



◆◆◆ **AGENDA** ◆◆◆

POLICE & FIRE RETIREMENT SYSTEM OF THE CITY OF DETROIT  
MEETING NUMBER **3122** – **THURSDAY, DECEMBER 15, 2016**  
9:00 A.M.

**CHAIRPERSON: PORTIA ROBERSON**

**VICE CHAIRPERSON: JOHN SERDA**

!!

ROLL CALL

**AGENDA APPROVAL**

HYBRID APPLICATIONS	NONE
DROP APPLICATIONS	PAGE 10
RETIREMENT APPLICATIONS	NONE
RECEIPTS (ACKNOWLEDGE ONLY)	PAGE 11
DISBURSEMENTS	SEPARATE SUBMISSION

REFUNDS SEPARATE SUBMISSION

EMPLOYEE LOANS SEPARATE SUBMISSION

MINUTES UNAVAILABLE: DECEMBER 1, 2016

MINUTES FOR DISTRIBUTION: NONE

**MINUTES FOR APPROVAL: NOVEMBER 17, 2016**

SUPERVISOR'S REPORT

EXECUTIVE DIRECTOR'S REPORT

CHIEF INVESTMENT OFFICER'S REPORT

PUBLIC RELATIONS ADVISOR'S REPORT

LOBBYIST'S REPORT

GENERAL COUNSEL'S REPORT

COMMITTEE REPORT

INVESTMENT COMMITTEE REPORT

**DECEMBER 15, 2016**

10:00 A.M. – GABRIEL, ROEDER, SMITH & CO.

11:00 A.M.

11:30 A.M. – WILSHIRE

12:30 P.M. - COURTLAND

**DECEMBER 22, 2016**

NO MEETING

**DECEMBER 29, 2016**

NO MEETING

**JANUARY 5, 2017**

10:00 A.M. – DR. O’NEAL

11:00 A.M.

11:30 A.M.

12:00 P.M.

01:00 P.M.

**JANUARY 12, 2017**

NO MEETING

**JANUARY 19, 2017**

10:00 A.M. – MARIE RACINE

10:30 A.M.

11:00 A.M.

11:30 A.M.

12:00 P.M.

**JANUARY 26, 2017**

NO MEETING

**2017 POLICE AND FIRE MEETING SCHEDULE\***

<b><u>DAY</u></b>	<b><u>DATE</u></b>	<b><u>TIME</u></b>	<b><u>LOCATION</u></b>
<b>THURSDAY</b>	<b>JANUARY 5, 2017</b>	<b>09:00 A.M.</b>	<b>CONFERENCE ROOM</b>
<b>THURSDAY</b>	<b>JANUARY 19, 2017</b>	<b>09:00 A.M.</b>	<b>CONFERENCE ROOM</b>
<b>THURSDAY</b>	<b>FEBRUARY 2, 2017</b>	<b>09:00 A.M.</b>	<b>CONFERENCE ROOM</b>
<b>THURSDAY</b>	<b>FEBRUARY 16, 2017</b>	<b>09:00 A.M.</b>	<b>CONFERENCE ROOM</b>
<b>THURSDAY</b>	<b>MARCH 2, 2017</b>	<b>09:00 A.M.</b>	<b>CONFERENCE ROOM</b>
<b>THURSDAY</b>	<b>MARCH 16, 2017</b>	<b>09:00 A.M.</b>	<b>CONFERENCE ROOM</b>
<b>THURSDAY</b>	<b>MARCH 30, 2017</b>	<b>09:00 A.M.</b>	<b>CONFERENCE ROOM</b>
<b>THURSDAY</b>	<b>APRIL 6, 2017</b>	<b>09:00 A.M.</b>	<b>CONFERENCE ROOM</b>
<b>THURSDAY</b>	<b>APRIL 20, 2017</b>	<b>09:00 A.M.</b>	<b>CONFERENCE ROOM</b>
<b>THURSDAY</b>	<b>MAY 4, 2017</b>	<b>09:00 A.M.</b>	<b>CONFERENCE ROOM</b>
<b>THURSDAY</b>	<b>MAY 18, 2017</b>	<b>09:00 A.M.</b>	<b>CONFERENCE ROOM</b>
<b>THURSDAY</b>	<b>JUNE 1, 2017</b>	<b>09:00 A.M.</b>	<b>CONFERENCE ROOM</b>
<b>THURSDAY</b>	<b>JUNE 15, 2017</b>	<b>09:00 A.M.</b>	<b>CONFERENCE ROOM</b>
<b>THURSDAY</b>	<b>JUNE 29, 2017</b>	<b>09:00 A.M.</b>	<b>CONFERENCE ROOM</b>

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

**2017 POLICE AND FIRE INVESTMENT COMMITTEE MEETING SCHEDULE\***

<b><u>DAY</u></b>	<b><u>DATE</u></b>	<b><u>TIME</u></b>	<b><u>LOCATION</u></b>
<b>MONDAY</b>	<b>FEBRUARY 6, 2017</b>	<b>10:00 A.M.</b>	<b>CONFERENCE ROOM - TELECONFERENCE</b>
<b>MONDAY</b>	<b>MARCH 13, 2017</b>	<b>10:00 A.M.</b>	<b>CONFERENCE ROOM</b>
<b>MONDAY</b>	<b>MAY 22, 2017</b>	<b>10:00 A.M.</b>	<b>CONFERENCE ROOM</b>
<b>MONDAY</b>	<b>JULY 24, 2017</b>	<b>10:00 A.M.</b>	<b>CONFERENCE ROOM - TELECONFERENCE</b>
<b>MONDAY</b>	<b>SEPTEMBER 25, 2017</b>	<b>10:00 A.M.</b>	<b>CONFERENCE ROOM</b>
<b>MONDAY</b>	<b>NOVEMBER 20, 2017</b>	<b>10:00 A.M.</b>	<b>CONFERENCE ROOM</b>
<b>MONDAY</b>	<b>DECEMBER 18, 2017</b>	<b>10:00 A.M.</b>	<b>CONFERENCE ROOM - TELECONFERENCE</b>

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

**2017 POLICE AND FIRE MEDICAL DIRECTOR BOARD APPEARANCE SCHEDULE\***

<b><u>DAY</u></b>	<b><u>DATE</u></b>	<b><u>TIME</u></b>	<b><u>LOCATION</u></b>
<b>THURSDAY</b>	<b>JANUARY 5, 2017</b>	<b>10:00 A.M.</b>	<b>CONFERENCE ROOM</b>
<b>THURSDAY</b>	<b>FEBRUARY 2, 2017</b>	<b>10:00 A.M.</b>	<b>CONFERENCE ROOM</b>
<b>THURSDAY</b>	<b>MARCH 2, 2017</b>	<b>10:00 A.M.</b>	<b>CONFERENCE ROOM</b>
<b>THURSDAY</b>	<b>APRIL 6, 2017</b>	<b>10:00 A.M.</b>	<b>CONFERENCE ROOM</b>
<b>THURSDAY</b>	<b>MAY 4, 2017</b>	<b>10:00 A.M.</b>	<b>CONFERENCE ROOM</b>
<b>THURSDAY</b>	<b>JUNE 1, 2017</b>	<b>10:00 A.M.</b>	<b>CONFERENCE ROOM</b>

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

**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 (AS OF JUNE 30, 2016)**

PAYDEN & RYGEL – FIXED INCOME INVESTMENT MANAGER – U.S. GOVERNMENT – PLACED ON WATCH LIST MARCH, 2015 – THREE-YEAR INVESTMENT PERFORMANCE BELOW POLICY AND MEDIAN – MONITOR INVESTMENT PERFORMANCE FOR IMPROVEMENT (PER WILSHIRE)

**MANAGER WATCH LIST (AS OF JUNE 30, 2016) - CONTINUED**

PENN CAPITAL – FIXED INCOME INVESTMENT MANAGER – HIGH YIELD – PLACED ON WATCH LIST MARCH, 2016 – THREE-YEAR INVESTMENT PERFORMANCE BELOW POLICY AND MEDIAN – THREE-YEAR NUMBER IS BELOW POLICY BENCHMARK (PER WILSHIRE)

WELLS CAPITAL – U.S. EQUITY INVESTMENT MANAGER – SMALL-CAP GROWTH – PLACED ON WATCH LIST MARCH, 2016 – THREE-YEAR INVESTMENT PERFORMANCE BELOW POLICY AND MEDIAN – THREE-YEAR NUMBER IS BELOW POLICY BENCHMARK (PER WILSHIRE)

**COMMITTEES**

**BUDGET** – DIAZ, THOMAS

**CUSTOMER SERVICE** – NEARY, PEGG, THOMAS

**DISABILITY** – DIAZ, NEARY, THOMAS

**INFORMATION TECHNOLOGY** – PEGG, THOMAS

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

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

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

**JOINT PERSONNEL** – NAGLICK (PFRS), NEARY (PFRS), SERDA (PFRS) – NICKLEBERRY (GRS), OXENDINE (GRS), SHEEHAN (GRS)

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

**NEWSLETTER/WEBSITE** – DIAZ, GNATEK, PEGG, THOMAS

**POLICY** – JAMES, NEARY, PEGG, THOMAS

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

**SEVENTEENTH (17<sup>TH</sup>) 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/POST-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

**PFRS GENERAL COUNSEL**

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

**PFRS PUBLIC RELATIONS ADVISOR**

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

**PFRS LOBBYIST**

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



**PFRS REAL ESTATE CONSULTANT**

MICHAEL MURPHY  
**COURTLAND PARTNERS**  
127 PUBLIC SQUARE  
SUITE 5050  
CLEVELAND, OHIO 44114-1246  
PHONE: 216-522-0330 – FAX: 216-522-0331 – E-MAIL: MPM@COURTLAND.COM

**PFRS ACTUARY**

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

**PFRS AUDITORS**

MICHELLE WATTERWORTH  
BETH BIALY  
MANJU PAITNAIK  
SPENCER TAWA  
**PLANTE MORAN**  
27400 NORTHWESTERN HIGHWAY  
POST OFFICE BOX 307  
SOUTHFIELD, MICHIGAN 48037  
PHONE: 248-352-2500 – FAX: 248-352-0018  
E-MAIL: MICHELLE.WATTERWORTH@PLANTEMORAN.COM

**PFRS ACCOUNTING FIRM**

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

**PFRS GENERAL INVESTMENT CONSULTANT**

J.M. RUSCETTI  
CALVIN BORN, JR.  
**WILSHIRE ASSOCIATES**  
210 6TH AVENUE  
SUITE 3720  
PITTSBURGH, PENNSYLVANIA 15222  
PHONE: 310-451-3051 - E-MAIL: TEAMPRS@WILSHIRE.COM

DROP APPLICATIONS

NAME-TITLE-DEPARTMENT: MARTIN LAWRENCE – OFFICER – POLICE  
RETIREMENT TYPE-PLAN: DROP - NEW  
SERVICE CREDIT-EFFECTIVE DATE: 17 07 13 – 11 18 16

NAME-TITLE-DEPARTMENT: ABERY THOMAS, JR. – OFFICER - POLICE  
RETIREMENT TYPE-PLAN: DROP - NEW  
SERVICE CREDIT-EFFECTIVE DATE: 17 09 01 – 09 30 16

**RECEIPTS**

The Police & Fire Retirement System of the City of Detroit			
Receipts for Acknowledgement			
11/28/16-12/9/16			
Meeting #3122			
December 15, 2016			
REMITTER	WIRE DATE	DESCRIPTION	AMOUNT
<b>RECEIPTS</b>			
PAYDEN RYGEL	11/29/16	Transfer to Liquid Reserve	7,500,000.00
EQUUS Investment Partners X	11/30/16	Distribution	150,193.00
PAYDEN RYGEL	12/01/16	Transfer to Liquid Reserve	3,500,000.00
RHUMB RUSSELL 1000	12/01/16	Distribution	6,500,000.00
EQUUS Investment Partners X	12/01/16	Distribution	173,168.00
CAPRI Urban Investors	12/02/16	Distribution	1,277,820.00
Valstone Opportunity Fund III	12/08/16	Distribution	768,533.03
Valstone Opportunity Fund II	12/08/16	Distribution	212,199.51
USPF III Leveraged Feeder LP	12/09/16	Distribution	666,666.65
FIRST INDEPENDENCE BANK	11/30/16	Loan Deductions	137,083.74
FIRST INDEPENDENCE BANK	12/08/16	Loan Deductions	48,107.41
CITY OF DETROIT	12/02/16	Weekly Mandatory Employee Contribution	79,936.67
CITY OF DETROIT	12/02/16	Weekly Annuity Contribution	565.64
CITY OF DETROIT	12/09/16	Weekly Mandatory Employee Contribution	241,700.84
CITY OF DETROIT	12/06/16	Weekly Annuity Contribution	3,508.15
<b>TOTAL RECEIPTS</b>			<b>\$ 21,259,482.64</b>