FUND LP	080720	Capital Call	66,539.00	
Raymond R. Tchou	073120RT	IT Contractual Wages - July 2020	7,168.26	
ROARK CAPITAL PARTNERS V, L.P.	072820	Capital Call	73,807.33	
TT International	20200630-114-A	Management Fees 2nd Qtr '20	99,317.44	
Venkat Rallapalli / Highbrow Systems, Inc.	073120VR	IT Contractual Wages - July 2020	7,952.92	
Cash Account/Payment Method Total:			15 Documents	3,506,680.24

Account	Payment Method	Currency		
HUNT VEND	ACH	US		
Vendor Name	Invoice Number	Invoice Description	Amount To Pay	
500 WEBWARD LLC	114628	Work Orders for Office Maintenance	1,153.13	
ADP, INC	560937615	Check Printing Services	416.05	
ADVENT CAPITAL MANAGEMENT, LLC	2Q20	Management Fees 2nd Qtr '20	80,543.73	
ATIVO CAPITAL	2484	Management Fees 2nd Qtr '20	31,956.63	
BAIRD ADVISORS	BA202Q2314	Management Fees 2nd Qtr '20	51,388.79	
BLOOMBERG FINANCE LP	5605659601	Bloomberg Anywhere 7/21/20-10/20/20	5,910.00	
CDW GOVERNMENT	ZJR5355	Computer Equipment	1,421.43	
CDW GOVERNMENT	ZLZ4617	Computer Equipment	473.81	
CDW GOVERNMENT	ZNR0622	Computer Equipment	473.81	

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CREATIVE BREAKTHROUGHS INC (CBI)	INV3714	Software Maintenance	12,400.00
Hamilton Lane Advisors, LLC (HL)	04203	Management Fees 3rd Qtr '20	307,603.00
HARDMAN JOHNSTON GLOBAL ADVISORS	DETPFRE888590620	Management Fees 2nd Qtr '20	117,374.47
KENNEDY CAPITAL MANAGEMENT	2Q20	Management Fees - 2nd Qtr '20	136,519.00
NORTHSTAR LIFE SERVICES	INV-0133	Servicing Fee	584.59
ORG Portfolio Management LLC	07-017	Real Estate Consulting Services 2nd Qtr 2020	45,000.00
PARADIGM ASSET MANAGEMENT CO., LLC	2Q20	Management Fees 2nd Qtr '20	63,757.85
PAYDEN & RYGEL	1612-M620	Management Fees - June 2020	6,540.00
PENN CAPITAL MANAGEMENT COMPANY, Inc	2Q20	Management Fees 2nd Qtr '20	55,204.22
Premier Parking (fka Ultimate Parking)	204726	Validation Charges - May 2020	175.00
Premier Parking (fka Ultimate Parking)	206464	Validation Charges - June 2020	120.00
Premier Parking (fka Ultimate Parking)	206804	Parking - August 2020	2,222.00
Premier Parking (fka Ultimate Parking)	206681	Parking- August 2020	132.00
PUGH CAPITAL MANAGEMENT, INC.	2Q20	Management Fees 2nd Qtr '20	33,100.61
QUILL CORPORATION	8317338	Office Supplies	6.45
QUILL CORPORATION	8369243	Office Supplies	4.15
QUILL CORPORATION	8415275	Office Supplies	36.50
QUILL CORPORATION	8643685	Office Supplies	4.15
RACINE & ASSOCIATES	12745	DPF v. Paramount 5/1/20-5/31/20	2,752.80
RACINE & ASSOCIATES	12752	DPF v. Paramount 6/1/20-6/30/20	1,057.40
RHUMBLINE ADVISERS	g13mptfsd2020Q2	Management Fees 2nd Qtr '20	3,549.00
RHUMBLINE ADVISERS	detpol2020Q2	Management Fees 2nd Qtr '20	16,485.00
SALIENT CAPITAL ADVISORS, LLC	2Q20	Management Fees 2nd Qtr '20	83,064.19
SMITH GRAHAM	2Q20	Management Fees 2nd Qtr '20	22,709.00
Xponance, Inc. (fka Piedmont Invest. Adv.)	INV12430	Management Fees - 2nd Qtr '20	21,491.61
<b>Cash Account/Payment Method Total:</b>		<b>34 Documents</b>	<b>1,105,630.37</b>

HUNT VEND CHECK US

Vendor Name	Invoice Number	Invoice Description	Amount To Pay
ASCENSION MICHIGAN AT WORK(fka Providence Occ	393962	Disability Re-Exam Fee	275.00
ASCENSION MICHIGAN AT WORK(fka Providence Occ	395504	Medical Record Review	225.00
DEROY & DEVEREAUX	2Q20	Management Fees - 2nd Qtr '20	37,802.00
EASY VERIFICATION INC	20-54020	Member Verification Requests	1,060.00
FEDEX	7-065-92022	Mailing	25.47
FEDEX	7-072-43297	Mailing	20.84
First CHOICE Coffee Services	705123	Equipment Rental	30.00
GRAPHIC SCIENCES, INC	0151886-IN	Maintenance Contract Renewal 7/1/20-6/30/21	393.50
Iron Mountain Records Management	CTJG295	Records Storage	2,244.87
OFFICE DEPOT	108661957001	Office Supplies	64.82
VERIZON WIRELESS	9858017898	Wireless Billing 6/5/20-7/4/20	3,789.87
XEROX	010789701	Printer Maintenance	6.57
<b>Cash Account/Payment Method Total:</b>		<b>12 Documents</b>	<b>45,937.94</b>

**Investment Committee Disbursement Acknowledgements**

HUNT VEND ACH US

Vendor Name	Invoice Number	Invoice Description	Amount To Pay
RIVENOAK LAW GROUP, P.C	12213	IC Interim General Counsel/Retainer Fee June 2020	10,068.50
<b>Cash Account/Payment Method Total:</b>		<b>1 Document</b>	<b>10,068.50</b>

\* Payment amount is estimated based on the effective date 8/3/2020

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

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

List number 3850 - \$1,066,728.36

List number 3852 - \$ 381,768.22

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

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

List #1 - \$50,880.00 – 07/23/2020

List #2 - \$27,259.00 – 07/30/2020

**Re: Approval of Minutes**

Trustee Gnatek moved to approve the Minutes of June 18, 2020. Trustee Thomas supported. The motion passed unanimously.

**ASSISTANT EXECUTIVE DIRECTOR’S REPORT**

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

- Gabriel Roeder Contract July 1, 2020 through June 30, 2021
- DPOA Retiree Life Insurance Report Request
- Plante Moran GASB Reports

**Re: Gabriel Roeder Contract July 1, 2020 through June 30, 2021:** Trustee Gnatek moved to approve the Gabriel Roeder July 1, 2020 through June 30, 2021 Contract. Trustee Pincheck supported. The motion passed unanimously.

**Re: DPOA Insurance Report Request:** Trustee Trozak moved to approve the request from DPOA for the Retiree Life Insurance Report. Trustee Pegg supported. The motion passed unanimously.

**Re: GASB Report:** Trustee Gnatek moved to approve the GASB Report drafted by Plante Moran which will be forwarded to the Police and Fire Investment Committee. Trustee Pegg supported. The motion passed unanimously.

**CHIEF INVESTMENT OFFICER’S REPORT**

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

- 3-Million-dollar Life Insurance Payout
- Black & Blue Report dated July 1, 2020.
- Black & Blue dated June 30, 2020
- Audit Work
- Long Term Rate of Return Calculation

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The Plan is up to 2.63 Billion in total assets. 40 million in cash, 37 million to be received within the next few weeks.

**PUBLIC COMMENT**

- **Louis Sinagra** addressed the Board regarding the public request to continue joining the PFRS meetings telephonically after the expiration of COVID-19 restrictions.
- **Kathleen Colin, President of NASP of Detroit** addressed the Board on the Annual Pension and Financial Services Conference to be held December 7 – 10, 2020 will be a Virtual Meeting due COVID-19. She also thanked the Board for their support for the Golf Outing fundraiser. The Virtual Fundraiser will run through August 24, 2020.

**PUBLIC RELATIONS REPORT**

- Crain’s Article regarding City Funding of Pensions
- Wall Street Journal Article regarding Public Pension Fund

**LOBBYIST’S REPORT**

- Legislation is in recess

**Trustee Battle joined the meeting at 9:10 am**  
**Trustee Moslimani joined the meeting at 9:20 am**  
**Trustee Naglick left the meeting for the day at 10:00 am**

**Re: Wilshire Presentation**

Calvin Born and David Lindberg of Wilshire Advisors discussed the following with the Board of Trustees:

- Second Quarter 2020 Capital Market Review
- June 30, 2020 Monthly Performance – Traditional Assets Only
- Introduction to Asset Allocation
- June 2020 Capital Market Assumptions

**Trustee Berent left for the day at 10:18 am. Trustee Thomas assumes the Chair for the remainder of the meeting.**



**Re: Deroy and Devereaux Presentation**

Sarah Shattner and Jeff Wardlow of Deroy & Devereaux Advisors discussed the following with the Board of Trustees:

- Market Overview
- All Cap Value Market
- Investment Philosophy – All Cap Equity
- Historical Market Cap Distribution – All Cap Equity
- Investment Process – All Cap Equity

**Re: Chief Accounting Officer Presentation**

- Audit Status Report
- Budget to Actual as of Fiscal Year End June 30, 2020

**GENERAL COUNSEL’S REPORT**

- Definition of Retirement for members who DROP
- DROP Plan – Death Benefit Election
- Disability Re-exams under State of Michigan COVID-19 Emergency Orders
- Update on Norbert Zawislak and Eric Raby Circuit Court Case

**Re: Definition of Retirement for members who DROP**

A system participant who elects to participate in DROP is not considered “retired” until the earlier of his or her voluntary or involuntary termination of employment with the City or the end of his DROP participation (5 years or 10 years as applicable).

**Re: Disability Re-exams under State of Michigan COVID-19 Emergency Orders**

The Board considered a memorandum stating that members who are off on disability who are required to have re-examination, if they express concerns about submitting to reexamination due to COVID-19, will be given one 3-month extension, then an additional one month extension to submit to re-examinations. The Board considered adoption of this policy pending termination of the emergency orders issued the Governor.

Trustee Gnatek moved to adopt the policy as recommended in the memorandum. Trustee Pegg supported. The motion passed unanimously.

**Re: Jonathon Parnell Benefit Payments**

The Board considered the memorandum from General Counsel indicating that Mr. Parnell’s judgment of divorce expressly contemplated that he would change his beneficiary designations. Mr. Parnell did not complete this change prior to his death. Therefore, the Board is bound by the terms of his elections and the judgement of divorce.

**NEW BUSINESS/OLD BUSINESS**

None

**COMMITTEE REPORT**

None

**ADJOURNMENT**

Trustee Gnatek moved to adjourn meeting #3265; Trustee Pegg supported.

Vice Chairperson Thomas adjourned the meeting at 11:30 A.M. The Board's next meeting is scheduled for Thursday, August 20, 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