

**POLICE AND FIRE RETIREMENT SYSTEM  
OF THE  
CITY OF DETROIT**

**MEETING NO. 3298  
THURSDAY, DECEMBER 16, 2021  
9:00 A.M.**

**AGENDA**



**CHAIRPERSON: RONALD THOMAS  
VICE CHAIRPERSON: DEAN PINCHECK**

*“With advance notice of seven calendar days, the City of Detroit will provide interpreter services at public meetings, including language translation and reasonable ADA accommodations. Please contact the Civil Rights, Inclusion and Opportunity Department at [\(313\) 224-4950](tel:3132244950) through the TTY number 711, or e-mail [crio@detroitmi.gov](mailto:crio@detroitmi.gov) to schedule these services”.*

*Questions regarding this notice may be sent to the LEP Coordinator in the CRIO Department by email at [crio@detroitmi.gov](mailto:crio@detroitmi.gov) or by phone at (313) 224-4950. Those interested in requesting interpretation or translation services for their department may also contact the LEP Coordinator for assistance in coordinating these services.*

Please silence cell phones and to ensure there are no distractions, refrain from personal phone calls/conversations during “open meeting.” There is a lobby area to conduct personal business.

POLICE AND FIRE RETIREMENT SYSTEM OF THE CITY OF DETROIT  
MEETING NUMBER 3298– THURSDAY – DECEMBER 16, 2021

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ROLL CALL:

Excused:

AGENDA APPROVAL

RETIREMENT APPLICATIONS

RECEIPTS (ACKNOWLEDGE ONLY)

DISBURSEMENTS

REFUNDS (ANNUITY WITHDRAWALS)

EMPLOYEE LOANS

MINUTES FOR DISTRIBUTION: December 02, 2021

MINUTES FOR APPROVAL: November 18, 2021

ASSISTANT EXECUTIVE DIRECTOR'S REPORT

EXECUTIVE DIRECTOR'S REPORT

CHIEF INVESTMENT OFFICER'S REPORT

- Investment Committee Materials

PUBLIC COMMENT (3-minute time limit)

PUBLIC RELATIONS ADVISOR'S REPORT

LOBBYIST'S REPORT

- Legislative Log

GENERAL COUNSEL'S REPORT

- Legal Report

COMMITTEE REPORT

FOR REVIEW

**TABLED MOTIONS/DISCUSSIONS**

**PRESENTATION SCHEDULE**

**December 16, 2021**

10:00 A.M. –

10:15 A.M. –

11:00 A.M.

**RETIREMENT APPLICATIONS**

|                               |   |
|-------------------------------|---|
| NAME, TITLE, DEPARTMENT       | Vytas Y. Andrusaitis – Fire Engine Operator -<br>Fire |
| RETIREMENT TYPE-PLAN          | Hybrid - Drop   |
| SERVICE CREDIT-EFFECTIVE DATE | 07 05 00 – 11 30 21                                   |

|                               |  |
|-------------------------------|--|
| NAME, TITLE, DEPARTMENT       | Peggy K. Conover – Police Officer - Police |
| RETIREMENT TYPE-PLAN          | Hybrid - Drop                              |
| SERVICE CREDIT-EFFECTIVE DATE | 02 00 00 – 06 30 16                        |

|                               |  |
|-------------------------------|--|
| NAME, TITLE, DEPARTMENT       | Kristopher L. Rhinehart – Police Officer -<br>Police |
| RETIREMENT TYPE-PLAN          | Drop - New   |
| SERVICE CREDIT-EFFECTIVE DATE | 13 00 20 – 10 25 21                                  |

|                               |   |
|-------------------------------|---|
| *NAME, TITLE, DEPARTMENT      | James J. Stock – Fire Fighter Driver - Fire |
| RETIREMENT TYPE-PLAN          | Hybrid - Service                            |
| SERVICE CREDIT-EFFECTIVE DATE | 07 05 00 – 11 11 21                         |

**\*Option Change from Straight Life to Option Two**

POLICE AND FIRE MEETING SCHEDULE 2021

| DATE                      |
|---------------------------|
| December 16, 2021         |
| January 6, 2022-Cancelled |
| January 20, 2022          |
| February 3, 2022          |
| February 17, 2022         |
| March 3, 2022             |
| March 17, 2022            |
| April 7, 2022             |
| April 21, 2022            |
| May 5, 2022               |
| May 19, 2022              |
| June 2, 2022              |
| June 16, 2022             |
| July 7, 2022- Cancelled   |
| July 21, 2022             |
| August 4, 2022            |
| August 18, 2022           |
| September 1, 2022         |
| September 15, 2022        |
| October 6, 2022           |
| October 20, 2022          |
| November 3, 2022          |
| November 17, 2022         |
| December 1, 2022          |
| December 15, 2022         |

ALL BOARD MEETINGS ARE ON THURSDAY AND BEGIN AT 9:00 A.M. UNLESS NOTED

2022 MEETING SCHEDULE  
INVESTMENT COMMITTEE OF THE POLICE AND FIRE RETIREMENT SYSTEM

| DATE              |
|-------------------|
| February 21, 2022 |
| April 25, 2022    |
| June 20, 2022     |
| August 22, 2022   |
| October 24, 2022  |
| December 12, 2022 |

\*ALL INVESTMENT COMMITTEE MEETINGS BEGIN AT 10:00 A.M. UNLESS NOTED DIFFERENTLY AND WILL BE IN THE BOARD CONFERENCE ROOM.

**FOCUS LIST - UNDERPERFORMERS -as of September 30, 2021 Wilshire Report**

**Ativo International Equity** -Non-US Equity Developed Markets. Underperformance during 2019 and 2020 caused longer-term relative performance negative. Ativo has seen a strong performance recovery, which continued during third quarter 2021, outperforming the benchmark -1.56% vs. -2.99%.

**Analytic**- Global Low Volatility Equity. Analytics' investment style and philosophy has struggled to outperform since early 2019 as growth stocks rapidly outperformed value stocks. Analytic began to see some performance recovery in early 2021 as we saw a return to fundamentals with value orientated investments favoring growth stocks; however, during the third quarter 2021, Analytic again underperformed as growth stocks largely outperformed.

**Penn Capital**- High Yield. PENN Capital a high-quality, defensive-oriented high yield investment manager in the DPFRRS portfolio, has continued to struggle during the market and credit rally during 2020 and the first half of 2021. Within the high yield market, lowest quality issues (i.e., CCC-rated) outperformed, while higher quality investment managers face a style headwind for outperformance.

**FOCUS LIST- OUTPERFORMERS – as of September 30, 2021 Wilshire Report**

**Wells Capital Small Cap**- US Equity Small Cap Growth. Wells Capital Small Cap Growth strategy continues to be a strong performer in both up-markets and down-markets for PFRS. During the Third Quarter 2021, Wells Capital returned +1.26% net of fees, while the benchmark was down -5.65% during the quarter. Relative to peers, Wells' return ranked in the top 20% of its universe. Longer-term performance continues to be strong, as well, with peer rankings within the top 1/3 of peers over the trailing 3, 5 and 10 years as of 9/30.

**Deroy and Devereaux** – US Equity All Cap Value. Deroy & Devereaux, a diverse-owned investment manager in the U.S. Equity portfolio, has seen sharp performance recovery throughout 2020 and 2021, after previously residing on the Focus List of underperformers. During the Third Quarter 2021, Deroy & Devereaux returned +0.02%, while the benchmark was down -0.93%. Relative to peers, Deroy & Devereaux ranked near top quartile during the quarter, while over longer periods, ranked at the 11%-tile, 26%-tile and 33%-tile over 1, 3 and 5 years, respectively.

**Johnston International Equity** -Non-US Equity Developed Markets. Hardman Johnston's International Equity strategy continues to perform well over the short-term, as well as longer-term horizons. During the Third Quarter 2021, Johnston outperformed the benchmark by 1.7%, returning +1.04%, while the benchmark was down -0.66%. Longer-term performance (3, 5 and 10 years, as of September 30, 2021), Johnston's strong performance ranks in the top 5% of peers.

**COMMITTEES**

**FINANCE** – BERENT, JONES, MCLELLAN, NAGLICK, PEGG, ORZECH AND WATSON

**JOINT PERSONNEL** – **PFRS:** NAGLICK, PEGG, SERDA AND THOMAS **GRS:** NICKLEBERRY, PERKINS, SHEEHAN, AND HALL-WAGNER

**POLICY** – BERENT, JAMES, JONES, PEGG AND PINCHECK

**PUBLIC RELATIONS** –BERENT, NAGLICK, PEGG, PINCHECK AND EXECUTIVE STAFF: EXECUTIVE DIRECTOR DAVID CETLINSKI, ASSISTANT EXECUTIVE DIRECTOR KELLY TAPPER AND GENERAL COUNSEL RONALD KING