



◆◆◆ **AGENDA** ◆◆◆

POLICE & FIRE RETIREMENT SYSTEM OF THE CITY OF DETROIT
MEETING NUMBER **3155** – **THURSDAY, AUGUST 3, 2017**
9:00 A.M.

CHAIRMAN: JOHN SERDA

VICE CHAIRMAN: JEFFREY PEGG

!!

ROLL CALL (EXCUSED: TRUSTEES JEFFREY PEGG AND CHRISTA MCLELLAN AND ASSISTANT EXECUTIVE DIRECTOR DAVID CETLINSKI)

AGENDA APPROVAL

DISABILITIES & RE-EXAMS PAGES 8 THROUGH 11

HYBRID APPLICATIONS PAGE 12

DROP APPLICATIONS PAGE 12

RETIREMENT APPLICATIONS NONE

RECEIPTS (ACKNOWLEDGE ONLY) PAGE 13

DISBURSEMENTS SEPARATE SUBMISSION

REFUNDS SEPARATE SUBMISSION

EMPLOYEE LOANS SEPARATE SUBMISSION

MINUTES FOR DISTRIBUTION: JULY 20, 2017

MINUTES FOR APPROVAL: JULY 6, 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

AUGUST 3, 2017

09:30 A.M. – DON WAGNER

10:30 A.M. – DR. O'NEAL

11:00 A.M.

AUGUST 10, 2017

NO MEETING

POLICE AND FIRE 2017 MEETING SCHEDULE*

| <u>DAY</u> | <u>DATE</u> | <u>TIME</u> | <u>LOCATION</u> |
|-------------------|--------------------|--------------------|------------------------|
| 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 | 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 | 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, MCLELLAN, WATSON

CUSTOMER SERVICE – ENGLISH, NEARY, PEGG

DISABILITY – DIAZ, ENGLISH, MOSLIMANI, NEARY, GENERAL COUNSEL

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

INFORMATION TECHNOLOGY – ENGLISH, NEARY, PEGG, TUCKER

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

INVESTMENT ROUNDTABLE – DIAZ, MCLELLAN, NEARY, PEGG, ROBERSON, 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, MOSLIMANI, PEGG, ROBERSON

NEWSLETTER/WEBSITE – DIAZ, GNATEK, PEGG

POLICY – JAMES, NEARY, PEGG

PUBLIC RELATIONS – DIAZ, ENGLISH, NAGLICK, PEGG, SERDA, 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

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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20TH FLOOR
SOUTHFIELD, MICHIGAN 48075
PHONE: 248-432-1319
EMAIL: CTHOMPSON@SRR.COM

DISABILITY RETIREMENT APPLICATIONS

| MEMBER INFORMATION | | APPROVE | DENY | TABLE | APPEAL |
|--|----------------------------------|----------------|-------------|--------------|---------------|
| NAME/PENSION NUMBER | RONALD FOSTER-236477 | | | | |
| TITLE/DEPARTMENT | FIRE ENGINE OPERATOR-FIRE | | | | |
| DISABILITY TYPE/PLAN | DUTY-NEW | | | | |
| INJURY/INJURIES | LOWER BACK | | | | |
| MEDICAL DIRECTOR'S RECOMMENDATION | | | | | |
| | | | | | |

| MEMBER INFORMATION | | APPROVE | DENY | TABLE | APPEAL |
|--|----------------------------|----------------|-------------|--------------|---------------|
| NAME/PENSION NUMBER | DONALD HANKS-237587 | | | | |
| TITLE/DEPARTMENT | FIRE FIGHTER-FIRE | | | | |
| DISABILITY TYPE/PLAN | DUTY-NEW | | | | |
| INJURY/INJURIES | NECK | | | | |
| MEDICAL DIRECTOR'S RECOMMENDATION | | | | | |
| | | | | | |

CONTINUATION OF DISABILITY RETIREMENT APPLICATIONS

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

| MEMBER INFORMATION | | APPROVE | DENY | TABLE | APPEAL |
|--|--|----------------|-------------|--------------|---------------|
| NAME/PENSION NUMBER | TIFFANY MCCRACKIN-239086 | | | | |
| TITLE/DEPARTMENT | OFFICER-POLICE | | | | |
| DISABILITY TYPE/PLAN | DUTY-NEW | | | | |
| INJURY/INJURIES | RIGHT KNEE; ADJUSTMENT DISORDER; DEPRESSED MOOD | | | | |
| MEDICAL DIRECTOR'S RECOMMENDATION | | | | | |
| | | | | | |

CONTINUATION OF DISABILITY RETIREMENT APPLICATIONS

| MEMBER INFORMATION | | APPROVE | DENY | TABLE | APPEAL |
|--|---|----------------|-------------|--------------|---------------|
| NAME/PENSION NUMBER | KRISTAL SCOTT-238141 | | | | |
| TITLE/DEPARTMENT | OFFICER-POLICE | | | | |
| DISABILITY TYPE/PLAN | DUTY-NEW-POLICE DEPARTMENT REQUEST | | | | |
| INJURY/INJURIES | LEGS; BACK; RIGHT THUMB | | | | |
| MEDICAL DIRECTOR'S RECOMMENDATION | | | | | |
| | | | | | |

| MEMBER INFORMATION | | APPROVE | DENY | TABLE | APPEAL |
|--|--|----------------|-------------|--------------|---------------|
| NAME/PENSION NUMBER | MIA SPRUCE-234672 | | | | |
| TITLE/DEPARTMENT | OFFICER-POLICE | | | | |
| DISABILITY TYPE/PLAN | DUTY-NEW | | | | |
| INJURY/INJURIES | NECK; BACK; SHOULDER; RIGHT ARM | | | | |
| 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 |
|---|---|--|--|
| ERIC GILES - 235775 - POLICE - DUTY - 2ND | | | |
| | | | |
| CLAUDE HARRIS - 232362 - FIRE - DUTY - 3RD | | | |
| | | | |
| CONRAD HERRING, III - 236094 - FIRE - DUTY - 3RD | | | |
| | | | |
| | | | |

HYBRID APPLICATIONS

NAME-TITLE-DEPARTMENT: FRANCES DICKERSON – OFFICER - POLICE
RETIREMENT TYPE-PLAN: HYBRID DROP – 2014 PLAN
SERVICE CREDIT-EFFECTIVE DATE: 03 00 00 – 06 30 17

DROP APPLICATIONS

NAME-TITLE-DEPARTMENT: FRANCES DICKERSON – OFFICER - POLICE
RETIREMENT TYPE-PLAN: DROP - NEW
SERVICE CREDIT-EFFECTIVE DATE: 18 00 05 – 06 30 17

RECEIPTS

| The Police & Fire Retirement System of the City of Detroit | | | |
|--|-----------|--|------------------------|
| Receipts for Acknowledgement | | | |
| 7/17/17-7/28/17 | | | |
| Meeting #3155 | | | |
| August 3, 2017 | | | |
| REMITTER | WIRE DATE | DESCRIPTION | AMOUNT |
| RECEIPTS | | | |
| Harris St COR PRP FD | 07/17/17 | Distribution | 225,769.00 |
| Racine & Associates | 07/19/17 | Paramount Distribution | 4,000.00 |
| CITY OF DETROIT | 07/19/17 | 4th Quarter City Contribution | 4,162,779.55 |
| Alex Brown Realty | 07/21/17 | Distribution | 2,201,257.82 |
| American Realty Advisors | 07/21/17 | Distribution | 193,600.84 |
| PRISA II Prudential | 07/21/17 | Distribution | 1,059,001.87 |
| Transfer from General Cash Account | 07/27/17 | Transfer | 382,246.63 |
| Transfer from General Cash Account | 07/27/17 | Transfer | 128,203.16 |
| FIRST INDEPENDENCE BANK | 07/26/17 | Loan Deductions | 45,085.58 |
| FIRST INDEPENDENCE BANK | 07/26/17 | Loan Deductions | 133,605.28 |
| CITY OF DETROIT | 07/21/17 | Weekly Mandatory Employee Contribution | 257,629.31 |
| CITY OF DETROIT | 07/21/17 | Weekly Annuity Contribution | 2,197.62 |
| CITY OF DETROIT | 07/28/17 | Weekly Mandatory Employee Contribution | 86,025.32 |
| CITY OF DETROIT | 07/28/17 | Weekly Annuity Contribution | 514.70 |
| TOTAL RECEIPTS | | | \$ 8,881,916.68 |