



◆◆◆ **AGENDA** ◆◆◆

POLICE & FIRE RETIREMENT SYSTEM OF THE CITY OF DETROIT  
MEETING NUMBER **3153** – **THURSDAY, JULY 20, 2017**  
9:00 A.M.

**CHAIRMAN: JOHN SERDA**

**VICE CHAIRMAN: JEFFREY PEGG**

!!!!!!!!!!!!!!!!!!!!!!!!!!!!!!!!!!!!!!!!!!!!!!!!!!!!!!!!!!!!!!!!!!!!!!!!!!!!!!!!!!!!!!!!!!!!!!!!!!!!!!!!!!!!!!!!!!!!!!!!!!!!!!!!

ROLL CALL

**AGENDA APPROVAL**

HYBRID APPLICATIONS	PAGE 8
DROP APPLICATIONS	PAGE 8
RETIREMENT APPLICATIONS	NONE
RECEIPTS (ACKNOWLEDGE ONLY)	PAGE 9
DISBURSEMENTS	SEPARATE SUBMISSION
REFUNDS	SEPARATE SUBMISSION

EMPLOYEE LOANS SEPARATE SUBMISSION

MINUTES FOR DISTRIBUTION: JULY 6, 2017

**MINUTES FOR APPROVAL: JUNE 15, 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

**JULY 20, 2017**

10:00 A.M. - UHY

10:30 A.M. – COMMITTEE DISCUSSION

11:00 A.M. – MARIE RACINE

**JULY 27, 2017**

NO MEETING

**AUGUST 3, 2017**

10:00 A.M. – DR. O'NEAL

11:00 A.M.

12:00 P.M.

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

<u>DAY</u>	<u>DATE</u>	<u>TIME</u>	<u>LOCATION</u>
THURSDAY	AUGUST 3, 2017	9:00 A.M.	CONFERENCE ROOM
THURSDAY	AUGUST 17, 2017	9:00 A.M.	CONFERENCE ROOM
THURSDAY	SEPTEMBER 7, 2017	9:00 A.M.	CONFERENCE ROOM
THURSDAY	SEPTEMBER 21, 2017	9:00 A.M.	CONFERENCE ROOM
THURSDAY	OCTOBER 5, 2017	9:00 A.M.	CONFERENCE ROOM
THURSDAY	OCTOBER 19, 2017	9:00 A.M.	CONFERENCE ROOM
THURSDAY	NOVEMBER 2, 2017	9:00 A.M.	CONFERENCE ROOM
THURSDAY	NOVEMBER 16, 2017	9:00 A.M.	CONFERENCE ROOM
THURSDAY	DECEMBER 7, 2017	9:00 A.M.	CONFERENCE ROOM
THURSDAY	DECEMBER 21, 2017	9:00 A.M.	CONFERENCE ROOM

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

<u>DAY</u>	<u>DATE</u>	<u>TIME</u>	<u>LOCATION</u>
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

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

<u>DAY</u>	<u>DATE</u>	<u>TIME</u>	<u>LOCATION</u>
THURSDAY	AUGUST 3, 2017	10:00 A.M.	CONFERENCE ROOM
THURSDAY	SEPTEMBER 7, 2017	10:00 A.M.	CONFERENCE ROOM
THURSDAY	OCTOBER 5, 2017	10:00 A.M.	CONFERENCE ROOM
THURSDAY	NOVEMBER 2, 2017	10:00 A.M.	CONFERENCE ROOM
THURSDAY	DECEMBER 7, 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 **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**

CBRE CLARION GLOBAL REIT (REAL ESTATE MANAGER) – REAL ESTATE – PLACED ON WATCH LIST DECEMBER 16, 2016 – THREE-YEAR INVESTMENT PERFORMANCE BELOW POLICY AND MEDIAN – THREE-YEAR NUMBER BELOW POLICY BENCHMARK

PENN CAPITAL MANAGEMENT (FIXED INCOME INVESTMENT MANAGER) – HIGH YIELD - PLACED ON WATCH LIST MARCH 16, 2016 - THREE-YEAR INVESTMENT PERFORMANCE BELOW POLICY AND MEDIAN – THREE-YEAR NUMBER BELOW POLICY BENCHMARK

TT INTERNATIONAL (NON-U.S. EQUITY INVESTMENT MANAGER) – NON-U.S. EQUITY – PLACED ON WATCH LIST DECEMBER 16, 2016 – THREE-YEAR INVESTMENT PERFORMANCE BELOW POLICY AND MEDIAN – CHALLENGING FOURTH QUARTER PUSHED THREE-YEAR PERFORMANCE BELOW POLICY AND MEDIAN

WELLS CAPITAL MANAGEMENT (U.S. EQUITY INVESTMENT MANAGER) – SMALL-CAP GROWTH – PLACED ON WATCH LIST MARCH 16, 2016 – THREE-YEAR INVESTMENT PERFORMANCE BELOW POLICY AND MEDIAN – THREE-YEAR NUMBER BELOW POLICY BENCHMARK

**COMMITTEES**

**BUDGET** – DIAZ, WATSON

**CUSTOMER SERVICE** – NEARY, PEGG

**DISABILITY** – DIAZ, NEARY

**DROP (DEFERRED RETIREMENT OPTION PLAN)** – DIAZ, GNATEK, JAMES, PEGG, WATSON

**INFORMATION TECHNOLOGY** – NEARY, PEGG

**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

**COMMITTEES - CONTINUED**

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

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

**LEGAL REVIEW** – DIAZ, JAMES, PEGG

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

**POLICY** – JAMES, NEARY, PEGG

**PUBLIC RELATIONS** – DIAZ, JAMES, NAGLICK, PEGG, SERDA, 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

**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.** – NO PENDING CASES

**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**

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**CLARK HILL, PLC**  
212 EAST GRAND RIVER AVENUE  
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**PFRS LOBBYIST**

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**COURTLAND PARTNERS**  
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**PFRS ACTUARY**

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**GABRIEL, ROEDER, SMITH & COMPANY**  
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**PFRS AUDITORS**

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MANJU PAITNAIK/SPENCER TAWA  
**PLANTE MORAN**  
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JOHN PEPPERMAN  
**UHY, LLP**  
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SUITE 200  
FARMINGTON HILLS, MICHIGAN 48334  
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**PFRS GENERAL INVESTMENT CONSULTANT**

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**WILSHIRE ASSOCIATES**  
210 6TH AVENUE  
SUITE 3720  
PITTSBURGH, PENNSYLVANIA 15222  
PHONE: 310-451-3051

HYBRID APPLICATIONS

NAME-TITLE-DEPARTMENT: GLENDA HEATH – INVESTIGATOR - POLICE  
RETIREMENT TYPE-PLAN: HYBRID DROP – 2014 PLAN  
SERVICE CREDIT-EFFECTIVE DATE: 02 11 00 – 05 25 17

NAME-TITLE-DEPARTMENT: STEVEN FORD – SERGEANT - POLICE  
RETIREMENT TYPE-PLAN: HYBRID DROP – 2014 PLAN  
SERVICE CREDIT-EFFECTIVE DATE: 03 01 00 – 09 10 17

NAME-TITLE-DEPARTMENT: CHARLES ADAMS – OFFICER - POLICE  
RETIREMENT TYPE-PLAN: HYBRID SERVICE – 2014 PLAN  
SERVICE CREDIT-EFFECTIVE DATE: 01 04 00 – 07 03 17

DROP APPLICATIONS

NAME-TITLE-DEPARTMENT: DANIEL BAXENDALE – OFFICER - POLICE  
RETIREMENT TYPE-PLAN: DROP - NEW  
SERVICE CREDIT-EFFECTIVE DATE: 16 10 20 – 08 12 17

NAME-TITLE-DEPARTMENT: KEVIN SESSION – OFFICER - POLICE  
RETIREMENT TYPE-PLAN: DROP - NEW  
SERVICE CREDIT-EFFECTIVE DATE: 16 10 20 – 08 11 17

NAME-TITLE-DEPARTMENT: KEVIN KENDRICK – OFFICER - POLICE  
RETIREMENT TYPE-PLAN: DROP - NEW  
SERVICE CREDIT-EFFECTIVE DATE: 16 11 22 – 07 09 17

NAME-TITLE-DEPARTMENT: STEVEN FORD – SERGEANT - POLICE  
RETIREMENT TYPE-PLAN: DROP - NEW  
SERVICE CREDIT-EFFECTIVE DATE: 22 10 16 – 09 10 17



**RECEIPTS**

The Police & Fire Retirement System of the City of Detroit			
Receipts for Acknowledgement			
7/3/17-7/14/17			
Meeting #3153			
July 20, 2017			
REMITTER	WIRE DATE	DESCRIPTION	AMOUNT
<b>RECEIPTS</b>			
Falconhead Capital Partners II	07/11/17	Distribution	561,159.42
Valstone Opportunity Fund IV	07/13/17	Distribution	551,414.58
Mesirov Arbitrage	07/13/17	Distribution	444,062.85
FIRST INDEPENDENCE BANK	07/07/17	Loan Deductions	42,762.48
FIRST INDEPENDENCE BANK	07/13/17	Loan Deductions	131,478.81
CITY OF DETROIT	07/10/17	Weekly Mandatory Employee Contribution	249,178.28
CITY OF DETROIT	07/10/17	Weekly Annuity Contribution	2,437.88
CITY OF DETROIT	07/14/17	Weekly Mandatory Employee Contribution	81,120.10
CITY OF DETROIT	07/14/17	Weekly Annuity Contribution	514.70
		<b>TOTAL RECEIPTS</b>	<b>\$ 2,064,129.10</b>