

MEETING NUMBER 3170

JOURNAL OF PROCEEDINGS
BOARD OF TRUSTEES OF THE POLICE AND FIRE RETIREMENT SYSTEM
OF THE CITY OF DETROIT

HELD THURSDAY, NOVEMBER 16, 2017

9:00 A.M.

IN THE CONFERENCE ROOM OF THE RETIREMENT SYSTEMS
500 WOODWARD AVENUE, SUITE 3000, DETROIT, MICHIGAN 48226

TRUSTEES PRESENT

SHAWN BATTLE	EX/OFFICIO TRUSTEE/FIRE PREVENTION CHIEF/MAYOR'S DESIGNEE
MARK DIAZ	ELECTED TRUSTEE/POLICE
JOSEPH ENGLISH	ELECTED TRUSTEE/FIRE
MATTHEW GNATEK	ELECTED TRUSTEE/POLICE
ANGELA R. JAMES	EX/OFFICIO RETIRANT TRUSTEE/POLICE/MAYOR'S DESIGNEE
MEGAN S. MOSLIMANI	EX/OFFICIO TRUSTEE/CORPORATION COUNSEL'S ALTERNATE
JOHN NAGLICK	EX/OFFICIO TRUSTEE/FINANCE DIRECTOR
JEFFREY PEGG	ELECTED TRUSTEE/FIRE/VICE CHAIRMAN
PORTIA ROBERSON	EX/OFFICIO TRUSTEE/MAYOR'S ALTERNATE
JOHN SERDA	ELECTED TRUSTEE/POLICE/CHAIRMAN
GREGORY TROZAK	ELECTED RETIRANT TRUSTEE/POLICE
JOHN G. TUCKER	ELECTED RETIRANT TRUSTEE/FIRE

TRUSTEES EXCUSED

BRENDA JONES	EX/OFFICIO TRUSTEE/CITY COUNCIL PRESIDENT
CHRISTA MCLELLAN	EX/OFFICIO TRUSTEE/TREASURER
SEAN P. NEARY	ELECTED TRUSTEE/FIRE
STEVEN WATSON	EX/OFFICIO TRUSTEE/DIRECTOR OF SPECIAL PROJECTS-OFFICE OF CHIEF FINANCIAL OFFICER/BUDGET DIRECTOR'S DESIGNEE

TRUSTEES ABSENT

NONE

STAFF PRESENT

DAVID CETLINSKI	EXECUTIVE DIRECTOR
RYAN C. BIGELOW	CHIEF INVESTMENT OFFICER
RONALD A. KING	GENERAL COUNSEL
JANET S. LENEAR	RECORDING SECRETARY

STAFF EXCUSED

CYNTHIA A. THOMAS	CONSULTING DIRECTOR
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STAFF ABSENT

NONE

CHAIRMAN

JOHN SERDA

VICE CHAIRMAN

JEFFREY PEGG

FOLLOWING A VERBAL ROLL CALL, **CHAIRMAN SERDA** CALLED THE MEETING TO ORDER AT **9:15 A.M.**

NOVEMBER 16, 2017 AGENDA APPROVAL

BY TRUSTEE GNATEK – SUPPORTED BY TRUSTEE TUCKER

RESOLVED, THAT TODAY'S **NOVEMBER 16, 2017** AGENDA BE APPROVED AS PREPARED AND SUBMITTED BY THE BOARD'S RECORDING SECRETARY:

YEAS – TRUSTEES BATTLE, DIAZ, ENGLISH, GNATEK, NAGLICK, TROZAK, TUCKER
AND CHAIRMAN SERDA – 8

NAYS – NONE

HYBRID APPLICATIONS

BY TRUSTEE GNATEK – SUPPORTED BY TRUSTEE DIAZ

RESOLVED, THAT THE **HYBRID APPLICATIONS** WHICH ARE OUTLINED BELOW BE APPROVED:

HYBRID APPLICATIONS

NAME-TITLE-DEPARTMENT:
RETIREMENT TYPE-PLAN:
SERVICE CREDIT-EFFECTIVE DATE:

DENA ALLEN – SERGEANT - POLICE
HYBRID SERVICE – 2014 PLAN
03 04 00 – 10 27 17

NAME-TITLE-DEPARTMENT:
RETIREMENT TYPE-PLAN:
SERVICE CREDIT-EFFECTIVE DATE:

MILES BOOKER – OFFICER - POLICE
HYBRID SERVICE – 2014 PLAN
00 11 00 – 06 12 15

HYBRID APPLICATIONS - CONTINUED

YEAS – TRUSTEES BATTLE, DIAZ, ENGLISH, GNATEK, NAGLICK, TROZAK, TUCKER
AND CHAIRMAN SERDA – 8

NAYS – NONE

DROP APPLICATIONS

BY TRUSTEE GNATEK – SUPPORTED BY TRUSTEE DIAZ

RESOLVED, THAT THE **DROP APPLICATIONS** WHICH ARE REFERENCED BELOW
BE APPROVED:

DROP APPLICATIONS

NAME-TITLE-DEPARTMENT: TREVA EATON – OFFICER - POLICE
RETIREMENT TYPE-PLAN: DROP - NEW
SERVICE CREDIT-EFFECTIVE DATE: 17 09 01 – 10 19 17

NAME-TITLE-DEPARTMENT: FELICIA EVANS – OFFICER - POLICE
RETIREMENT TYPE-PLAN: DROP - NEW
SERVICE CREDIT-EFFECTIVE DATE: 16 08 18 – 10 18 17

NAME-TITLE-DEPARTMENT: MICHAEL CROSBY – OFFICER - POLICE
RETIREMENT TYPE-PLAN: DROP - NEW
SERVICE CREDIT-EFFECTIVE DATE: 16 08 18 – 10 19 17

NAME-TITLE-DEPARTMENT: PATRICIA HIGGINS – OFFICER - POLICE
RETIREMENT TYPE-PLAN: DROP - NEW
SERVICE CREDIT-EFFECTIVE DATE: 16 08 18 – 10 18 17

NAME-TITLE-DEPARTMENT: HASSAN CHEHAB – OFFICER - POLICE
RETIREMENT TYPE-PLAN: DROP - NEW
SERVICE CREDIT-EFFECTIVE DATE: 16 10 20 – 08 15 17

NAME-TITLE-DEPARTMENT: ANTHONY BROWN – OFFICER - POLICE
RETIREMENT TYPE-PLAN: DROP - NEW
SERVICE CREDIT-EFFECTIVE DATE: 16 08 18 – 10 25 17

YEAS – TRUSTEES BATTLE, DIAZ, ENGLISH, GNATEK, NAGLICK, TROZAK, TUCKER
AND CHAIRMAN SERDA – 8

NAYS – NONE

POLICE AND FIRE RETIREMENT SYSTEM OF THE CITY OF DETROIT
MEETING NUMBER 3170 – THURSDAY – NOVEMBER 16, 2017

RETIREMENT APPLICATIONS

BY TRUSTEE GNATEK – SUPPORTED BY TRUSTEE DIAZ

RESOLVED, THAT THE **RETIREMENT APPLICATIONS** WHICH ARE DESIGNATED BELOW BE APPROVED:

RETIREMENT APPLICATIONS

NAME-TITLE-DEPARTMENT: DENA ALLEN – SERGEANT - POLICE
RETIREMENT TYPE-PLAN: SERVICE – NEW
SERVICE CREDIT-EFFECTIVE DATE: 20 00 18 – 10 27 17

NAME-TITLE-DEPARTMENT: JONATHAN GRIMM – FIRE FIGHTER - FIRE
RETIREMENT TYPE-PLAN: SERVICE - NEW
SERVICE CREDIT-EFFECTIVE DATE: 16 09 23 – 09 09 17

NAME-TITLE-DEPARTMENT: BRYAN BUSH – OFFICER - POLICE
RETIREMENT TYPE-PLAN: SERVICE - NEW
SERVICE CREDIT-EFFECTIVE DATE: 17 01 19 – 07 06 17

NAME-TITLE-DEPARTMENT: MARLON TERRY – OFFICER - POLICE
RETIREMENT TYPE-PLAN: SERVICE - NEW
SERVICE CREDIT-EFFECTIVE DATE: 18 00 05 – 10 21 17

YEAS – TRUSTEES BATTLE, DIAZ, ENGLISH, GNATEK, NAGLICK, TROZAK, TUCKER
AND CHAIRMAN SERDA – 8

NAYS – NONE

RECEIPTS

THE **RECEIPTS** WHICH FOLLOW WERE ACKNOWLEDGED BY THE BOARD:

The Police & Fire Retirement System of the City of Detroit			
Receipts for Acknowledgement			
10/30/17-11/10/17			
Meeting #3170			
November 16, 2017			
REMITTER	WIRE DATE	DESCRIPTION	AMOUNT
RECEIPTS			
Kennedy Capital	10/30/17	Cash Rebalancing	2,500,000.00
Johnston	10/30/17	Cash Rebalancing	3,000,000.00
Wells Capital International	10/30/17	Cash Rebalancing	1,000,000.00
Loomis Sayles	10/30/17	Cash Rebalancing	2,000,000.00
Credit Suisse	10/30/17	Cash Rebalancing	2,500,000.00
Penn Capital	10/30/17	Cash Rebalancing	1,000,000.00
Greenfield ACQ Partners VIII	10/31/17	Distribution	62,500.00
ARA Core Value Fund	10/31/17	Distribution	153,250.38
Faldonhead Capital Partners Part II LP	11/07/17	Distribution	2,667,728.00
Transfer from Various Accounts	11/08/17	Sweep From Passive accounts to Liquid	2,831,644.12
Hamilton Lane	11/08/17	Distribution	473,483.00
FIRST INDEPENDENCE BANK	10/31/17	Loan Deductions	130,563.80
FIRST INDEPENDENCE BANK	11/10/17	Loan Deductions	60,148.27
CITY OF DETROIT	11/03/17	Weekly Mandatory Employee Contribution	85,173.98
CITY OF DETROIT	11/03/17	Weekly Annuity Contribution	226.87
CITY OF DETROIT	11/09/17	Weekly Mandatory Employee Contribution	260,248.13
CITY OF DETROIT	11/09/17	Weekly Annuity Contribution	574.34
TOTAL RECEIPTS			\$ 18,725,547.90

DISBURSEMENTS

BY TRUSTEE GNATEK – SUPPORTED BY TRUSTEE NAGLICK

RESOLVED, THAT THE **DISBURSEMENTS** WHICH ARE OUTLINED BELOW BE APPROVED:

DISBURSEMENTS

The Police & Fire Retirement System of the City of Detroit			
Disbursements for Approval			
10/30/17-11/10/17			
Meeting #3170			
November 16, 2017			
PAYEE NAME		DESCRIPTION	AMOUNT
DISBURSEMENTS			
Annuity Refunds		Refund List #3709	98,025.98
Checkwrite		Capital Calls, Legal, Administrative & Misc. Expenses	0.00
Loan Program		Loan Funding: Meeting No. 3169	88,938.00
		TOTAL DISBURSEMENTS	\$ 186,963.98

POLICE AND FIRE RETIREMENT SYSTEM OF THE CITY OF DETROIT
MEETING NUMBER 3170 – THURSDAY – NOVEMBER 16, 2017

DISBURSEMENTS – CONTINUED

DISBURSEMENTS – CONTINUED

Police & Fire Retirement System

Company: RSCD-PFRS

User: awlt

Branch: LEGACY

Meeting Date: 11/16/17

Category

Investment Expenses

Type	Vendor Ref.	Vendor Name	Bill Description	Due Date	To Pay
CHECK	103117	ADVENT CAPITAL MANAGEMENT, LLC	Management Fees - 3rd Qtr '17	11/30/2017	72,102.63
CHECK	6955	AMERICAN REALTY ADVISORS	Management Fees - 3rd Qtr '17	11/30/2017	115,647.60
CHECK	DETPFRE888590917	HARDMAN JOHNSTON GLOBAL ADVISORS	Management Fees - 3rd Qtr '17	11/17/2017	179,191.95
CHECK	21631	INCOME RESEARCH + MANAGEMENT INC.	Management Fees - 3rd Qtr '17	11/30/2017	49,522.53
CHECK	102717	KENNEDY CAPITAL MANAGEMENT	Management Fees - 3rd Qtr '17	11/26/2017	193,350.00
CHECK	101917	PARADIGM ASSET MANAGEMENT CO., LLC	Management Fees - 3rd Qtr '17	11/18/2017	45,631.00
CHECK	INV11846	PIEDMONT INVESTMENT ADVISORS,LLC	Management Fees - 3rd Qtr '17	12/1/2017	18,934.79
CHECK	11392422	WELLS CAPITAL MANAGEMENT	Management Fees - 3rd Qtr '17	11/16/2017	87,235.24
CHECK	11393880	WELLS CAPITAL MANAGEMENT	Management Fees - 3rd Qtr '17	11/24/2017	178,638.48
Category Total:				9 Documents	940,254.22

Administrative Expenses

Type	Vendor Ref.	Vendor Name	Bill Description	Due Date	To Pay
CHECK	817871	500 WEBWARD LLC	Electrical Billing: 9/28/17-10/30/17, Meter #16055044	12/1/2017	662.05
CHECK	817872	500 WEBWARD LLC	Electrical Billing: 9/28/17-10/30/17, Meter #16055070	12/1/2017	795.04
CHECK	42082	500 WEBWARD LLC	Rent - November 2017	12/1/2017	23,765.04
CHECK	11032017	ALEX BROWN REALTY	Loan Servicing Fees - October 2017	12/3/2017	522.51
CHECK	43714011	ALLEGRA	Office Supplies	11/30/2017	1,642.88
CHECK	2017-263	BAB ASSOCIATES	Media Consultant - October 2017	12/2/2017	2,517.70
CHECK	Q-19262-1	BARRACUDA NETWORKS, INC	Message Archiver	9/27/2017	2,224.00
CHECK	300123483	CINTAS CORPORATION-300	Floor Mats	12/2/2017	79.23
WIRE	110617	ConnedPay	Staff Wages: 10/23/17-11/5/17	11/6/2017	8,991.65
CHECK	1197964	CREATIVE BREAKTHROUGHS INC	IT Security Services	11/30/2017	11,150.00
CHECK	INV026373	CRESTWOOD ASSOCIATES L.L.C.	Acumatica Training	12/10/2017	125.00
CHECK	32675480297	DIRECTV	Service Charges	12/12/2017	34.50
CHECK	5-979-41958	FEDEX	FedEx Mailings	12/1/2017	90.63
CHECK	5-987-08297	FEDEX	FedEx Mailings	12/8/2017	21.81
CHECK	514810	First CHOICE Coffee Services	Equipment Rental	10/28/2017	11.13
CHECK	434018	GABRIEL, ROEDER, SMITH & CO	Actuarial Services for October 2017	12/7/2017	25,751.00
CHECK	434019	GABRIEL, ROEDER, SMITH & CO	EDRO Calculations for C. Baumann	12/8/2017	800.00

DISBURSEMENTS – CONTINUED

DISBURSEMENTS – CONTINUED

CHECK	143393	IRON MOUNTAIN	Data Domain Services	11/30/2017	1,289.40
CHECK	201447546	IRON MOUNTAIN	Storage CD's	11/30/2017	689.39
CHECK	PKG5713	Iron Mountain Records Management	Records Storage	10/31/2017	1,695.86
CHECK	8705	KELLEY CAWTHORNE	Lobbyist Services for October 2017	12/1/2017	7,500.00
CHECK	111317	MAPERS	Membership Renewal 2018	12/13/2017	100.00
CHECK	976782059001	OFFICE DEPOT	Office Supplies	12/2/2017	128.90
CHECK	976782060001	OFFICE DEPOT	Office Supplies	12/3/2017	29.23
CHECK	976782061001	OFFICE DEPOT	Office Supplies	12/2/2017	15.59
CHECK	1485110	PLANTE & MORAN	Consultation regarding Chief Accounting Officer Position	11/29/2017	1,560.00
CHECK	1485105	PLANTE & MORAN	Financial Statement Audit for year ended 6/30/17	11/29/2017	20,350.00
CHECK	2251	PROCENTIA, INC.	Procentia License & Implementation	11/6/2017	12,029.43
CHECK	1963119	QUILL CORPORATION	Office Supplies	11/24/2017	48.95
CHECK	1892933	QUILL CORPORATION	Office Supplies	11/23/2017	142.02
CHECK	2112920	QUILL CORPORATION	Office Supplies	12/1/2017	15.50
CHECK	1974456	QUILL CORPORATION	Office Supplies	11/25/2017	20.00
CHECK	2008818	QUILL CORPORATION	Office Supplies	11/26/2017	92.50
CHECK	110317	REGINALD E. ONEAL	Medical Billing: 9/5/17-10/27/17	12/3/2017	835.00
CHECK	5051074946	RICOH	Printer Maintenance	12/1/2017	299.21
CHECK	80878	RUSSELL INVESTMENTS	Russell Index Subscriptions	11/24/2017	125.00
CHECK	8123384899	SHRED-IT USA	Shredding Service Charges	11/21/2017	24.36
CHECK	1709105941-6011	STATE STREET	Class Action fees	11/15/2017	1,000.00
CHECK	30336	THE NEW CENTURY GROUP	Hearing Transcripts	11/26/2017	265.00
CHECK	103117	UHY ADVISORS - Accounting	Professional Accounting Services for October 2017	11/30/2017	50,618.75
CHECK	103117	UHY ADVISORS - IT	Professional IT Services for October 2017	11/30/2017	13,950.00
CHECK	103117	UHY ADVISORS - IT	Professional IT Services for October 2017	11/30/2017	39,037.50
CHECK	99614918	WELLS FARGO VENDOR FINANCIAL SVCS, LLC	Printer Maintenance	10/28/2017	129.11
CHECK	091068646	XEROX	Printer Maintenance	12/1/2017	8.01
Category Total:				44 Documents	231,182.88

YEAS – TRUSTEES BATTLE, DIAZ, ENGLISH, GNATEK, NAGLICK, TROZAK, TUCKER
 AND CHAIRMAN SERDA – 8

NAYS – NONE

REFUNDS OF ACCUMULATED CONTRIBUTIONS

BY TRUSTEE ENGLISH – SUPPORTED BY TRUSTEE DIAZ

RESOLVED, THAT THE CONTRIBUTIONS TO THE **ANNUITY SAVINGS FUND** BY MEMBERS OF THE POLICE AND FIRE RETIREMENT SYSTEM OF THE CITY OF DETROIT, INCLUDING INTEREST, BE REFUNDED PENDING AUDIT BY RETIREMENT SYSTEM ACCOUNTING STAFF:

LIST NUMBER 3709 - \$121,630.39

REFUNDS OF ACCUMULATED CONTRIBUTIONS - CONTINUED

LIST NUMBER 3710 - \$180,722.63

YEAS – TRUSTEES BATTLE, DIAZ, ENGLISH, GNATEK, NAGICK, TROZAK, TUCKER
AND CHAIRMAN SERDA – 8

NAYS – NONE

1974 DEFINED CONTRIBUTION PLAN (EMPLOYEE LOAN PROGRAM)

BY TRUSTEE ENGLISH – SUPPORTED BY TRUSTEE DIAZ

RESOLVED, THAT THE **1974 DEFINED CONTRIBUTION PLAN LOAN REQUEST LISTS** SUBMITTED THIS DATE BE APPROVED AND THE REQUESTED AMOUNTS BE DISBURSED PENDING AUDIT BY RETIREMENT SYSTEM ACCOUNTING STAFF:

LIST #1 – \$88,938.00

LIST #2 – \$45,810.00

YEAS – TRUSTEES BATTLE, DIAZ, ENGLISH, GNATEK, NAGLICK, TROZAK, TUCKER
AND CHAIRMAN SERDA – 8

NAYS – NONE

EXECUTIVE DIRECTOR'S REPORT

EXECUTIVE DIRECTOR **DAVID CETLINSKI** ASKED THE BOARD TO CANCEL ITS
DECEMBER 21, 2017 BOARD MEETING.

TRUSTEE **PORTIA ROBERSON** ENTERED THE MEETING AT 9:25 A.M.

DECEMBER 21, 2017 BOARD MEETING CANCELLATION

BY TRUSTEE TROZAK – SUPPORTED BY TRUSTEE TUCKER

RESOLVED, THAT THE BOARD'S **DECEMBER 21, 2017** MEETING BE CANCELLED AND STAFF BE NOTIFIED OF SAID CANCELLATION, AND BE IT FURTHER

RESOLVED, THAT A NOTICE REFLECTING SAID CANCELLATION BE POSTED ONLINE; ON THE FIRST FLOOR BULLETIN BOARD OF THE COLEMAN A. YOUNG MUNICIPAL CENTER; AND WITHIN THE OFFICES OF THE RETIREMENT SYSTEMS:

YEAS – TRUSTEES BATTLE, DIAZ, ENGLISH, GNATEK, NAGLICK, ROBERSON,
TROZAK, TUCKER AND CHAIRMAN SERDA – 9

NAYS – NONE

ASSISTANT EXECUTIVE DIRECTOR INTERVIEWS

MR. CETLINSKI INFORMED THE BOARD THAT THE JOINT PERSONNEL COMMITTEE RECENTLY COMPLETED POLICE AND FIRE'S ASSISTANT EXECUTIVE DIRECTOR INTERVIEW PROCESS DURING WHICH SIX QUALIFIED CANDIDATES WERE INTERVIEWED. SHORTLY THEREAFTER, THE COMMITTEE UNANIMOUSLY DECIDED TO OFFER THE POSITION TO CANDIDATE **KELLY TAPPER** DUE TO HER EXTENSIVE KNOWLEDGE AND QUALIFICATIONS (WHICH INCLUDE STAFF MANAGEMENT, PROJECT DEVELOPMENT, COLLECTIVE BARGAINING IMPLEMENTATION AND INVESTMENT AND BOARD RELATED DUTIES).

TRUSTEE **MEGAN MOSLIMANI** ENTERED THE MEETING AT 9:32 A.M.; AND TRUSTEE **JEFFREY PEGG** ENTERED AT 9:34 A.M.

CHIEF INVESTMENT OFFICER'S REPORT

CHIEF INVESTMENT OFFICER **RYAN C. BIGELOW** DISCUSSED INVESTMENT MANAGER FEES; OPPORTUNISTIC CREDIT (TGAM CHURCHILL MIDDLE MARKET SENIOR LOAN FUND); REAL ESTATE (VALSTONE OPPORTUNITY FUND IV/SENIOR HOUSING SPINOFF); STEWARD CAPITAL AND THE WESTIN BOOK CADILLAC.

TGAM CHURCHILL MIDDLE MARKET SENIOR LOAN FUND

BY TRUSTEE PEGG – SUPPORTED BY TRUSTEE ROBERSON

RESOLVED, THAT IN CONJUNCTION WITH THE PFRS INVESTMENT COMMITTEE, THE BOARD APPROVES THE RECOMMENDATION OF STAFF AND WILSHIRE TO COMMIT **\$15,000,000.00** TO THE TGAM CHURCHILL MIDDLE MARKET SENIOR LOAN FUND, SUBJECT TO GENERAL COUNSEL’S REVIEW AND APPROVAL OF ALL TRANSACTION DOCUMENTS:

YEAS – TRUSTEES BATTLE, DIAZ, ENGLISH, GNATEK, MOSLIMANI, NAGLICK, PEGG, ROBERSON, TROZAK, TUCKER AND CHAIRMAN SERDA – 11

NAYS – NONE

TRUSTEE **ANGELA R. JAMES** ENTERED THE MEETING AT 10:02 A.M.

CHAIRMAN **SERDA** TEMPORARILY RELINQUISHED THE CHAIR TO VICE CHAIRMAN **PEGG** AND EXCUSED HIMSELF AT 10:50 A.M. CHAIRMAN **SERDA** RETURNED TO THE MEETING AT 11:02 A.M., AND VICE CHAIRMAN **PEGG** RELINQUISHED THE CHAIR TO HIM.

VALSTONE OPPORTUNITY FUND IV/SENIOR HOUSING SPINOFF

MR. BIGELOW THEN ASKED THE BOARD TO APPROVE (IN CONJUNCTION WITH THE PFRS INVESTMENT COMMITTEE) CONSENTING TO THE SPINOFF OF SENIOR HOUSING ASSETS FROM VALSTONE OPPORTUNITY FUND IV AND ALLOCATE UP TO \$8,000,000.00 TO THE VALSTONE HEALTHCARE PROPERTIES, L.P. SUBJECT TO ADDITIONAL DUE DILIGENCE. THE BOARD DECIDED AGAINST ACTING UPON **MR. BIGELOW’S** REQUEST, HOWEVER, UNTIL THE REFERENCED ADDITIONAL DUE DILIGENCE HAS BEEN PERFORMED.

UHY

MARLENE BEACH AND **JOHN PEPPERMAN** PROVIDED THE BOARD WITH COPIES OF “DRAFT” MANAGEMENT REPORTS DETAILING THE SYSTEM’S FIDUCIARY NET POSITION (ASSETS/LIABILITIES) AS WELL AS CHANGES IN THE SYSTEM’S

UHY - CONTINUED

FIDUCIARY NET POSITION (ADDITIONS/DEDUCTIONS). **MS. BEACH** AND **MR. PEPPERMAN** DISCUSSED BOTH REPORTS AT LENGTH.

2019 RSCD OPERATING BUDGET

BY TRUSTEE NAGLICK – SUPPORTED BY TRUSTEE JAMES

RESOLVED, THAT IN FISCAL YEAR 2019, ACCOUNTING STAFF PREPARE A SUGGESTED OPERATING BUDGET FOR THE BOARD'S REVIEW, REVISION (IF NECESSARY) AND SUBSEQUENT APPROVAL:

YEAS – TRUSTEES BATTLE, DIAZ, ENGLISH, GNATEK, JAMES, MOSLIMANI,
NAGLICK, PEGG, ROBERSON, TROZAK, TUCKER AND CHAIRMAN
SERDA – 12

NAYS – NONE

PUBLIC RELATIONS ADVISOR'S REPORT

PUBLIC RELATIONS ADVISOR **BRUCE BABIARZ** PROVIDED THE BOARD WITH A POST-CHAPTER 9 BANKRUPTCY UPDATE.

LOBBYIST'S REPORT

LOBBYIST **OSCAR W. KING, III** PROVIDED THE BOARD WITH A MICHIGAN LEGISLATIVE UPDATE.

GENERAL COUNSEL'S REPORT

GENERAL COUNSEL **RONALD A. KING** ASKED THE BOARD TO ENTER INTO CLOSED SESSION FOR THE PURPOSE OF DISCUSSING PENDING LITIGATION AND CERTAIN ATTORNEY/CLIENT PRIVILEGED MATTERS.

CLOSED SESSION

BY TRUSTEE PEGG – SUPPORTED BY TRUSTEE DIAZ

RESOLVED, THAT THE BOARD ENTER INTO CLOSED SESSION FOR THE PURPOSE OF DISCUSSING PENDING LITIGATION AND CERTAIN ATTORNEY/CLIENT PRIVILEGED MATTERS:

A ROLL CALL VOTE WAS TAKEN AS FOLLOWS:

YEAS – TRUSTEES BATTLE, DIAZ, ENGLISH, GNATEK, JAMES, MOSLIMANI,
NAGLICK, PEGG, ROBERSON, TROZAK, TUCKER AND CHAIRMAN SERDA –
12

NAYS – NONE

THE BOARD ENTERED INTO CLOSED SESSION AT **11:44 A.M.**

AT 11:45 A.M., TRUSTEES **DIAZ** AND **GNATEK** EXCUSED THEMSELVES FOR THE REMAINDER OF THE MEETING.

OPEN SESSION

BY TRUSTEE PEGG – SUPPORTED BY TRUSTEE TUCKER

RESOLVED, THAT THE BOARD RETURN TO OPEN SESSION:

YEAS – TRUSTEES BATTLE, ENGLISH, JAMES, MOSLIMANI, NAGLICK, PEGG,
ROBERSON, TROZAK, TUCKER AND CHAIRMAN SERDA – 10

NAYS – NONE

THE BOARD RETURNED TO OPEN SESSION AT **12:32 P.M.**

PENSION NUMBER: **200594**
GREGORY DAVIS VERSUS PFRS AND CYNTHIA A. THOMAS
STATE OF MICHIGAN
IN THE WAYNE COUNTY CIRCUIT COURT
CASE NO. 17-013863-CZ

BY TRUSTEE PEGG – SUPPORTED BY TRUSTEE TUCKER

WHEREAS, THE BOARD'S POLICY IS TO ASSIGN SPECIAL LEGAL COUNSEL TO CERTAIN MATTERS, THEREFORE BE IT

RESOLVED, THAT CONSISTENT WITH THE BOARD'S CLOSED SESSION DISCUSSION OF THIS DATE, **CLARK HILL** IS HEREBY APPOINTED SPECIAL LEGAL COUNSEL REGARDING THIS MATTER, AND BE IT FURTHER

RESOLVED, THAT A COPY OF THIS RESOLUTION BE FORWARDED TO SPECIAL LEGAL COUNSEL **CLARK HILL**, ATTENTION: **SEAN P. GALLAGHER**, AND BE IT FURTHER

RESOLVED, THAT THE RETIREMENT SYSTEM RETAIN A COPY OF THIS RESOLUTION FOR ITS FILES:

YEAS – TRUSTEES BATTLE, ENGLISH, JAMES, MOSLIMANI, NAGLICK, PEGG,
ROBERSON, TROZAK, TUCKER AND CHAIRMAN SERDA – 10

NAYS – NONE

ESTABLISHMENT OF ACTUARIAL FUNDING POLICY COMMITTEE

COUNSEL **KING** PROVIDED THE BOARD WITH A COPY OF A RESOLUTION THAT THE GENERAL BOARD ADOPTED ON NOVEMBER 1, 2017 REQUESTING THAT THE PFRS AND BOTH INVESTMENT COMMITTEES CONSIDER ESTABLISHING A JOINT ACTUARIAL FUNDING POLICY COMMITTEE FOR THE PURPOSE OF DEVELOPING A POST-BANKRUPTCY ACTUARIAL FUNDING POLICY. THE GENERAL BOARD'S REQUEST WILL BE TAKEN UNDER ADVISEMENT.

PENSION NUMBER OF PARTICIPANT: **232519**
PARTICIPANT: ANTHONY DELIBERA
ALTERNATE PAYEE: KERRY DELIBERA
ANTHONY DELIBERA VERSUS KERRY DELIBERA
CASE NO.: 11-3838-DM
MACOMB COUNTY CIRCUIT FOR THE STATE OF MICHIGAN
MT. CLEMENS, MICHIGAN

BY TRUSTEE PEGG – SUPPORTED BY TRUSTEE TUCKER

WHEREAS, the Board of Trustees for the Police and Fire Retirement System for the City of Detroit (“Board”) is in receipt of a Consent Order Modifying Consent Judgment of Divorce dated July 11, 2012 Nunc Pro Tunc Re: Pension and Retirement Accounts, entered by the Macomb County Circuit Court on July 3, 2017, which amends/supplements a Consent Judgment of Divorce entered on July 11, 2012 and Eligible Domestic Relations Order (“EDRO”) dated April 4, 2013 (“Prior Orders”) wherein Alternate Payee **KERRY DELIBERA** was awarded certain rights to the retirement benefits of Participant **ANTHONY DELIBERA**, who is an active employee, and

WHEREAS, based on the Prior Orders, the Board adopted a Resolution on May 16, 2013 resolving that Alternate Payee **KERRY DELIBERA** was entitled to receive a portion of Participant’s Defined Benefit Plan and Defined Contribution Plan benefits (“May 16, 2013 Resolution”), and

WHEREAS, the Board has been informed that Participant **ANTHONY DELIBERA** is an active employee and is not receiving retirement benefits, and

WHEREAS, Participant’s date of birth is November 15, 1970 and to date Participant has attained 21 years of service credit, and

WHEREAS, the July 3, 2017 Order Vacating April 4, 2013 Eligible Domestic Relations Order City of Detroit Police and Fire Retirement System provides:

Pursuant to the Consent Order Modifying Consent Judgment of Divorce Dated July 11, 2012 Nunc Pro Tunc Re: Pension and Retirement Accounts entered simultaneously with this Order:

IT IS ORDERED that the April 4, 2013 Eligible Domestic Relations Order (EDRO) City of Detroit Police and Fire Retirement System granting Defendant an interest in Plaintiff’s City of Detroit retirement is vacated and hereby set aside.

PENSION NUMBER OF PARTICIPANT: **232519**

PARTICIPANT: ANTHONY DELIBERA

ALTERNATE PAYEE: KERRY DELIBERA

ANTHONY DELIBERA VERSUS KERRY DELIBERA

CASE NO.: 11-3838-DM

MACOMB COUNTY CIRCUIT FOR THE STATE OF MICHIGAN

MT. CLEMENS, MICHIGAN - CONTINUED

AND WHEREAS, per the Consent Order Modifying Consent Judgment of Divorce, the Alternate Payee **KERRY DELIBERA IS NOT** entitled to claim a portion of the Participant's Component II benefits (formerly known as Defined Benefit) when the Participant is eligible to receive such benefits, and

WHEREAS, per the Consent Order Modifying Consent Judgment of Divorce, the Alternate Payee **KERRY DELIBERA IS NOT** entitled to claim a portion of the Participant's Component II Annuity Pension (formerly known as Defined Contribution Plan) when the Participant is eligible to receive such benefits, and

WHEREAS, based on the Consent Order Modifying Consent Judgment of Divorce, the PFRS withdraws, nullifies and/or, with this resolution, takes action to reverse the May 16, 2013 Resolution, and

WHEREAS, the Board has been advised by General Counsel that the applicable terms of said court order are consistent with the provisions of the Retirement System and applicable law, including Public Act 46 of 1991, MCLA 38.1701, et. seq., and Public Act 100 of 2002, MCL 38.1681, et. seq., as applicable, therefore be it

RESOLVED, that the Board acknowledges receipt of said court order and will not pay pension benefits consistent with said order and this resolution, and be it further

RESOLVED, that this file be forwarded to the Board's actuary or any other party as necessary to effectuate the termination and/or reversal of any payments to Alternate Payee **KERRY DELIBERA**, and be it further

RESOLVED, that a copy of this resolution be added to the Participant's pension file, and other appropriate records be kept for the Retirement System relative to this matter, and be it further

RESOLVED, that a copy of this resolution be sent to Alternate Payee, Kerry Delibera; Alternate Payee's legal counsel, Julie Gatti; Participant, Anthony Delibera; and Retirement System staff member Yvonne Moore:

Yeas – Trustees Battle, English, James, Moslimani, Naglick, Pegg, Roberson, Trozak, Tucker
and Chairman Serda – 10

Nays – None

RSCD CHIEF ACCOUNTING OFFICER-CONTROLLER INTERVIEWS

MR. CETLINSKI INFORMED THE BOARD THAT FOLLOWING THE CONCLUSION OF THE JOINT PERSONNEL COMMITTEE'S RSCD CHIEF ACCOUNTING OFFICER-CONTROLLER INTERVIEW PROCESS, THE POSITION WAS OFFERED TO CANDIDATE **RAMZEE P. JACKSON**. **MR. JACKSON** ACCEPTED THE POSITION WITH A START DATE OF JANUARY 3, 2018.

LEGAL DISCUSSION

AT THE REQUEST OF TRUSTEE **PEGG**, A LEGAL DISCUSSION WILL BE HELD AT THE BOARD'S JANUARY 4, 2018 MEETING.

PUBLIC FORUM

AT **12:57 P.M.**, **CHAIRMAN SERDA** DECLARED THE MEETING IN OPEN FORUM FOR GENERAL DISCUSSION BY THE PUBLIC ATTENDING THE MEETING.

ADJOURNMENT

THERE BEING NO FURTHER BUSINESS BEFORE THE BOARD, **CHAIRMAN SERDA** ADJOURNED THE MEETING AT **12:58 P.M.** UNTIL **THURSDAY, DECEMBER 7, 2017**, AT **9:00 A.M.**, IN THE CONFERENCE ROOM OF THE RETIREMENT SYSTEMS, 500 WOODWARD AVENUE, SUITE 3000, DETROIT, MICHIGAN 48226.

RESPECTFULLY SUBMITTED,



DAVID CETLINSKI, EXECUTIVE DIRECTOR