



◆◆◆ **AGENDA** ◆◆◆

**POLICE & FIRE RETIREMENT SYSTEM OF THE CITY OF DETROIT  
MEETING NUMBER 3177 – THURSDAY, JANUARY 4, 2018  
9:00 A.M.**

**CHAIRMAN: JOHN SERDA**

**VICE CHAIRMAN: JEFFREY PEGG**

!!

ROLL CALL (EXCUSED: TRUSTEE JOSEPH ENGLISH)

**AGENDA APPROVAL**

DISABILITIES & RE-EXAMS PAGE 11

HYBRID APPLICATIONS PAGE 12

DROP APPLICATIONS PAGE 12

RETIREMENT APPLICATIONS PAGE 12

RECEIPTS (ACKNOWLEDGE ONLY) PAGE 13

DISBURSEMENTS SEPARATE SUBMISSION

REFUNDS SEPARATE SUBMISSION

EMPLOYEE LOANS SEPARATE SUBMISSION

MINUTES FOR DISTRIBUTION: DECEMBER 7, 2017

**MINUTES FOR APPROVAL: NOVEMBER 16, 2017**

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

**JANUARY 4, 2018**

10:00 A.M. – DR. O'NEAL

10:30 A.M.

11:00 A.M. – PLANTE MORAN

11:30 A.M.

12:00 P.M. – LEGAL DISCUSSION

12:30 P.M.

**JANUARY 11, 2018**

NO MEETING

**JANUARY 18, 2018**

10:00 A.M. – UHY ERP UPDATE

10:30 A.M.

11:00 A.M. – FUNDING POLICY DISCUSSION

11:30 A.M.

12:00 P.M.

**2018 MEETING SCHEDULE  
BOARD OF TRUSTEES OF THE POLICE AND FIRE RETIREMENT SYSTEM\***

<u>DAY</u>	<u>DATE</u>	<u>TIME</u>	<u>LOCATION</u>
THURSDAY	JANUARY 18, 2018	09:00 A.M.	CONFERENCE ROOM
THURSDAY	FEBRUARY 1, 2018	09:00 A.M.	CONFERENCE ROOM
THURSDAY	FEBRUARY 15, 2018	09:00 A.M.	CONFERENCE ROOM
THURSDAY	MARCH 1, 2018	09:00 A.M.	CONFERENCE ROOM
THURSDAY	MARCH 15, 2018	09:00 A.M.	CONFERENCE ROOM
THURSDAY	APRIL 5, 2018	09:00 A.M.	CONFERENCE ROOM
THURSDAY	APRIL 19, 2018	09:00 A.M.	CONFERENCE ROOM
THURSDAY	MAY 3, 2018	09:00 A.M.	CONFERENCE ROOM
THURSDAY	MAY 17, 2018	09:00 A.M.	CONFERENCE ROOM
THURSDAY	JUNE 7, 2018	09:00 A.M.	CONFERENCE ROOM
THURSDAY	JUNE 21, 2018	09:00 A.M.	CONFERENCE ROOM

**2018 MEETING SCHEDULE**  
**BOARD OF TRUSTEES OF THE POLICE AND FIRE RETIREMENT SYSTEM\* - CONTINUED**

<u>DAY</u>	<u>DATE</u>	<u>TIME</u>	<u>LOCATION</u>
<b>THURSDAY</b>	<b>JULY 5, 2018</b>	<b>09:00 A.M.</b>	<b>CONFERENCE ROOM</b>
<b>THURSDAY</b>	<b>JULY 19, 2018</b>	<b>09:00 A.M.</b>	<b>CONFERENCE ROOM</b>
<b>THURSDAY</b>	<b>AUGUST 2, 2018</b>	<b>09:00 A.M.</b>	<b>CONFERENCE ROOM</b>
<b>THURSDAY</b>	<b>AUGUST 16, 2018</b>	<b>09:00 A.M.</b>	<b>CONFERENCE ROOM</b>
<b>THURSDAY</b>	<b>SEPTEMBER 6, 2018</b>	<b>09:00 A.M.</b>	<b>CONFERENCE ROOM</b>
<b>THURSDAY</b>	<b>SEPTEMBER 20, 2018</b>	<b>09:00 A.M.</b>	<b>CONFERENCE ROOM</b>
<b>THURSDAY</b>	<b>OCTOBER 4, 2018</b>	<b>09:00 A.M.</b>	<b>CONFERENCE ROOM</b>
<b>THURSDAY</b>	<b>OCTOBER 18, 2018</b>	<b>09:00 A.M.</b>	<b>CONFERENCE ROOM</b>
<b>THURSDAY</b>	<b>NOVEMBER 1, 2018</b>	<b>09:00 A.M.</b>	<b>CONFERENCE ROOM</b>
<b>THURSDAY</b>	<b>NOVEMBER 15, 2018</b>	<b>09:00 A.M.</b>	<b>CONFERENCE ROOM</b>
<b>THURSDAY</b>	<b>DECEMBER 6, 2018</b>	<b>09:00 A.M.</b>	<b>CONFERENCE ROOM</b>
<b>THURSDAY</b>	<b>DECEMBER 20, 2018</b>	<b>09:00 A.M.</b>	<b>CONFERENCE ROOM</b>

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

**POLICE AND FIRE INVESTMENT COMMITTEE  
2018 MEETING SCHEDULE\***

<b><u>DAY</u></b>	<b><u>DATE</u></b>	<b><u>TIME</u></b>	<b><u>LOCATION</u></b>
<b>MONDAY</b>	<b>JANUARY 22, 2018</b>	<b>10:00 A.M.</b>	<b>CONFERENCE ROOM - TELECONFERENCE</b>
<b>MONDAY</b>	<b>MARCH 5, 2018</b>	<b>10:00 A.M.</b>	<b>CONFERENCE ROOM</b>
<b>MONDAY</b>	<b>MAY 21, 2018</b>	<b>10:00 A.M.</b>	<b>CONFERENCE ROOM - TELECONFERENCE</b>
<b>MONDAY</b>	<b>JULY 16, 2018</b>	<b>10:00 A.M.</b>	<b>CONFERENCE ROOM - TELECONFERENCE</b>
<b>MONDAY</b>	<b>AUGUST 27, 2018</b>	<b>10:00 A.M.</b>	<b>CONFERENCE ROOM</b>
<b>MONDAY</b>	<b>OCTOBER 22, 2018</b>	<b>10:00 A.M.</b>	<b>CONFERENCE ROOM</b>
<b>MONDAY</b>	<b>DECEMBER 17, 2018</b>	<b>09:00 A.M.</b>	<b>CONFERENCE ROOM - TELECONFERENCE</b>

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

**2018 DISABILITY AND RE-EXAM REPORTING SCHEDULE**  
**MEDICAL DIRECTOR FOR THE POLICE AND FIRE RETIREMENT SYSTEM\***

<b><u>DAY</u></b>	<b><u>DATE</u></b>	<b><u>TIME</u></b>	<b><u>LOCATION</u></b>
<b>THURSDAY</b>	<b>FEBRUARY 1, 2018</b>	<b>10:00 A.M.</b>	<b>CONFERENCE ROOM</b>
<b>THURSDAY</b>	<b>MARCH 1, 2018</b>	<b>10:00 A.M.</b>	<b>CONFERENCE ROOM</b>
<b>THURSDAY</b>	<b>APRIL 5, 2018</b>	<b>10:00 A.M.</b>	<b>CONFERENCE ROOM</b>
<b>THURSDAY</b>	<b>MAY 3, 2018</b>	<b>10:00 A.M.</b>	<b>CONFERENCE ROOM</b>
<b>THURSDAY</b>	<b>JUNE 7, 2018</b>	<b>10:00 A.M.</b>	<b>CONFERENCE ROOM</b>
<b>THURSDAY</b>	<b>JULY 5, 2018</b>	<b>10:00 A.M.</b>	<b>CONFERENCE ROOM</b>
<b>THURSDAY</b>	<b>AUGUST 2, 2018</b>	<b>10:00 A.M.</b>	<b>CONFERENCE ROOM</b>
<b>THURSDAY</b>	<b>SEPTEMBER 6, 2018</b>	<b>10:00 A.M.</b>	<b>CONFERENCE ROOM</b>
<b>THURSDAY</b>	<b>OCTOBER 4, 2018</b>	<b>10:00 A.M.</b>	<b>CONFERENCE ROOM</b>
<b>THURSDAY</b>	<b>NOVEMBER 1, 2018</b>	<b>10:00 A.M.</b>	<b>CONFERENCE ROOM</b>
<b>THURSDAY</b>	<b>DECEMBER 6, 2018</b>	<b>10:00 A.M.</b>	<b>CONFERENCE ROOM</b>

**\*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 RONALD A. KING

**DROP (DEFERRED RETIREMENT OPTION PLAN)** – DIAZ, GNATEK, PEGG, WATSON, GENERAL COUNSEL RONALD A. KING

**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** – PFRS: JAMES, JONES, PEGG – GRS: BENSON, NICKLEBERRY

**JOINT PERSONNEL** – PFRS: NAGLICK, NEARY, SERDA – GRS: NICKLEBERRY, SHEEHAN, HALL-WAGNER

**LEGAL REVIEW** – DIAZ, JAMES, MOSLIMANI, PEGG, ROBERSON

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

**POLICY** – JAMES, NEARY, PEGG

**PUBLIC RELATIONS** – DIAZ, ENGLISH, NAGLICK, PEGG, SERDA, EXECUTIVE DIRECTOR DAVID CETLINSKI, GENERAL COUNSEL RONALD A. KING

**SEVENTEENTH (17<sup>TH</sup>) BOARD MEMBER** – GNATEK, NEARY, PEGG, EXECUTIVE DIRECTOR DAVID CETLINSKI

**PFRS 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) – WESTIN 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**

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

**PFRS LOBBYIST**

OSCAR W. KING, III  
**KELLEY CAWTHORNE**  
208 NORTH CAPITOL AVENUE – 3<sup>RD</sup> FLOOR  
LANSING, MICHIGAN 48933-1356  
PHONE: 517-371-1400

**PFRS REAL ESTATE CONSULTANT**

MICHAEL MURPHY  
**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

**PFRS AUDITORS**

MICHELLE WATTERWORTH/BETH BIALY  
MANJU PAITNAIK/SPENCER TAWA  
**PLANTE MORAN**  
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  
JOHN PEPPERMAN  
**UHY, LLP**  
27725 STANSBURY BOULEVARD  
SUITE 200  
FARMINGTON HILLS, MICHIGAN 48334  
PHONE: 248-355-1040 – FAX: 248-355-1084

**PFRS GENERAL INVESTMENT CONSULTANT**

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

**PFRS VALUATION FIRM**

COREY THOMPSON  
**STOUT, RISIUS & ROSS**  
4000 TOWN CENTER  
20<sup>TH</sup> FLOOR  
SOUTHFIELD, MICHIGAN 48075  
PHONE: 248-432-1319  
EMAIL: CTHOMPSON@SRR.COM

**DISABILITY RETIREMENT APPLICATIONS**

MEMBER INFORMATION		APPROVE	DENY	TABLE	APPEAL
NAME/PENSION NUMBER	<b>JOSH GILMORE - 254727</b>				
TITLE/DEPARTMENT	<b>FIRE FIGHTER/DRIVER - FIRE</b>				
DISABILITY TYPE/PLAN	<b>DUTY - NEW</b>				
INJURY/INJURIES	<b>BIPOLAR DISORDER AND DEPRESSION</b>				
MEDICAL DIRECTOR'S RECOMMENDATION					

**RE-EXAMINATIONS**

NAME PENSION NUMBER DEPARTMENT DISABILITY TYPE RE-EXAM NUMBER	<b>CONTINUE ON DISABILITY RETIREMENT PAYROLLS WITH RETIRANT RECEIVING NEXT RE-EXAM IN ONE (1) YEAR UNLESS OTHERWISE DIRECTED</b>	<b>CONTINUE ON DISABILITY RETIREMENT PAYROLLS WITH NO FURTHER RE-EXAMS BEING NECESSARY FOR RETIRANT UNLESS OTHERWISE DIRECTED</b>	<b>CONTINUE ON DISABILITY RETIREMENT PAYROLLS WITH RETIRANT RECEIVING NEXT RE-EXAM AT MEDICAL DIRECTOR'S OFFICE UNLESS OTHERWISE DIRECTED</b>
<b>NORMAN BROWN, JR. - 234204 - FIRE - DUTY - 4TH</b>			
<b>DENNIS HOOD - 232791 - FIRE - DUTY - 5TH</b>			
<b>CHARLES IMMAN - 236811 - FIRE - DUTY - 5TH</b>			
<b>DERWIN LENARD - 232760 - FIRE DUTY - 4TH</b>			

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

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

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

RETIREMENT APPLICATIONS

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

**RECEIPTS**

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
<b>RECEIPTS</b>			
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
Rhumblin Russel 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	
<b>TOTAL RECEIPTS</b>			<b>\$ 56,691,263.50</b>