

MEETING NUMBER 3177

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

HELD THURSDAY, JANUARY 4, 2018

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
MATTHEW GNATEK	ELECTED TRUSTEE/POLICE
ANGELA R. JAMES	EX/OFFICIO RETIRANT TRUSTEE/POLICE/MAYOR'S DESIGNEE
BRENDA JONES	EX/OFFICIO TRUSTEE/CITY COUNCIL PRESIDENT
CHRISTA MCLELLAN	EX/OFFICIO TRUSTEE/TREASURER
MEGAN S. MOSLIMANI	EX/OFFICIO TRUSTEE/CORPORATION COUNSEL'S ALTERNATE
JOHN NAGLICK	EX/OFFICIO TRUSTEE/FINANCE DIRECTOR
SEAN P. NEARY	ELECTED TRUSTEE/FIRE
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
STEVEN WATSON	EX/OFFICIO TRUSTEE/DIRECTOR OF SPECIAL PROJECTS-OFFICE OF CHIEF FINANCIAL OFFICER/BUDGET DIRECTOR'S DESIGNEE

TRUSTEES EXCUSED

JOSEPH ENGLISH	ELECTED TRUSTEE/FIRE
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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
REGINALD O'NEAL	MEDICAL DIRECTOR

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 **9:02 A.M.**

TRUSTEE **STEVE WATSON** ENTERED THE MEETING AT 9:02 A.M.

APPROVAL OF JANUARY 4, 2018 AGENDA

BY TRUSTEE PEGG – SUPPORTED BY TRUSTEE TROZAK

RESOLVED, THAT TODAY'S **JANUARY 4, 2018** AGENDA BE APPROVED AS PREPARED AND SUBMITTED BY THE BOARD'S RECORDING SECRETARY:

YEAS – TRUSTEES DIAZ, GNATEK, MCLELLAN, NAGLICK, NEARY, PEGG, TROZAK, TUCKER, WATSON AND CHAIRMAN SERDA – 10

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:

FAITH GARY – SERGEANT - POLICE

RETIREMENT TYPE-PLAN:

HYBRID DROP – 2014 PLAN

SERVICE CREDIT-EFFECTIVE DATE:

03 05 00 – 11 28 17

HYBRID APPLICATIONS - CONTINUED

HYBRID APPLICATIONS - CONTINUED

NAME-TITLE-DEPARTMENT: WILLIAM JACKSON – SERGEANT - POLICE
RETIREMENT TYPE-PLAN: HYBRID DROP – 2014 PLAN
SERVICE CREDIT-EFFECTIVE DATE: 03 05 00 – 11 29 17

NAME-TITLE-DEPARTMENT: KERRY PETTIES – OFFICER - POLICE
RETIREMENT TYPE-PLAN: HYBRID DROP – 2014 PLAN
SERVICE CREDIT-EFFECTIVE DATE: 03 04 00 – 11 14 17

YEAS – TRUSTEES DIAZ, GNATEK, MCLELLAN, NAGLICK, NEARY, PEGG, TROZAK,
TUCKER, WATSON AND CHAIRMAN SERDA – 10

NAYS – NONE

DROP APPLICATIONS

BY TRUSTEE GNATEK – SUPPORTED BY TRUSTEE NEARY

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

DROP APPLICATIONS

NAME-TITLE-DEPARTMENT: FAITH GARY – SERGEANT
RETIREMENT TYPE-PLAN: DROP – NEW
SERVICE CREDIT-EFFECTIVE DATE: 19 07 03 – 11 28 17

NAME-TITLE-DEPARTMENT: WILLIAM JACKSDON – SERGEANT - POLICE
RETIREMENT TYPE-PLAN: DROP - NEW
SERVICE CREDIT-EFFECTIVE DATE: 19 07 03 – 11 29 17

NAME-TITLE-DEPARTMENT: KERRY PETTIES – SERGEANT - POLICE
RETIREMENT TYPE-PLAN: DROP - NEW
SERVICE CREDIT-EFFECTIVE DATE: 22 10 06 – 11 14 17

YEAS – TRUSTEES DIAZ, GNATEK, MCLELLAN, NAGLICK, NEARY, PEGG, TROZAK,
TUCKER, WATSON AND CHAIRMAN SERDA – 10

NAYS – NONE

POLICE AND FIRE RETIREMENT SYSTEM OF THE CITY OF DETROIT
MEETING NUMBER 3177 – THURSDAY – JANUARY 4, 2018

RETIREMENT APPLICATION

BY TRUSTEE PEGG – SUPPORTED BY TRUSTEE GNATEK

RESOLVED, THAT THE **RETIREMENT APPLICATION** WHICH IS DESIGNATED BELOW BE APPROVED:

RETIREMENT APPLICATION

NAME-TITLE-DEPARTMENT: GREGORY DAVIS – FIRE FIGHTER - FIRE
RETIREMENT TYPE-PLAN: SERVICE - NEW
SERVICE CREDIT-EFFECTIVE DATE: 16 07 20 – 12 01 17

YEAS – TRUSTEES DIAZ, GNATEK, MCLELLAN, NAGLICK, NEARY, PEGG, TROZAK,
TUCKER, WATSON AND CHAIRMAN SERDA – 10

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			
12/4/17-12/29/17			
Meeting #3177			
January 4, 2018			
REMITTER	WIRE DATE	DESCRIPTION	AMOUNT
RECEIPTS			
Alex Brown Realty - Beethoven	12/04/17	Distribution	11,577.24
ABR Cheapeake V	12/08/18	Distribution	323,289.06
Credit Suisse	12/08/18	Distribution	5,000,000.00
GUID ENH GRN TERR FD	12/11/18	Distribution	723,160.12
Mesirow Arbitrage	12/14/18	Distribution	12,490.31
USPF III Leveraged Feeder	12/20/18	Distribution	100,959.64
LA Capital Global Equity	12/20/17	Distribution	7,500,000.00
Hamilton Lane	12/20/17	Distribution	1,369,600.95
CBRE Clarion REIT	12/21/17	Distribution	7,500,000.00
LA Capital Global Equity	12/21/17	Distribution	7,500,000.00
Rhumbline Russe 1000	12/21/17	Distribution	15,000,000.00
LA Capital Global Equity	12/21/17	Distribution	7,500,000.00
Tailwind Capital	12/22/17	Distribution	5,998.00
Police Fire City Detroit CR CL ETY	12/28/17	Distribution	242,912.93
American Realty Advisors	12/28/17	Distribution	1,673,000.00
EQUUS Investment Partners X	12/28/17	Distribution	355,713.00
Valstone Opportunity Investment IV	12/29/17	Distribution	757,385.57
PRISA II Prudential	12/29/17	Distribution	154,083.37
FIRST INDEPENDENCE BANK	12/06/17	Loan Deductions	41,835.45
FIRST INDEPENDENCE BANK	12/15/17	Loan Deductions	132,874.44
FIRST INDEPENDENCE BANK	12/22/17	Loan Deductions	44,345.51
FIRST INDEPENDENCE BANK	12/27/17	Loan Deductions	129,273.95
CITY OF DETROIT	12/08/17	Weekly Mandatory Employee Contribution	262,008.73
CITY OF DETROIT	12/08/17	Weekly Annuity Contribution	573.94
CITY OF DETROIT	12/15/17	Weekly Mandatory Employee Contribution	86,115.04
CITY OF DETROIT	12/15/17	Weekly Annuity Contribution	226.87
CITY OF DETROIT	12/21/17	Weekly Mandatory Employee Contribution	263,265.44
CITY OF DETROIT	12/21/17	Weekly Annuity Contribution	573.94
CITY OF DETROIT	12/27/17	Weekly Mandatory Employee Contribution	
CITY OF DETROIT	12/27/17	Weekly Annuity Contribution	
TOTAL RECEIPTS			\$ 56,691,263.50

DISBURSEMENTS

BY TRUSTEE GNATEK – SUPPORTED BY TRUSTEE PEGG

RESOLVED, THAT THE **DISBURSEMENTS** WHICH FOLLOW BE APPROVED:

DISBURSEMENTS

The Police & Fire Retirement System of the City of Detroit			
Disbursements for Approval			
12/4/17-1/2/2018			
Meeting #3177			
January 4, 2018			
PAYEE NAME		DESCRIPTION	AMOUNT
DISBURSEMENTS			
Annuity Refunds		Refund List #3713	816,902.95
Annuity Refunds		Refund List #3714	512,212.12
Checkwrite		Capital Calls, Legal, Administrative & Misc. Expenses	0.00
Loan Program		Loan Funding: Meeting No. 3173	62,409.00
Loan Program		Loan Funding: Meeting No. 3174	119,888.00
		TOTAL DISBURSEMENTS	\$ 1,511,412.07

POLICE AND FIRE RETIREMENT SYSTEM OF THE CITY OF DETROIT
MEETING NUMBER 3177 – THURSDAY – JANUARY 4, 2018

DISBURSEMENTS – CONTINUED

DISBURSEMENTS - CONTINUED

Company: MSCU+PSM

User: awft

Branch: LEGACY

Meeting Date: 1/4/18

Category

Legal Expenses - Non-Investment

Type	Vendor Ref.	Vendor Name	Bill Description	Due Date	To Pay
CHECK	750963	CLARK HILL, PLC	General Counsel Services through November 30, 2017	11/11/2017	26,505.40
CHECK	20507	KLAUSNER & KAUFMAN	Legal Services through 8/30/17	9/29/2017	3,186.00
CHECK	20645	KLAUSNER & KAUFMAN	Legal Services through 9/28/17	10/28/2017	194.79
Category Total:				3 Documents	29,886.19

Investment Expenses

Type	Vendor Ref.	Vendor Name	Bill Description	Due Date	To Pay
WIRE	112717	ABR Chesapeake Investors V	Capital Call	12/18/2017	2,000,000.00
WIRE	121817	American Realty Advisors	Capital Call	1/4/2018	1,380,000.00
WIRE	120817	Comvest Capital IV	Capital Call	12/22/2017	2,592,779.00
WIRE	120817	DRA Growth and Income Fund IX	Capital Call	12/22/2017	1,586,294.00
WIRE	121117	Equus Investment Partnership X	Capital Call	12/26/2017	1,555,728.00
CHECK	DETROIT1017	Hamilton Lane Advisors, LLC (HL)	Management Fees - 4th Qtr '17	10/31/2017	144,375.00
WIRE	112817	Insight Technology Capital Partners	Capital Call	12/19/2017	100,000.00
WIRE	120817	Permira Credit Solutions	Capital Call	12/22/2017	6,000,000.00
WIRE	121217	Platinum Equity Capital Partners IV	Capital Call	12/21/2017	38,021.00
WIRE	121217	Platinum Equity Capital Partners IV (International)	Capital Call	12/21/2017	15,030.00
WIRE	120417	TGAM Churchill Senoit Loan Fund	Capital Call	12/15/2017	2,196,331.08
CHECK	INV00171024	WILSHIRE ASSOCIATES	Consulting Services - 1st Qtr '18	12/31/2017	133,360.74
Category Total:				12 Documents	17,741,918.82

Administrative Expenses

Type	Vendor Ref.	Vendor Name	Bill Description	Due Date	To Pay
CHECK	834348	500 WEBWARD LLC	Electrical Billing 11/29/17-12/28/17, Meter #16055044	1/27/2018	726.89
CHECK	834349	500 WEBWARD LLC	Electrical Billing 11/29/17-12/28/17, Meter #16055070	1/27/2018	813.99
CHECK	2097956	BaB, INC.	Phone System Services	12/1/2017	1,355.09
CHECK	997225	ABA Communications Inc.	Fiber Optic Cable Installation	9/14/2017	1,430.13
CHECK	300142594	CINTAS CORPORATION-300	Floor Mats	12/30/2017	79.23
CHECK	120117	Cogent Communications, Inc.	Internet Service	12/1/2017	1,023.00

POLICE AND FIRE RETIREMENT SYSTEM OF THE CITY OF DETROIT
MEETING NUMBER 3177 – THURSDAY – JANUARY 4, 2018

DISBURSEMENTS – CONTINUED

DISBURSEMENTS - CONTINUED

CHECK	1198118	CREATIVE BREAKTHROUGHS INC	IT Security Services	12/30/2017	10,900.00
CHECK	INVDWCH14886	Datawatch Corp	Software License Renewal	10/24/2017	2,518.92
CHECK	6-022-85270	FEDEX	FedEx Mailings	1/12/2018	28.99
CHECK	6-031-44041	FEDEX	FedEx Mailings	1/19/2018	21.96
CHECK	526697	First CHOICE Coffee Services	Equipment Rental - January 2018	12/28/2017	11.13
CHECK	434947	GABRIEL, ROEDER, SMITH & CO	Actuarial Services for November 2017	1/12/2018	9,917.00
CHECK	434595	GABRIEL, ROEDER, SMITH & CO	EDRO Calculations for R. Hood Jr.	1/5/2018	800.00
CHECK	434492	GABRIEL, ROEDER, SMITH & CO	EDRO Calculations for J. Grimm	12/31/2018	1,200.00
CHECK	434666	GABRIEL, ROEDER, SMITH & CO	EDRO Calculations for M. Berent	1/7/2018	1,200.00
CHECK	14184555	HARLAND TECHNOLOGY SERVICE	Toner Supplies	1/11/2018	325.00
CHECK	121317	IMAGINE HEALTH	IME with Records Review	1/12/2018	1,050.00
CHECK	144292	IRON MOUNTAIN	Data Domain Service	12/30/2017	1,565.70
CHECK	140127	IRON MOUNTAIN	Data Domain Service	8/30/2017	874.95
CHECK	140536	IRON MOUNTAIN	Data Domain Service	9/30/2017	997.75
CHECK	201464113	IRON MOUNTAIN	Storage CDs	12/30/2017	709.29
CHECK	PMU4839	Iron Mountain Records Management	Records Storage	11/30/2017	1,801.38
CHECK	101276	METCOM	Business Cards	11/10/2017	61.81
CHECK	101451	METCOM	Business Cards	11/10/2017	34.30
CHECK	101676	METCOM	Business Cards	11/13/2017	32.03
WIRE	121517	Michael Powning	Computer Consulting Services for December 2017	12/15/2017	1,800.00
CHECK	120317	NEOFUNDS BY NEOPOST	Postage	12/2018	1,002.00
CHECK	2892293	QUILL CORPORATION	Office Supplies	12/31/2017	132.41
CHECK	2896934	QUILL CORPORATION	Office Supplies	12/31/2017	30.00
CHECK	2925244	QUILL CORPORATION	Office Supplies	1/3/2018	19.95
CHECK	120817	REGINAL E. ONEAL	Medical Billings 11/13/17 - 12/4/17	1/7/2018	525.00
CHECK	1234493	UHY Advisors MI, Inc. - IT	Professional IT Services for November 2017	12/30/2017	39,112.00
CHECK	1234510	UHY Advisors MI, Inc. - IT	Professional IT Services for November 2017	12/30/2017	12,750.00
CHECK	159255	ULTIMATE PARKING MANAGEMENT LLC	Parking - January 2018	1/19/2018	2,602.39
CHECK	9797486444	VERIZON WIRELESS	Wireless Billing 11/5/17-12/4/17	1/3/2018	637.66
CHECK	120417	VERMONT DEPARTMENT OF TAXES	Falconhead Capital Partners II - Vermont 2017 Taxes	1/3/2018	50.00
Category Total:				36 Documents	98,139.95

YEAS – TRUSTEES DIAZ, GNATEK, MCLELLAN, NAGLICK, NEARY, PEGG, TROZAK, TUCKER, WATSON AND CHAIRMAN SERDA – 10

NAYS – NONE

TRUSTEE **SEAN BATTLE** AND CHIEF INVESTMENT OFFICER **RYAN C. BIGELOW** ENTERED THE MEETING AT 9:07 A.M.

REFUNDS OF ACCUMULATED CONTRIBUTIONS

BY TRUSTEE PEGG – SUPPORTED BY TRUSTEE NEARY

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:

REFUNDS OF ACCUMULATED CONTRIBUTIONS - CONTINUED

LIST NUMBER 3714 - \$532,909.72

LIST NUMBER 3715 - \$496,391.79

YEAS – TRUSTEES BATTLE, DIAZ, GNATEK, MCLELLAN, NAGLICK, NEARY, PEGG,
TROZAK, TUCKER, WATSON AND CHAIRMAN SERDA – 11

NAYS – NONE

1974 DEFINED CONTRIBUTION PLAN (EMPLOYEE LOAN PROGRAM)

BY TRUSTEE NEARY – SUPPORTED BY TRUSTEE GNATEK

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 – \$119,888.00

YEAS – TRUSTEES BATTLE, DIAZ, GNATEK, MCLELLAN, NAGLICK, NEARY, PEGG,
TROZAK, TUCKER, WATSON AND CHAIRMAN SERDA – 11

NAYS – NONE

YEAS – TRUSTEES BATTLE, DIAZ, GNATEK, MCLELLAN, NAGLICK, NEARY, PEGG,
TROZAK, TUCKER, WATSON AND CHAIRMAN SERDA – 11

NAYS – NONE

APPROVAL OF NOVEMBER 16, 2017 MINUTES

BY TRUSTEE PEGG – SUPPORTED BY TRUSTEE BATTLE

RESOLVED, THAT THE MINUTES OF THE MEETING HELD **THURSDAY, NOVEMBER 16, 2017** BE APPROVED AS RECORDED AND SUBMITTED BY THE BOARD'S RECORDING SECRETARY:

APPROVAL OF NOVEMBER 16, 2017 MINUTES - CONTINUED

YEAS – TRUSTEES BATTLE, DIAZ, GNATEK, MCLELLAN, NAGLICK, NEARY, PEGG,
TROZAK, TUCKER, WATSON AND CHAIRMAN SERDA – 11

NAYS – NONE

EXECUTIVE DIRECTOR'S REPORT

EXECUTIVE DIRECTOR **DAVID CETLINSKI** ADDRESSED THE FOLLOWING
MATTERS:

RSCD CHIEF FINANCIAL OFFICER-CONTROLLER INTRODUCTION

MR. CETLINSKI WILL INTRODUCE **MR. RAMZEE JACKSON**, WHO WAS
RECENTLY HIRED AS THE SYSTEMS' CHIEF FINANCIAL OFFICER-
CONTROLLER, TO THE BOARD LATER THIS MORNING.

JANUARY, 2018 DIRECT DEPOSIT

MR. CETLINSKI ALSO ADDRESSED AN ISSUE REGARDING DIRECT DEPOSIT
FOR THE SYSTEMS' JANUARY, 2018 RETIREE PAYROLL.

LOAN BANKING COMMITTEE

BY TRUSTEE NEARY – SUPPORTED BY TRUSTEE PEGG

RESOLVED, THAT A LOAN BANKING COMMITTEE BE FORMED CONSISTING OF
TRUSTEES GNATEK, MCLELLAN, NAGLICK AND PEGG:

YEAS – TRUSTEES BATTLE, DIAZ, GNATEK, MCLELLAN, NAGLICK, NEARY, PEGG,
TROZAK, TUCKER, WATSON AND CHAIRMAN SERDA – 11

NAYS – NONE

CHIEF INVESTMENT OFFICER'S REPORT

TRUSTEE **MEGAN MOSLIMANI** ENTERED THE MEETING AT 9:33 A.M. AND TOOK HER SEAT AT THE TABLE.

CHIEF INVESTMENT OFFICER **RYAN C. BIGELOW** PROVIDED THE BOARD WITH STATUS UPDATES REGARDING THE WESTIN BOOK CADILLAC AND LIFE ASSURANCE FUND.

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.

TRUSTEE **ANGELA R. JAMES** ENTERED THE MEETING AT 9:40 A.M. AND TOOK HER SEAT AT THE TABLE.

GENERAL COUNSEL'S OPEN SESSION REPORT

GENERAL COUNSEL **RONALD A. KING** ADDRESSED THE FOLLOWING OPEN SESSION MATTERS:

FOUNDATION FOR DETROIT'S FUTURE/2017 CITY ANNUAL REPORT

CITY OF DETROIT ANNUAL REPORT TO THE FOUNDATION FOR DETROIT'S FUTURE PURSUANT TO SECTION 2.4 OF THE OMNIBUS TRANSACTION AGREEMENT FOR YEAR ENDING DECEMBER 31, 2017 DATED DECEMBER 21, 2017

GENERAL COUNSEL'S OPEN SESSION REPORT - CONTINUED

FOIA REQUEST OF WXYZ-TV REPORTER ROSS JONES

THE SYSTEM ISSUED A 10-DAY EXTENSION NOTICE TO MR. JONES RELATIVE TO THE SYSTEM'S RESPONSE TO HIS DECEMBER 21, 2017 FOIA REQUEST REGARDING DOUGLAS DIGGS AND RELATED ENTITIES

FOIA REQUEST OF WILLIAM DUBBS

THE SYSTEM ISSUED A 10-DAY EXTENSION NOTICE TO MR. DUBBS RELATIVE TO THE SYSTEM'S RESPONSE TO HIS DECEMBER 18, 2017 FOIA REQUEST REGARDING THE STATUS OF CERTAIN SYSTEM INVESTMENTS

TRUSTEE **DIAZ** EXCUSED HIMSELF AT 9:52 A.M.

PFRS INVESTMENT COMMITTEE LEGAL REPORT INDEX

EACH BOARD MEMBER WAS PRESENTED WITH A COPY OF POLICE AND FIRE'S INVESTMENT COMMITTEE'S DECEMBER 18, 2017 MEETING INDEX

COUNSEL **KING** THEN ASKED THE BOARD TO ENTER INTO CLOSED SESSION FOR THE PURPOSE OF DISCUSSION BEING HELD REGARDING ONGOING LITIGATION AND FOR THE FURTHER PURPOSE OF THE BOARD'S MEDICAL DIRECTOR DISCUSSING THE MEDICAL AND PSYCHIATRIC REPORTS OF INDIVIDUALS WHO HAVE APPLIED FOR DISABILITY RETIREMENT AND RECEIVED RE-EXAMINATIONS.

CLOSED SESSION

BY TRUSTEE PEGG – SUPPORTED BY TRUSTEE JAMES

RESOLVED, THAT THE BOARD ENTER INTO CLOSED SESSION THE PURPOSE OF DISCUSSION BEING HELD REGARDING ONGOING LITIGATION AND FOR THE FURTHER PURPOSE OF THE BOARD'S MEDICAL DIRECTOR DISCUSSING THE MEDICAL AND PSYCHIATRIC REPORTS OF INDIVIDUALS WHO HAVE APPLIED FOR DISABILITY RETIREMENT AND RECEIVED RE-EXAMINATIONS.

A ROLL CALL VOTE WAS TAKEN AS FOLLOWS:

CLOSED SESSION - CONTINUED

YEAS – TRUSTEES BATTLE, GNATEK, JAMES, MCLELLAN, MOSLIMANI, NAGLICK,
NEARY, PEGG, TROZAK, TUCKER, WATSON AND CHAIRMAN SERDA – 12

NAYS – NONE

THE BOARD ENTERED INTO CLOSED SESSION AT **9:58 A.M.**

THE BOARD'S MEDICAL DIRECTOR, **REGINALD O'NEAL**, ENTERED THE MEETING
AT 9:59 A.M. AND SEATED HIMSELF AT THE TABLE.

TRUSTEE **BRENDA JONES** ENTERED THE MEETING AT 10:15 A.M. AND SEATED
HERSELF AT THE TABLE; AND TRUSTEE **PORTIA ROBERSON** ENTERED AT 10:16
A.M. AND SEATED HERSELF AT THE TABLE AS WELL.

OPEN SESSION

BY TRUSTEE NEARY – SUPPORTED BY TRUSTEE PEGG

RESOLVED, THAT THE BOARD RETURN TO OPEN SESSION:

YEAS – TRUSTEES BATTLE, GNATEK, JAMES, JONES, MCLELLAN, MOSLIMANI,
NAGLICK, NEARY, PEGG, ROBERSON, TROZAK, TUCKER, WATSON AND
CHAIRMAN SERDA - 14

NAYS – NONE

THE BOARD RETURNED TO OPEN SESSION AT **11:11 A.M.**

JOSH GILMORE – PENSION NUMBER **254727**

BY TRUSTEE PEGG – SUPPORTED BY TRUSTEE GNATEK

WHEREAS, THE BOARD HAS CONSIDERED THE REPORT AND RECOMMENDATION OF ITS MEDICAL DIRECTOR REGARDING JOSH GILMORE’S APPLICATION FOR DUTY DISABILITY RETIREMENT, THEREFORE BE IT

RESOLVED, THAT THE BOARD ACCEPT THE REPORT AND RECOMMENDATION OF ITS MEDICAL DIRECTOR REGARDING JOSH GILMORE, AND BE IT FURTHER

RESOLVED, THAT BASED UPON THE BOARD’S MEDICAL DIRECTOR’S RECOMMENDATION, THE BOARD HEREBY DENIES JOSH GILMORE’S APPLICATION FOR DUTY DISABILITY RETIREMENT, AND BE IT FURTHER

RESOLVED, THAT JOSH GILMORE BE APPRISED OF HIS RIGHTS TO APPLY FOR NON-DUTY DISABILITY RETIREMENT AND APPEAL SAID DENIAL PURSUANT TO PROCEDURES ESTABLISHED BY COLLECTIVE BARGAINING, AND BE IT FURTHER

RESOLVED, THAT A COPY OF THE BOARD’S MEDICAL DIRECTOR’S REPORT BE FORWARDED TO JOSH GILMORE, AND BE IT FURTHER

RESOLVED, THAT A COPY OF THIS RESOLUTION BE PLACED IN THE PENSION FILE OF JOSH GILMORE:

YEAS – TRUSTEES BATTLE, GNATEK, JAMES, JONES, MCLELLAN, MOSLIMANI,
NAGLICK, NEARY, PEGG, ROBERSON, TROZAK, TUCKER, WATSON AND
CHAIRMAN SERDA - 14

NAYS – NONE

RE-EXAMINATIONS

BY TRUSTEE PEGG – SUPPORTED BY TRUSTEE GNATEK

RESOLVED, THAT IN ACCORDANCE WITH THE RECOMMENDATION OF THE BOARD’S MEDICAL DIRECTOR, THE FOLLOWING DIRECTIVES BE FOLLOWED:

RE-EXAMINATIONS - CONTINUED

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
NORMAN BROWN, JR. - 234204 - FIRE - DUTY - 4TH - RETURN TO WORK REQUEST*			
DENNIS HOOD - 232791 - FIRE - DUTY - 5TH		X	
CHARLES IMMAN - 236811 - FIRE - DUTY - 5TH		X	
DERWIN LENARD - 232760 - FIRE DUTY - 4TH		X	

***RETURN NORMAN BROWN, JR. TO WORK AND REMOVE HIS NAME FROM THE SYSTEM'S DISABILITY RETIREMENT PAYROLLS AS OF THE DATE HE RETURNS TO WORK.**

YEAS – TRUSTEES BATTLE, GNATEK, JAMES, JONES, MCLELLAN, MOSLIMANI,
 NAGLICK, NEARY, PEGG, ROBERSON, TROZAK, TUCKER, WATSON AND
 CHAIRMAN SERDA - 14

NAYS – NONE

WESTIN BOOK CADILLAC

BY TRUSTEE PEGG – SUPPORTED BY TRUSTEE GNATEK

RESOLVED, THAT THE BOARD ACCEPT THE RECOMMENDATION OF ITS CHIEF INVESTMENT OFFICER AND COURTLAND PARTNERS, THE SYSTEM'S REAL ESTATE CONSULTANT, TO ENGAGE AN INVESTMENT MANAGER TO REVIEW AND EVALUATE THE SYSTEM'S OPTIONS WITH RESPECT TO THE WESTIN BOOK CADILLAC DEBT, SUBJECT TO NEGOTIATIONS WITH RESPECT TO CONTRACT TERMS AND FEES, CONSISTENT WITH THE COMMITTEE'S CLOSED SESSION DISCUSSION OF THIS DATE:

YEAS – TRUSTEES BATTLE, GNATEK, JAMES, JONES, MCLELLAN, MOSLIMANI, NAGLICK, NEARY, PEGG, ROBERSON, TROZAK, TUCKER, WATSON AND CHAIRMAN SERDA - 14

NAYS – NONE

PLANTE MORAN

MICHELLE WATTERWORTH, ALI HIJAZI AND SPENCER TAWA DISCUSSED THE SYSTEM'S JUNE 30, 2017 AUDITED FINANCIAL STATEMENTS (FINANCIAL REPORT WITH SUPPLEMENTAL INFORMATION) AT LENGTH.

TRUSTEE **MOSLIMANI** EXCUSED HERSELF (AT 11:50 A.M.) DURING PLANTE MORAN'S DISCUSSION.

AMONG THE TOPICS DISCUSSED WERE:

INTERNAL CONTROL RELATED MATTERS

ANY OBSERVED DEFICIENCIES IN THE SYSTEM'S ACCOUNTING PRINCIPLES OR INTERNAL CONTROL

REQUIRED COMMUNICATIONS WITH THOSE CHARGED WITH GOVERNANCE

CURRENT AUDITING STANDARDS REQUIRING AUDITORS TO COMMUNICATE WITH THOSE INDIVIDUALS CHARGED WITH GOVERNANCE

PLANTE MORAN - CONTINUED

OTHER RECOMMENDATIONS AND RELATED INFORMATION

RECOMMENDATIONS RELATED TO INTERNAL CONTROL AND ACCOUNTING
PROCEDURES

APPROVAL OF PFRS JUNE 30, 2017 AUDITED FINANCIAL STATEMENTS

BY TRUSTEE PEGG – SUPPORTED BY TRUSTEE TUCKER

RESOLVED, THAT THE BOARD APPROVE THE SYSTEM'S JUNE 30, 2017 AUDITED FINANCIAL STATEMENTS (FINANCIAL REPORT WITH SUPPLEMENTAL INFORMATION) AS PRESENTED BY THE SYSTEM'S AUDITORS, PLANTE MORAN, AND BE IT FURTHER

RESOLVED, THAT A COPY OF THIS RESOLUTION BE FORWARDED TO PLANTE MORAN:

YEAS – TRUSTEES BATTLE, GNATEK, JAMES, JONES, MCLELLAN, NAGLICK, NEARY,
PEGG, ROBERSON, TROZAK, TUCKER, WATSON AND CHAIRMAN SERDA
– 13

NAYS – NONE

PFRS DEFINED CONTRIBUTION PLAN (2018 INTEREST RATE FOR ANNUITIES)

BY TRUSTEE PEGG – SUPPORTED BY TRUSTEE GNATEK

RESOLVED, THAT CONSISTENT WITH PRIOR ACTION OF THE BOARD, THE DEFINED CONTRIBUTION PLAN AMOUNTS, EFFECTIVE **JULY 1, 2018**, BE CREDITED WITH **5.25%**, AND BE IT FURTHER

RESOLVED, THAT A COPY OF THIS RESOLUTION BE FORWARDED TO THE BOARD'S ACTUARY, GABRIEL, ROEDER, SMITH AND COMPANY, THE ACCOUNTING DIVISION OF THE RETIREMENT SYSTEMS, AND RETIREMENT SYSTEM STAFF MEMBER RAY TCHOU:

PFRS DEFINED CONTRIBUTION PLAN (2018 INTEREST RATE FOR ANNUITIES) -
CONTINUED

YEAS – TRUSTEES BATTLE, GNATEK, JAMES, JONES, MCLELLAN, NAGLICK, NEARY,
PEGG, ROBERSON, TROZAK, TUCKER, WATSON AND CHAIRMAN SERDA
– 13

NAYS – NONE

TRUSTEE **MOSLIMANI** RETURNED TO THE MEETING AT 11:57 A.M.

LEGAL DISCUSSION

AT TRUSTEE **PEGG'S** REQUEST, **CHAIRMAN SERDA** DIRECTED THAT THE
BOARD'S LEGAL DISCUSSION BE POSTPONED UNTIL THURSDAY, JANUARY 18,
2018

PUBLIC FORUM

AT **11:58 A.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 **12:00 P.M.** UNTIL **THURSDAY, JANUARY 18,**
2018, 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