



◆◆◆ **AGENDA** ◆◆◆

POLICE & FIRE RETIREMENT SYSTEM OF THE CITY OF DETROIT
MEETING NUMBER **3133** – **THURSDAY, MARCH 2, 2017**
9:00 A.M.

CHAIRPERSON: PORTIA ROBERSON

VICE CHAIRPERSON: JOHN SERDA

!!

ROLL CALL

AGENDA APPROVAL

| | |
|-----------------------------|----------------------|
| DISABILITIES & RE-EXAMS | PAGE(S) 8 THROUGH 10 |
| HYBRID APPLICATIONS | NONE |
| DROP APPLICATIONS | PAGE(S) 11 |
| RETIREMENT APPLICATIONS | PAGE(S) 11 |
| RECEIPTS (ACKNOWLEDGE ONLY) | PAGE(S) 12 |

DISBURSEMENTS SEPARATE SUBMISSION

REFUNDS SEPARATE SUBMISSION

EMPLOYEE LOANS SEPARATE SUBMISSION

MINUTES FOR DISTRIBUTION: FEBRUARY 16, 2017

MINUTES FOR APPROVAL: FEBRUARY 2, 2017

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

MARCH 2, 2017

10:00 A.M. – DR. O'NEAL

11:00 A.M. – KENNEDY CAPITAL

MARCH 9, 2017

NO MEETING

MARCH 16, 2017

10:00 A.M. – UHY

11:00 A.M.

12:00 P.M.

MARCH 23, 2017

NO MEETING

MARCH 30, 2017

10:00 A.M.

11:00 A.M.

APRIL 6, 2017

10:00 A.M. – DR. O’NEAL

11:00 A.M.

2017 POLICE AND FIRE MEETING SCHEDULE*

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

2017 POLICE AND FIRE INVESTMENT COMMITTEE MEETING SCHEDULE*

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

2017 POLICE AND FIRE MEDICAL DIRECTOR BOARD APPEARANCE SCHEDULE*

| <u>DAY</u> | <u>DATE</u> | <u>TIME</u> | <u>LOCATION</u> |
|------------|---------------|-------------|-----------------|
| | | | |
| THURSDAY | APRIL 6, 2017 | 10:00 A.M. | CONFERENCE ROOM |
| | | | |
| THURSDAY | MAY 4, 2017 | 10:00 A.M. | CONFERENCE ROOM |
| | | | |
| THURSDAY | JUNE 1, 2017 | 10:00 A.M. | CONFERENCE ROOM |
| | | | |

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

TABLED MOTIONS

TABLED **FEBRUARY 16, 2017**: TRUSTEE NAGLICK’S MOTION (SUPPORTED BY TRUSTEE NEARY) TO APPROVE THE SYSTEM’S ANNUAL ACTUARIAL VALUATION OF COMPONENT I (6/30/15)

TABLED **OCTOBER 16, 2014**: TRUSTEE ORZECH’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 (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/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, ASHER, PATTON & WARD 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

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OSCAR W. KING, III

KELLEY CAWTHORNE

208 NORTH CAPITOL AVENUE – 3RD FLOOR

LANSING, MICHIGAN 48933-1356

PHONE: 517-371-1400

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

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BETH BIALY
MANJU PAITNAIK
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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

CALVIN BORN, JR.
DAVID LINDBERG
WILSHIRE ASSOCIATES
210 6TH AVENUE
SUITE 3720
PITTSBURGH, PENNSYLVANIA 15222
PHONE: 310-451-3051

DISABILITY RETIREMENT APPLICATIONS

| MEMBER INFORMATION | | APPROVE | DENY | TABLE | APPEAL |
|-----------------------------------|--------------------------------------|---------|------|-------|--------|
| NAME | KATHRYN ANDERSON | | | | |
| TITLE | OFFICER | | | | |
| DEPARTMENT | POLICE | | | | |
| PENSION NUMBER | 236676 | | | | |
| DISABILITY TYPE | DUTY – POLICE DEPARTMENT APPLICATION | | | | |
| PLAN | NEW | | | | |
| INJURY/INJURIES | | | | | |
| MEDICAL DIRECTOR'S RECOMMENDATION | | | | | |

| MEMBER INFORMATION | | APPROVE | DENY | TABLE | APPEAL |
|-----------------------------------|-------------------|---------|------|-------|--------|
| NAME | KENNETH J. CAWLEY | | | | |
| TITLE | OFFICER | | | | |
| DEPARTMENT | POLICE | | | | |
| PENSION NUMBER | 235691 | | | | |
| DISABILITY TYPE | DUTY | | | | |
| PLAN | NEW | | | | |
| INJURY/INJURIES | | | | | |
| MEDICAL DIRECTOR'S RECOMMENDATION | | | | | |

| MEMBER INFORMATION | | APPROVE | DENY | TABLE | APPEAL |
|-----------------------------------|--------------------------------------|---------|------|-------|--------|
| NAME | TORON CRAWFORD | | | | |
| TITLE | OFFICER | | | | |
| DEPARTMENT | POLICE | | | | |
| PENSION NUMBER | 238911 | | | | |
| DISABILITY TYPE | DUTY – POLICE DEPARTMENT APPLICATION | | | | |
| PLAN | NEW | | | | |
| INJURY/INJURIES | | | | | |
| MEDICAL DIRECTOR'S RECOMMENDATION | | | | | |

DISABILITY RETIREMENT APPLICATIONS - CONTINUED

| MEMBER INFORMATION | | APPROVE | DENY | TABLE | APPEAL |
|--------------------------------------|--|---------|------|-------|--------|
| NAME | YARLEN HENRY | | | | |
| TITLE | OFFICER | | | | |
| DEPARTMENT | POLICE | | | | |
| PENSION NUMBER | 238917 | | | | |
| DISABILITY TYPE | DUTY – POLICE DEPARTMENT APPLICATION | | | | |
| PLAN | NEW | | | | |
| INJURY/INJURIES | | | | | |
| MEDICAL DIRECTOR'S RECOMMENDATION | | | | | |

| MEMBER INFORMATION | | APPROVE | DENY | TABLE | APPEAL |
|--------------------------------------|--|---------|------|-------|--------|
| NAME | ARTHUR MATTHEWS | | | | |
| TITLE | OFFICER | | | | |
| DEPARTMENT | POLICE | | | | |
| PENSION NUMBER | 232940 | | | | |
| DISABILITY TYPE | DUTY – POLICE DEPARTMENT APPLICATION | | | | |
| PLAN | NEW | | | | |
| INJURY/INJURIES | | | | | |
| MEDICAL DIRECTOR'S RECOMMENDATION | | | | | |

| MEMBER INFORMATION | | APPROVE | DENY | TABLE | APPEAL |
|--------------------------------------|--|---------|------|-------|--------|
| NAME | KRISTAL SCOTT | | | | |
| TITLE | OFFICER | | | | |
| DEPARTMENT | POLICE | | | | |
| PENSION NUMBER | 238141 | | | | |
| DISABILITY TYPE | DUTY – POLICE DEPARTMENT APPLICATION | | | | |
| PLAN | NEW | | | | |
| INJURY/INJURIES | | | | | |
| MEDICAL DIRECTOR'S RECOMMENDATION | | | | | |

DISABILITY RETIREMENT APPLICATIONS - CONTINUED

| MEMBER INFORMATION | | APPROVE | DENY | TABLE | APPEAL |
|--------------------------------------|--|---------|------|-------|--------|
| NAME | ERIC SMITH | | | | |
| TITLE | OFFICER | | | | |
| DEPARTMENT | POLICE | | | | |
| PENSION NUMBER | 235726 | | | | |
| DISABILITY TYPE | DUTY – POLICE DEPARTMENT APPLICATION | | | | |
| PLAN | NEW | | | | |
| INJURY/INJURIES | | | | | |
| MEDICAL DIRECTOR'S RECOMMENDATION | | | | | |

RE-EXAMINATIONS

| NAME PENSION NUMBER 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 UNLESS OTHERWISE DIRECTED | CONTINUE ON DISABILITY RETIREMENT PAYROLLS WITH RETIRANT RECEIVING NEXT RE-EXAM AT MEDICAL DIRECTOR'S OFFICE UNLESS OTHERWISE DIRECTED |
|---|---|--|--|
| CONSTANCE BURGER - 234827 - FIRE - DUTY - 3RD | | | |
| CHARLES INMAN - 236811 - FIRE - DUTY - 4TH | | | |
| CLIVE JOHNSON - 237595 - FIRE - DUTY - 3RD | | | |
| MERRI MCGREGOR - 234987 - POLICE - DUTY - 3RD | | | |
| DEMARIUS NETTLES - 235404 - FIRE - DUTY - 4TH | | | |
| TANGARENEE RICHARDSON - 234692 - POLICE - DUTY - 1ST | | | |
| CHARITY VANOVER - 262198 - POLICE - DUTY - 4TH | | | |

DROP APPLICATIONS

NAME-TITLE-DEPARTMENT: JEREMY RULE – OFFICER - POLICE
RETIREMENT TYPE-PLAN: DROP - NEW
SERVICE CREDIT-EFFECTIVE DATE: 17 06 27 – 01 25 17

NAME-TITLE-DEPARTMENT: VALERIE WILCOX – OFFICER - POLICE
RETIREMENT TYPE-PLAN: DROP - NEW
SERVICE CREDIT-EFFECTIVE DATE: 17 04 13 – 02 17 17

RETIREMENT APPLICATIONS

NAME-TITLE-DEPARTMENT: MAURICE DICKSON – OFFICER - POLICE
RETIREMENT TYPE-PLAN: SERVICE - NEW
SERVICE CREDIT-EFFECTIVE DATE: 17 04 14 – 02 17 17

NAME-TITLE-DEPARTMENT: CAROL FURSTENAU – OFFICER - POLICE
RETIREMENT TYPE-PLAN: SERVICE - NEW
SERVICE CREDIT-EFFECTIVE DATE: 17 04 17 – 02 15 17

NAME-TITLE-DEPARTMENT: CHRISTINE GRIFFIN – OFFICER - POLICE
RETIREMENT TYPE-PLAN: SERVICE - NEW
SERVICE CREDIT-EFFECTIVE DATE: 20 06 00 – 01 31 17

NAME-TITLE-DEPARTMENT: LAURA PENN – OFFICER - POLICE
RETIREMENT TYPE-PLAN: SERVICE - NEW
SERVICE CREDIT-EFFECTIVE DATE: 17 04 12 – 02 20 17

RECEIPTS

| The Police & Fire Retirement System of the City of Detroit | | | |
|--|-----------|--|------------------------|
| Receipts for Acknowledgement | | | |
| 2/13/17-2/24/17 | | | |
| Meeting #3133 | | | |
| March 2, 2017 | | | |
| REMITTER | WIRE DATE | DESCRIPTION | AMOUNT |
| RECEIPTS | | | |
| USPF II Institutional Fund | 02/15/17 | Distribution | 671,355.00 |
| USPF III BLK FUND | 02/17/17 | Distribution | 2,220,892.00 |
| USPF III Leveraged Feeder LP | 02/17/17 | Distribution | 2,455,937.00 |
| Steward Real Estate | 02/21/17 | Distribution | 297,000.00 |
| DRA GROWTH AND INC FUND IX | 02/22/17 | Distribution | 1,826,755.00 |
| FIRST INDEPENDENCE BANK | 02/17/17 | Loan Deductions | 61,776.91 |
| FIRST INDEPENDENCE BANK | 02/22/17 | Loan Deductions | 145,719.27 |
| CITY OF DETROIT | 02/21/17 | Weekly Mandatory Employee Contribution | 245,256.48 |
| CITY OF DETROIT | 02/21/17 | Weekly Annuity Contribution | 2,835.16 |
| CITY OF DETROIT | 02/24/17 | Weekly Mandatory Employee Contribution | 80,485.12 |
| CITY OF DETROIT | 02/24/17 | Weekly Annuity Contribution | 451.07 |
| TOTAL RECEIPTS | | | \$ 8,008,463.01 |