



◆◆◆ **AGENDA** ◆◆◆

POLICE & FIRE RETIREMENT SYSTEM OF THE CITY OF DETROIT
MEETING NUMBER **3074** – THURSDAY, **JANUARY 14, 2016**
9:00 A.M.

CHAIRPERSON: JEFFREY PEGG

VICE CHAIRPERSON: PORTIA ROBERSON

!!

ROLL CALL

AGENDA APPROVAL

DISABILITIES AND RE-EXAMS	PAGES 9 AND 10
DROP APPLICATIONS	PAGE 11
RETIREMENT APPLICATIONS	PAGE 11
RECEIPTS (ACKNOWLEDGE ONLY)	PAGE 12
DISBURSEMENTS	PAGE 13
REFUNDS	SEPARATE COVER

EMPLOYEE LOANS	SEPARATE COVER
MINUTES PENDING:	NONE
MINUTES FOR DISTRIBUTION:	DECEMBER 17, 2015
MINUTES FOR APPROVAL:	DECEMBER 3, 2015

SUPERVISOR’S REPORTS

EXECUTIVE DIRECTOR’S REPORTS

CHIEF INVESTMENT OFFICER’S REPORTS

PUBLIC RELATIONS ADVISOR’S REPORTS

LOBBYIST’S REPORTS

GENERAL COUNSEL’S REPORTS

INVESTMENT COMMITTEE REPORTS

COMMITTEE REPORTS

JANUARY 14, 2016

09:00 A.M.

10:00 A.M. – DR. O’NEAL

10:30 A.M.

11:00 A.M.

12:00 P.M.

JANUARY 21, 2016

NO MEETING

JANUARY 28, 2016

09:00 A.M.

10:00 A.M. – CELESTE JACKSON HEARING

11:00 A.M.

TABLED MOTIONS

TABLED **OCTOBER 16, 2014**: TRUSTEE ORZECZ'S MOTION (SUPPORTED BY TRUSTEE PEGG) THAT PAYMENT OF ATTORNEY FEES BE CAPPED AT \$300 UNLESS PAYMENT OF A HIGHER FEE IS SANCTIONED BY THE BOARD

MANAGER WATCH LIST

GUGGENHEIM PARTNERS (FIXED INCOME INVESTING) – WATCH LIST LETTER SENT OCTOBER 1, 2015

TT INTERNATIONAL (PORTFOLIO MANAGEMENT TEAM CHANGE AND PERFORMANCE) - WATCH LIST LETTER SENT MARCH 1, 2012

WELLS CAPITAL MANAGEMENT (PORTFOLIO MANAGEMENT TEAM CHANGE - LARGE-CAP INVESTING) - WATCH LIST LETTER NOVEMBER 20, 2008

COMMITTEES

BUDGET – DIAZ, THOMAS

CUSTOMER SERVICE – NEARY, PEGG, THOMAS

INVESTMENT POLICIES, PROCEDURES AND GUIDELINES – DIAZ, NEARY, PEGG, GENERAL COUNSEL RONALD A. KING, CHIEF INVESTMENT OFFICER RYAN C. BIGELOW

INVESTMENT ROUNDTABLE – ADAMS, DIAZ, NEARY, PEGG, CHIEF INVESTMENT OFFICER RYAN C. BIGELOW

INFORMATION TECHNOLOGY – PEGG, THOMAS

JOINT FOUNDATION ESTABLISHMENT – JAMES, PEGG – BENSON (GRS), NICKLEBERRY (GRS)

JOINT PERSONNEL – NEARY, NICKLEBERRY (GRS), SERDA, SHEEHAN (GRS)

LEGAL REVIEW – ADAMS, DIAZ, JAMES, PEGG, SERDA

NEWSLETTER/WEBSITE – DIAZ, GNATEK, PEGG, THOMAS

POLICY – NEARY, PEGG, THOMAS

PUBLIC RELATIONS – DIAZ, JAMES, PEGG, ASSISTANT EXECUTIVE DIRECTOR DAVID CETLINSKI, GENERAL COUNSEL RONALD A. KING

SEVENTEENTH (17TH) BOARD MEMBER – GNATEK, NEARY, PEGG, EXECUTIVE DIRECTOR CYNTHIA A. THOMAS, ASSISTANT EXECUTIVE DIRECTOR DAVID CETLINSKI

STAFF – NEARY, PEGG, THOMAS

SPECIAL LEGAL COUNSEL

CLARK HILL, PLC – CHAPTER 9 BANKRUPTCY; NOVEMBER 22, 2010 DETROIT FREE PRESS FOIA REQUEST; SANDWEISS LAW CENTER VERSUS PFRS/GRS; KEITH BROOKS; TRADEWINDS AIRLINES, INC.; PITG GAMING; SHARP VERSUS PFRS; FLYNN LITIGATION; INVESCOR, LTD.; RETRO PAYMENT REQUEST OF JOSEPH MCKINNEY

COUZENS, LANSKY, ELLIS, FEALK, ROEDER & LAZAR, P.C. (DON WAGNER) – BOOK CADILLAC

DAVIDSON, P.C., F. LOGAN – PARAMOUNT LAND HOLDINGS; ENVIRONMENTAL DISPOSAL SYSTEMS, INC.; 501 (C) 25 TAX FILINGS; CAPREIT-TERA; ONYX CAPITAL ADVISORS; WASHINGTON PLAZA; TCR AFFORDABLE APARTMENT PORTFOLIO

GUREWITZ, MARY ELLEN – EMPLOYER CONTRIBUTIONS DUE THE SYSTEM

RACINE & ASSOCIATES (MARIE T. RACINE) – PARAMOUNT LAND HOLDINGS, LLC

SULLIVAN, WARD, ASHER & PATTON, P.C.

VANOVERBEKE, MICHAUD & TIMMONY, P.C. (JACK TIMMONY)

WALKER, P.C., LAWRENCE – JERRY Q. FRANKS; DIAN NELSON; STATE TREASURER VERSUS GEORGE W. ALLEN, ET AL

POLICE AND FIRE RETIREMENT SYSTEM GENERAL COUNSEL

RONALD A. KING
CLARK HILL, PLC
212 EAST GRAND RIVER AVENUE
LANSING, MICHIGAN 48906
PHONE: 517-318-3015
FAX: 517-318-3068

POLICE AND FIRE RETIREMENT SYSTEM PUBLIC RELATIONS ADVISOR

BRUCE BABIARZ
BAB ASSOCIATES, LLC
39400 WOODWARD AVENUE – SUITE 190
BLOOMFIELD HILLS, MICHIGAN 48304-5154
PHONE: 248-890-5030

POLICE AND FIRE RETIREMENT SYSTEM LOBBYIST

OSCAR W. KING, III
KELLEY CAWTHORNE
208 NORTH CAPITOL AVENUE – 3RD FLOOR
LANSING, MICHIGAN 48933-1356
PHONE: 517-371-1400

POLICE AND FIRE RETIREMENT SYSTEM GENERAL INVESTMENT CONSULTANT

J.M. RUSCETTI
WILSHIRE ASSOCIATES
210 6TH AVENUE
SUITE 3720
PITTSBURGH, PENNSYLVANIA 15222
PHONE: 310-451-3051
FAX: 412-434-1584

POLICE AND FIRE RETIREMENT SYSTEM REAL ESTATE CONSULTANT

MICHAEL MURPHY
COURTLAND PARTNERS
127 PUBLIC SQUARE
SUITE 5050
CLEVELAND, OHIO 44114-1246
PHONE: 216-522-0330
FAX: 216-522-0331

POLICE AND FIRE RETIREMENT SYSTEM ACTUARY

KEN ALBERTS/JUDITH KERMANS
GABRIEL, ROEDER, SMITH & COMPANY
ONE TOWN SQUARE
SUITE 800
SOUTHFIELD, MICHIGAN 48076
PHONE: 248-799-9000
FAX: 248-799-9020

POLICE AND FIRE RETIREMENT SYSTEM AUDITORS

BETH BIALY/MICHELLE WATTERWORTH/MANJU PAITNAIK/SPENCE TAWA
PLANTE MORAN
27400 NORTHWESTERN HIGHWAY
POST OFFICE BOX 307
SOUTHFIELD, MICHIGAN 48037
PHONE: 248-352-2500
FAX: 248-352-0018

POLICE AND FIRE RETIREMENT SYSTEM ACCOUNTING FIRM

MARLENE BEACH
UHY, LLP
27725 STANSBURY BOULEVARD
SUITE 200
FARMINGTON HILLS, MICHIGAN 48334
PHONE: 248-355-1040
FAX: 248-355-1084

PENDING CLASS ACTION LITIGATION COUNSEL CASES

BERNSTEIN, LITOWITZ, BERGER & GROSSMANN (GERALK SILK)

HORIZON LINES, INC. (CO-COUNSEL WITH KIRBY, MCINERNEY/ALLEN BROTHERS) (PETITION FOR RE-HEARING ON DISMISSAL) – PRIVATE SECURITIES LITIGATION REFORM ACT CASE

LEHMAN BROTHERS, HOLDING, INC. (NAMED PLAINTIFF ONLY) – PRIVATE SECURITIES LITIGATION REFORM ACT CASE

WASHINGTON MUTUAL, INC. (NAMED PLAINTIFF ONLY) - \$208.5 MILLION PRELIMINARY SETTLEMENT – PRIVATE SECURITIES LITIGATION REFORM ACT CASE

GRANT & EISENHOFER (STEPHEN BENJAMIN)

HALLIBURTON (STATE COURT CASE) – (DERIVATIVE CASE) – NON-PRIVATE SECURITIES LITIGATION REFORM ACT CASE

KIRBY MCINERNEY/ALLEN BROTHERS (PETER LINDEN)

HORIZON LINES, INC. (CO-COUNSEL WITH BERNSTEIN, LITOWITZ, BERGER & GROSSMANN) – PRIVATE SECURITIES LITIGATION REFORM ACT CASE

PENDING CLASS ACTION LITIGATION COUNSEL CASES - CONTINUED

KOHN, SWIFT & GRAF (DENIS SHEILS)

AMBAC LITIGATION GROUP, INC. (DERIVATIVE CASE) – DELAWARE CHANCERY COURT – AMBAC HAS FILED FOR BANKRUPTCY – NON-PRIVATE SECURITIES LITIGATION REFORM ACT CASE

BEAR STEARNS MORTGAGE PASS-THROUGH CERTIFICATES LITIGATION – SOUTHERN DISTRICT OF NEW YORK – BERNSTEIN, LITOWITZ, BERGER & GROSSMANN IS LEAD PLAINTIFF - PRIVATE SECURITIES LITIGATION REFORM ACT CASE

GOLDMAN SACHS MORTGAGE-BACKED SECURITIES – 200608 (5-26-10) – SOUTHERN DISTRICT OF NEW YORK – SETTLEMENT APPROVED – PRIVATE SECURITIES LITIGATION REFORM ACT CASE

INDYMAC MORTGAGE-BACKED SECURITIES – SOUTHERN DISTRICT OF NEW YORK – PRIVATE SECURITIES LITIGATION REFORM ACT CASE

MBIA, INC. (DERIVATIVE CASE) – SOUTHERN DISTRICT OF NEW YORK - NON-PRIVATE SECURITIES LITIGATION REFORM ACT CASE

MENTOR CORP. (FIDUCIARY OBLIGATION) – CALIFORNIA STATE COURT – SEE 10-19-10 TENTATIVE RULING GRANTING DEFENDANTS’ MOTION FOR SUMMARY JUDGMENT - NON-PRIVATE SECURITIES LITIGATION REFORM ACT CASE

SMITH INTERNATIONAL – TEXAS FEDERAL COURT CASE MOOT. DEFENDANT FILED AMENDED PROXIES AND CORRECTED DEFICIENCIES. PETITION FOR ATTORNEY FEES PENDING - NON-PRIVATE SECURITIES LITIGATION REFORM ACT CASE

MOTLEY RICE (MARLON KIMPSON)

NETFLIX, INC. – BOARD SEEKS LEAD PLAINTIFF STATUS PER FEBRUARY 2, 2012 BOARD RESOLUTION - PRIVATE SECURITIES LITIGATION REFORM ACT CASE

SCOTT & SCOTT (DAVID SCOTT)

BAIN CAPITAL – PRIVATE EQUITY CASE – ANTI-TRUST - NON-PRIVATE SECURITIES LITIGATION REFORM ACT CASE

EPOCRATES, INC. - BOARD SEEKS LEAD PLAINTIFF STATUS PER FEBRUARY 7, 2013 BOARD RESOLUTION – ANTICIPATED SECURITIES FRAUD LITIGATION

ZWERLING, SCHACHTER & ZWERLING (JEFFREY ZWERLING)*

JP MORGAN MORTGAGE-BACKED SECURITIES – 2006-54 (5-20-10) – MOTION TO INTERVENE FILED 5-3-11 – AWAITING DECISION - PRIVATE SECURITIES LITIGATION REFORM ACT CASE

MORGAN STANLEY MORTGAGE-BACKED SECURITIES – 2007-8XS (6-10-10) – MOTION TO INTERVENE WILL NOT BE FILED – SEE ZWERLING, SCHACHTER & ZWERLING LETTER DATED 1-7-11 FOR DETAILS - PRIVATE SECURITIES LITIGATION REFORM ACT CASE

RESIDENTIAL CAPITAL MORTGAGE-BACKED SECURITIES – 2006-QS8 – (6-10-10) – MOTION TO INTERVENE WAS GRANTED IN FAVOR OF PFRS – MOTION TO DISMISS PFRS’ CLAIMS WAS DENIED – ISSUE OF CLASS CERTIFICATION IS ON APPEAL AND PENDING - PRIVATE SECURITIES LITIGATION REFORM ACT CASE

***CONTRACT TERMINATED PER MARCH 1, 2012 RESOLUTION OF THE BOARD**

POLICE AND FIRE RETIREMENT SYSTEM 2016 MEETING SCHEDULE

JANUARY 14, 2016
JANUARY 28, 2016

FEBRUARY 11, 2016
FEBRUARY 25, 2016

MARCH 10, 2016
MARCH 24, 2016

APRIL 7, 2016
APRIL 21, 2016

MAY 5, 2016
MAY 19, 2016

JUNE 2, 2016
JUNE 16, 2016
JUNE 30, 2016

JULY 14, 2016
JULY 28, 2016

AUGUST 11, 2016
AUGUST 25, 2016

SEPTEMBER 8, 2016
SEPTEMBER 22, 2016

OCTOBER 6, 2016
OCTOBER 20, 2016

NOVEMBER 3, 2016
NOVEMBER 17, 2016

DECEMBER 1, 2016
DECEMBER 15, 2016

POLICE AND FIRE RETIREMENT SYSTEM INVESTMENT COMMITTEE 2016 MEETING SCHEDULE

<u>DAY</u>	<u>DATE</u>	<u>TIME</u>	<u>LOCATION</u>
MONDAY	JANUARY 25, 2016	10:00 A.M.	CONFERENCE ROOM
MONDAY	MARCH 7, 2016	10:00 A.M.	CONFERENCE ROOM
MONDAY	MAY 16, 2016	10:00 A.M.	CONFERENCE ROOM
MONDAY	JULY 11, 2016	10:00 A.M.	CONFERENCE ROOM
MONDAY	SEPTEMBER 12, 2016	10:00 A.M.	CONFERENCE ROOM
MONDAY	OCTOBER 17, 2016	10:00 A.M.	CONFERENCE ROOM
MONDAY	DECEMBER 12, 2016	10:00 A.M.	CONFERENCE ROOM

MEETING DATES/TIMES SUBJECT TO CHANGE. ANY DATE/TIME CHANGES WILL BE IMMEDIATELY AND APPROPRIATELY POSTED

MEDICAL DIRECTOR'S 2016 BOARD APPEARANCE SCHEDULE

JANUARY 14, 2016

FEBRUARY 11, 2016

MARCH 10, 2016

APRIL 7, 2016

MAY 5, 2016

JUNE 2, 2016

JULY 14, 2016

AUGUST 11, 2016

SEPTEMBER 8, 2016

OCTOBER 6, 2016

NOVEMBER 3, 2016

DECEMBER 1, 2016

DUTY/NON-DUTY DISABILITY RETIREMENT APPLICATIONS

EMPLOYEE INFORMATION		APPROVE	DENY	APPEAL	TABLE
NAME, TITLE, DEPARTMENT	JOSEPH BOLUS, JR. – SERGEANT - FIRE				
PENSION NUMBER	232222				
DISABILITY TYPE AND PLAN	DUTY - NEW				
INJURY/INJURIES	RIGHT KNEE				
MEDICAL DIRECTOR'S RECOMMENDATION					

EMPLOYEE INFORMATION		APPROVE	DENY	APPEAL	TABLE
NAME, TITLE, DEPARTMENT	DAMIAN WILLIAMS – FIRE FIGHTER - FIRE				
PENSION NUMBER	237574				
DISABILITY TYPE AND PLAN	NON-DUTY - NEW				
INJURY/INJURIES	AMYOTROPHIC LATERAL SCLEROSIS				
MEDICAL DIRECTOR'S RECOMMENDATION					

RE-EXAMINATIONS

NAME/PENSION NO. DEPARTMENT DISABILITY TYPE RE-EXAM NUMBER	CONTINUE ON DISABILITY RETIREMENT PAYROLLS WITH RETIRANT RECEIVING NEXT RE-EXAM IN ONE (1) YEAR UNLESS OTHERWISE DIRECTED	CONTINUE ON DISABILITY RETIREMENT PAYROLLS WITH NO FURTHER RE-EXAMS BEING NECESSARY FOR RETIRANT	CONTINUE ON DISABILITY RETIREMENT PAYROLLS WITH RETIRANT RECEIVING NEXT RE-EXAM AT MEDICAL DIRECTOR'S OFFICE IN ONE (1) YEAR UNLESS OTHERWISE DIRECTED
MICHAEL FELSNER - 236641 - POLICE - DUTY - SECOND			
SOPHIA JACKSON - 235611 - POLICE - DUTY - SECOND			
STEVEN KOPP - 237491 - POLICE - DUTY - THIRD			

DROP APPLICATIONS

NAME, TITLE, DEPARTMENT: KEITH DEAN – CORPORAL - POLICE
RETIREMENT TYPE, PLAN: DROP - NEW
SERVICE CREDIT, EFFECTIVE DATE: 18 09 25 – 11 24 15

NAME, TITLE, DEPARTMENT: DERRICK KIMBROUGH – OFFICER - POLICE
RETIREMENT TYPE, PLAN: DROP - NEW
SERVICE CREDIT, EFFECTIVE DATE: 21 07 10 – 11 20 15

NAME, TITLE, DEPARTMENT: PAUL SAHADI – OFFICER - POLICE
RETIREMENT TYPE, PLAN: DROP - NEW
SERVICE CREDIT, EFFECTIVE DATE: 18 06 10 – 12 20 15

RETIREMENT APPLICATIONS

NAME, TITLE, DEPARTMENT: BRIAN LIS – OFFICER - POLICE
RETIREMENT TYPE, PLAN: EARLY RETIREMENT - NEW
SERVICE CREDIT, EFFECTIVE DATE: 17 06 29 – 12 22 15

NAME, TITLE, DEPARTMENT: CECILIA WELLS-UGONNA – OFFICER - POLICE
RETIREMENT TYPE, PLAN: SERVICE - NEW
SERVICE CREDIT, EFFECTIVE DATE: 18 07 11 – 12 05 15

RECEIPTS

The Police & Fire Retirement System of the City of Detroit			
Receipts for Acknowledgement			
12/14/2015 - 1/8/2016			
Meeting #3074			
January 14, 2016			
REMITTER	WIRE DATE	DESCRIPTION	AMOUNT
RECEIPTS			
PRONOUS OFFSHORE FUND LTD	12/14/15	Distribution	75,176.63
FIRST INDEPENDENCE BANK	12/17/15	Loan Deductions	145,829.48
AMERICAN REALTY ADVISORS	12/17/15	Distribution	6,352,742.00
USPF II INSTITUTIONAL FUND LP	12/18/15	Distribution	194,153.00
THE SUPERIOR FUND LP	12/22/15	Distribution	150,000.00
STEWART REAL ESTATE PARTNERS FUND I LP	12/23/15	Distribution	144,000.00
RACINE & ASSOCIATES	12/24/15	Settlement Proceeds - DPF v Paramount	2,000.00
RACINE & ASSOCIATES	12/24/15	Settlement Proceeds - DPF v Paramount	2,000.00
ALEX BROWN RLTY - LAFER	12/28/15	Distribution	16,916.09
ALEX BROWN RLTY - BEETHOVEN	12/28/15	Distribution	11,577.24
TAILWIND CAPITAL PARTNERS (ERISA) LP	12/29/15	Distribution	181,470.00
CREDO CAPITAL MGMT	12/30/15	Payment	1,338.90
STEPSTONE CAPITAL PARTNERS II	12/30/15	Distribution	409,975.50
TRG GROWTH PSHIP CAYMAN OFFSHORE II LP	12/30/15	Distribution	282,739.34
FIRST INDEPENDENCE BANK	12/31/15	Loan Deductions	39,235.26
PRISA II (PRUDENTIAL)	12/31/15	Distribution	294,071.90
VALSTONE OPPORTUNITY FUND IV LTD	12/31/15	Distribution	11,069.72
CANYON JOHNSON URBAN FUND LP	12/31/15	Distribution	40,814.11
MUNIMAE HOLDINGS II	01/05/16	Remittance	246,758.00
FIRST INDEPENDENCE BANK	01/08/16	Loan Deductions	137,013.16
FIRST INDEPENDENCE BANK	01/08/16	Loan Deductions	48,965.67
CITY OF DETROIT	12/21/15	Weekly Mandatory Employee Contribution	79,727.00
CITY OF DETROIT	12/21/15	Weekly Annuity Contribution	940.84
CITY OF DETROIT	12/24/15	Weekly Mandatory Employee Contribution	218,721.49
CITY OF DETROIT	12/24/15	Weekly Annuity Contribution	3,869.23
CITY OF DETROIT	12/31/15	Weekly Mandatory Employee Contribution	79,344.52
CITY OF DETROIT	12/31/15	Weekly Annuity Contribution	940.84
		TOTAL RECEIPTS	\$ 9,171,389.92

DISBURSEMENTS

The Police & Fire Retirement System of the City of Detroit			
Disbursements for Approval			
12/14/2015 - 1/8/2016			
Meeting #3074			
January 14, 2016			
PAYEE NAME		DESCRIPTION	AMOUNT
DISBURSEMENTS			
Retired Payroll		Direct Deposit for Retirees - 1/1/2016	21,684,443.92
Retired Payroll		Checks for Retirees - 1/1/2016	2,182,447.01
Annuity Refunds		Refund List # (no list)	0.00
Checkwrite		Capital Calls, Legal, Administrative & Misc. Expenses	0.00
Loan Program		Loan Funding: Meeting No. 3071	0.00
Annuity Refunds		Refund List # (no list)	0.00
Checkwrite		Capital Calls, Legal, Administrative & Misc. Expenses	0.00
Loan Program		Loan Funding: Meeting No. 3072	0.00
Annuity Refunds		Refund List #3615	895,713.16
Checkwrite		Capital Calls, Legal, Administrative & Misc. Expenses	0.00
Loan Program		Loan Funding: Meeting No. 3073	83,582.00
		TOTAL DISBURSEMENTS	\$ 24,846,186.09