

**MEETING NO. 3231**  
**JOURNAL OF PROCEEDINGS**  
**BOARD OF TRUSTEES OF THE POLICE AND FIRE RETIREMENT SYSTEM**  
**OF THE CITY OF DETROIT**  
**HELD THURSDAY, FEBRUARY 07, 2019**

09:00 A.M.  
RETIREMENT SYSTEMS' CONFERENCE ROOM  
ALLY DETROIT CENTER, 500 WOODWARD; SUITE 3000  
DETROIT, MICHIGAN 48226

**TRUSTEES PRESENT**

SHAWN BATTLE	EX/OFFICIO TRUSTEE/FIRE PREVENTION CHIEF/MAYOR'S DESIGNEE
MICHAEL F. BERENT	ELECTED TRUSTEE/FIRE
BRENDA JONES	EX/OFFICIO TRUSTEE/CITY COUNCIL PRESIDENT
CHRISTA MCLELLAN	EX/OFFICIO TRUSTEE/TREASURER
MEGAN S. MOSLIMANI	EX/OFFICIO TRUSTEE/CORPORATION COUNSEL /VICE-CHAIRPERSON
JOHN NAGLICK	EX/OFFICIO TRUSTEE/FINANCE DIRECTOR
GEORGE ORZECH	ELECTED RETIRANT TRUSTEE/FIRE
JEFFREY PEGG	ELECTED TRUSTEE/FIRE/CHAIRPERSON
DEAN PINCHECK	ELECTED TRUSTEE/FIRE
PORTIA ROBERSON	EX/OFFICIO TRUSTEE/MAYOR'S ALTERNATE
JOHN SERDA	ELECTED TRUSTEE/POLICE
GREGORY TROZAK	ELECTED RETIRANT TRUSTEE/POLICE
STEVEN WATSON	EX/OFFICIO TRUSTEE/DIRECTOR OF FORECASTING AND ECONOMIC ANALYSIS-BUDGET DEPARTMENT/BUDGET DIRECTOR'S DESIGNEE

**TRUSTEES EXCUSED**

MATTHEW GNATEK	ELECTED TRUSTEE/POLICE
MARK DIAZ	ELECTED TRUSTEE/POLICE
ANGELA R. JAMES	EX/OFFICIO RETIRANT TRUSTEE/POLICE/MAYOR'S DESIGNEE

**ALSO PRESENT**

David Cetlinski	Executive Director
Ryan Bigelow	Chief Investment Officer
Ronald King	General Counsel
TaKneisha Johnson	Administrative Assistant IV
Dr. Oscar King III	Board Lobbyist

**STAFF EXCUSED**

Kelly Tapper	Assistant Executive Director
Bruce Babiarz	Public Relations Advisor

CHAIRPERSON

**JEFFREY PEGG**

A verbal Roll Call commenced at 09:05 a.m. and Chairperson Pegg called the meeting to order.

***Present at Roll Call: Shawn Battle, Michael F. Berent, Christa Mclellan, John Naglick, George Orzech, John Serda and Gregory Trozak***

**Re: Approval of February 07, 2019 Agenda**

John Serda moved to approve the agenda dated **Thursday, February 07, 2019**. Michael Berent supported. The motion passed unanimously.

**RECEIPTS: The Board received the following receipts for Acknowledgment:**

Cash Receipts  
Company: RSCD-PFRS

Cash Account: HYBLIQRES  
Start Date: 1/15/2019  
End Date: 2/4/2019

Doc. Date	Module	Tran. Type	Doc. Nbr.	Description	R/C	Receipt
1/18/2019	CA	Cash Entry	001151	Pretax Mandatory Pension Contributions 1-18-19	R/C	268,308.55
1/28/2019	AR	Payment	000008	Employer Match October 1 - December 31 2018 Police & Fire	R/C	4,336,110.65
1/30/2019	CA	Cash Entry	001155	Pretax Mandatory Pension Contribution 1-25-19	R/C	95,008.52
						4,699,427.72

Cash Receipts  
Company: RSCD-PFRS

Cash Account: LIQUID RES  
Start Date: 1/15/2019  
End Date: 2/4/2019

Doc. Date	Module	Tran. Type	Doc. Nbr.	Description	R/C	Receipt
1/15/2019	CA	Cash Entry	001137	Loan Deduction Programs 1-11-19(\$31,877.81)	R/C	31,877.81
1/25/2019	CA	Cash Entry	001186	Loan Deduction Program 1-18-19 (\$76,441.14)	R/C	76,441.14
						108,318.95

**Total Receipts**

**4,807,746.67**

**Re: Approval of Disbursements**

Michael Berent moved to approve the **Disbursement List** as outlined below.  
Christa Mclellan supported. The motion passed unanimously.

Disbursements

Page 1 of 1  
Date 2/4/2019 8:11 AM

Account	Payment Method	Currency			
HUNT VEND	ACH	US			
<b>Vendor Name</b>			<b>Invoice Number</b>	<b>Invoice Description</b>	<b>Amount To Pay</b>
500 WEBWARD LLC			72816	February 2019 Rent	24,998.49
8x8 INC.			2296702	Phone System Services	1,362.05
BNY Mellon			111-2019-0002546	Management Fees - 4th Qtr '18	72,373.25
CRESTWOOD ASSOCIATES L.L.C.			INV042117	Acumatica Training & Implementation	75.00
PENN CAPITAL MANAGEMENT COMPANY, Inc			123118	Management Fees - 4th Qtr '18	51,119.66
			<b>Cash Account/Payment Method Total:</b>	<b>5 Documents</b>	<b>149,928.45</b>
HUNT VEND	CHECK	US			
<b>Vendor Name</b>			<b>Invoice Number</b>	<b>Invoice Description</b>	<b>Amount To Pay</b>
ANGELA JAMES			011019AJ	Trustee Parking	100.00
BLOOMBERG FINANCE LP			5604783951	Bloomberg Anywhere 1/21/18-4/20/19	5,625.00
COMCAST			011719	High Speed Internet (Acct #8529 10 205 0807923)	180.02
First CHOICE Coffee Services			598068	Coffee Supplies	20.98
First CHOICE Coffee Services			598227	Equipment Rental	30.00
GABRIEL, ROEDER, SMITH & CO			444519	EDRO Calculations for Anthony Ely	1,350.00
SCANTRON CORPORATION			14422949	Toner Cartridge Supply	2,375.20
			<b>Cash Account/Payment Method Total:</b>	<b>7 Documents</b>	<b>9,681.20</b>

\* Payment amount is estimated based on the effective date 2/4/2019

**Re: Approval of Refunds (Accumulated Contributions)**

Gregory Trozak moved to approve the **Refunds/Accumulated Contributions** list as outlined below John Serda supported. The motion passed unanimously.

LIST NUMBER 3773 - \$457,092.98

LIST NUMBER 3774 - \$303,912.44

**Re: Approval of the Frozen Defined Contribution Plan/ Employee Loan Program**

Michael Berent moved to approve the **Frozen Defined Contribution Plan/ Employee Loan Program** as outlined below. Christa Mclellan supported. The motion passed unanimously.

LIST #1 01/31/2019 – \$41,539.00

LIST #2 02/07/2019 – \$23,419.00

**Re: Approval of Minutes/Journal of Proceedings No. 3229 – (01/10/2019)**

Michael Berent moved to approve the **Minutes/Journal of Proceedings No. 3229 (01/10/2019)** Christa Mclellan supported. The motion passed unanimously.

**EXECUTIVE DIRECTOR'S REPORT**

Executive Director, **David Cetlinski**, addressed the following with the Board of Trustees:

- **Conference Approvals**
  - *Protecting Shareholder Rights Forum; April 10-13 2019 in New Orleans, LA, sponsored by Bernstein Litowitz Berger and Grossman, LLP*
  - *NCPERS National Conference; May 18-22, 2019 in Austin, TX*
  - *Investment Education Symposium ; February 27-March 1, 2019 in New Orleans, LA; sponsored by the Opal Group*
  
- **Trustee Steven Watson entered the Boardroom at 9:10 a.m.**
- **Trustee Dean Pincheck entered the Boardroom at 9:19a.m.**

**Re: Protecting Shareholder Rights Forum/Conference Approval**

John Serda moved to approve the attendance by those Trustees/Staff interested to attend the **Protecting Shareholder Rights Forum/Conference (Wednesday, April 10<sup>th</sup> –Saturday April 13<sup>th</sup>, 2019)**. George Orzech supported. The motion passed unanimously.

**Re: NCPERS National Conference**

John Serda moved to approve the attendance by those Trustees/Staff interested to attend the **NCPERS National Conference (Saturday, May 18<sup>th</sup> –Wednesday May 20<sup>th</sup>, 2019)**. George Orzech supported. The motion passed unanimously.

**Re: Investment Education Symposium Approval**

John Serda moved to approve the attendance by those Trustees/Staff interested to attend the **Investment Education Symposium (Wednesday, February 27<sup>th</sup> –Friday March 1<sup>st</sup>, 2019)**. George Orzech supported. The motion passed unanimously.

### **CHIEF INVESTMENT OFFICER'S REPORT**

Chief Investment Officer, **Ryan Bigelow**, discussed the following matters with the Board:

- Re-cap of the January 28, 2019 Police and Fire Investment Committee meeting
  - Trustee Education Initiative
- ***Trustee Brenda Jones entered the Boardroom at 09:35 a.m.***

### **LOBBYIST'S REPORT**

Lobbyist, **Dr. Oscar King III**, provided the Board with a legislative update as listed below:

- Senate Repeal Tax
  - HB 4034
    - Repeal right to work
  - HB 4094
    - Modify definition of qualified city in the Police and Fire protection act.
  - Medicaid work requirements
  - SB 1
    - Make changes to auto- no fault
- ***Trustee Portia Roberson entered the Boardroom at 9:50 a.m.***

**GENERAL COUNSEL'S REPORT**

General Counsel, **Ronald King**, discussed the following matters with the Board:

- EDRO(S) for approval
  - Re: Joe Tucker v Kjauna Tucker., Case No.: 12-112916-DM  
Wayne County Circuit for the State of Michigan, Detroit, Michigan
  - Re: Carl Allen v Juan Lashawn Allen., Case No.: 17-108902-DO  
Wayne County Circuit for the State of Michigan, Detroit, Michigan

**Re: Joe L. Tucker vs KJauna Tucker., Case No.: 12-112916-DM**  
**Wayne County Circuit for the State of Michigan, Detroit, Michigan**

Motion By: Trustee Orzech Supported By: Trustee Serda

WHEREAS, the Board of Trustees for the Police and Fire Retirement System for the City of Detroit ("Board") is in receipt of an Eligible Domestic Relations Order ("EDRO") entered on January 2, 2019, which supplements a Judgment of Divorce entered on January 6, 2014, wherein Alternate Payee **KJAUNA TUCKER** is awarded certain rights to the retirement benefits of Participant **JOE TUCKER**, who is a an active employee, and

WHEREAS, the Board notes that Participant **JOE TUCKER** elected to participate in the Deferred Retirement Option Plan Program ("DROP") as of September 20, 2016, under Component I of the PFRS Combined Plan, and

WHEREAS, the EDRO awards the Alternate Payee **KJAUNA TUCKER** fifty percent (50%) of the marital portion, as defined in the EDRO, of the Participant's "Defined Benefit" plan, being Participant's entitlements to Component I Retirement Allowance and Component II Pension, and

WHEREAS, the Alternate Payee **KJAUNA TUCKER** **IS** entitled to claim fifty percent (50%) of the martial portion, as defined in the EDRO, of the Participant's Component I Retirement Allowance and Component II Pension, when the Participant begins to receive benefits from PFRS, as set forth in the EDRO and SUBJECT TO ALTERNATE PAYEE FILING AN APPLICATION FOR SAME, and

WHEREAS, the EDRO awards the Alternate Payee **KJAUNA TUCKER** a portion, including an additional portion from Participant's remaining share, as defined and set forth in the EDRO, of the Participant's "Defined Contribution Balance," being Participants Component I Voluntary Employee Contribution and Component II Annuity Savings Fund balance, and

**GENERAL COUNSEL'S REPORT- Continued**

**Re: Joe L. Tucker vs KJauna Tucker., Case No.: 12-112916-DM  
Wayne County Circuit for the State of Michigan, Detroit, Michigan**

Motion By: Trustee Orzech Supported By: Trustee Serda

WHEREAS, the Alternate Payee **KJAUNA TUCKER IS** entitled to claim a portion, including an additional portion from Participant's remaining share, as defined in the EDRO, of the Participant's Component I Voluntary Employee Contribution and Component II Annuity Savings Fund balance, when the Participant is eligible to receive such benefits and as set forth in the EDRO and SUBJECT TO ALTERNATE PAYEE FILING AN APPLICATION FOR SAME, and

WHEREAS, the EDRO provides for the parties to share the cost of the actuary's fees, and

WHEREAS, the Board has been advised by General Counsel that the applicable terms of the EDRO are consistent with the provisions of the Retirement System and applicable law, including Public Act 46 of 1991, MCL 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 the EDRO, that said court order qualifies as an Eligible Domestic Relations Order and/or a Domestic Relations Order pursuant to Michigan law, and shall pay pension benefits consistent with said court order and this resolution SUBJECT TO APPLICATION BEING FILED BY THE PARTY SEEKING PAYMENT, and be it further

RESOLVED, that this file be forwarded to the Board's actuary for calculation of the benefits to be paid to the former spouse, 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 copies of this resolution be sent to Alternate Payee Kjauna Tucker, Participant Joe Tucker, and Dante' L. Goss, legal counsel for the Participant.

Yeas – Battle, Berent, Jones, Mclellan, Naglick, Orzech, Pincheck, Roberson, Serda, Trozak, Watson and Chairperson Pegg - 12

Nays – None

**GENERAL COUNSEL'S REPORT- Continued**

**Re: Carl Allen vs Juan Lashawn Allen., Case No.: 17-108902-DO  
Wayne County Circuit for the State of Michigan, Detroit, Michigan**

Motion By: Trustee Orzech Supported By: Trustee Serda

WHEREAS, the Board of Trustees for the Police and Fire Retirement System for the City of Detroit ("Board") is in receipt of an Domestic Relations Order ("DRO") entered on November 15, 2018, which supplements a Judgment of Divorce entered on February 13, 2018, wherein Alternate Payee **JUAN LASHAWN ALLEN** is awarded certain rights to the retirement benefits of Participant **CARL ALLEN**, who is a retired employee, and

WHEREAS, the Board notes that retiree CARL ALLEN elected to participate in the Deferred Retirement Option Plan Program ("DROP") as of September 1, 2011 under Component II of the PFRS Combined Plan, and converted to service retirement October 1, 2016 , and

WHEREAS, the DRO awards the Alternate Payee **JUAN LASHAWN ALLEN** fifty percent (50%) of the marital portion, as defined in the DRO, of the Participant's Component I Retirement Allowance and Component II Pension, and

WHEREAS, the Participant **CARL ALLEN** and the Alternate Payee **JUAN LASHAWN ALLEN ARE NOT** entitled to a Component I Retirement Allowance benefit because the Participant did not participate in Component I of PFRS as an active employee on or after July 1, 2014 (other than through the DROP election made in 2011), meaning Component I Retirement Allowance does not strictly apply to Participant's service retirement benefits, which all accrued prior to July 1, 2014, in Component II of PFRS, and

WHEREAS, the Alternate Payee **JUAN LASHAWN ALLEN IS** entitled to claim fifty percent (50%) of the martial portion, as defined in the DRO, of the Participant's Component II Pension as set forth in the DRO and SUBJECT TO ALTERNATE PAYEE FILING AN APPLICATION FOR SAME, and

WHEREAS, the EDRO provides for the parties to share the cost of the actuary's fees, and

WHEREAS, the Board has been advised by General Counsel that the applicable terms of the DRO are consistent with the provisions of the Retirement System and applicable law, including



**GENERAL COUNSEL'S REPORT- Continued**

**Re: Carl Allen vs Juan Lashawn Allen., Case No.: 17-108902-DO  
Wayne County Circuit for the State of Michigan, Detroit, Michigan**

Motion By: Trustee Orzech Supported By: Trustee Serda

Public Act 46 of 1991, MCL 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 the DRO, that said court order qualifies as an Domestic Relations Order pursuant to Michigan law, and shall pay pension benefits consistent with said court order and this resolution SUBJECT TO APPLICATION BEING FILED BY THE PARTY SEEKING PAYMENT, and be it further

RESOLVED, that this file be forwarded to the Board's actuary for calculation of the benefits to be paid to the former spouse, 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 copies of this resolution be sent to Alternate Payee Juan LaShawn Allen, Participant Carl Allen, and Carolyn B. Markowitz, legal counsel for the Alternate Payee, and Trish Oleska Haas, legal counsel for Participant.

Yeas – Battle, Berent, Jones, Mclellan, Naglick, Orzech, Pincheck, Roberson, Serda, Trozak, Watson and Chairperson Pegg - 12

Nays – None

**Re: Entering Into Closed Session**

Resolution Moved By: Trustee Jones– Supported By: Trustee Serda

**WHEREAS**, the Retirement System is subject to the limitation of the Open Meetings Act (“OMA”) being MCL 15.261 et seq. and has adopted a resolution on October 24, 2012 relative thereto; **THEREFORE BE IT**

**RESOLVED**, that the Board enters into Closed Session for the purpose of discussing Attorney/Client privileged matters regarding the following: pending litigation regarding the Romulus property and Medical Director’s Report.

A Roll Call Vote was taken as follows:

Yeas – Battle, Berent, Jones, Mclellan, Naglick, Orzech, Pincheck, Roberson, Serda, Trozak, Watson and Chairperson Pegg - 12

Nays – None

The Board entered into **Closed Session** at 09:53 a.m.

➤ ***Trustee Megan Moslimani entered the Boardroom at 10:06 a.m.***

**Re: Open Session**

John Serda moved to come out of closed session. Christa Mclellan supported. The motion passed unanimously.

The Board returned to **Open Session** at 10:23 a.m.

**INITIAL DISABILITIES:**

**Re: Alesada Colon**

Resolution Moved By: Trustee Pincheck Supported By: Trustee Roberson

**RESOLVED**, that the report of the Medical Director on the case of **Alesada Colon** be **ACCEPTED**, and **FURTHER BE IT**

**RESOLVED**, that based on the recommendation of the Medical Director, the Board **APPROVE** the application for a **Duty Disability Retirement** filed by **Ms. Colon** with a re-exam in one year:

Yeas – Battle, Berent, Jones, Mclellan, Moslimani, Naglick, Orzech, Pincheck, Roberson, Serda, Trozak, Watson and Chairperson Pegg - 13

Nays – None

**INITIAL DISABILITIES:**

**Re: Charles Howard**

Resolution Moved By: Trustee Pincheck Supported By: Trustee Roberson

**RESOLVED**, that the report of the Medical Director on the case of **Charles Howard** be **ACCEPTED**, and **FURTHER BE IT**

**RESOLVED**, that based on the recommendation of the Medical Director, the Board **APPROVE** the application for a **Duty Disability Retirement** filed by **Mr. Howard** with a re-exam in one year:

Yeas – Battle, Berent, Jones, Mclellan, Moslimani, Naglick, Orzech, Pincheck, Roberson, Serda, Trozak, Watson and Chairperson Pegg - 13

Nays – None

**Re: Howard Lee**

Resolution Moved By: Trustee Pincheck Supported By: Trustee Roberson

**RESOLVED**, that the report of the Medical Director on the case of **Howard Lee** be **ACCEPTED**, and **FURTHER BE IT**

**RESOLVED**, that based on the recommendation of the Medical Director, the Board **APPROVE** the application for a **Duty Disability Retirement** filed by **Mr. Lee** **with a re-exam in one year:**

Yeas – Battle, Berent, Jones, Mclellan, Moslimani, Naglick, Orzech, Pincheck, Roberson, Serda, Trozak, Watson and Chairperson Pegg - 13

Nays – None

**Re: Annual Re-examinations**

Resolution Moved By: Trustee Orzech Supported By: Trustee Pincheck

**RESOLVED**, that in accordance with the recommendation of the Medical Director, the following be CONTINUED on the Disability Retirement Payroll with a **re-exam in one year:**

**Nzinga Carbin**

Yeas – Battle, Berent, Jones, Mclellan, Moslimani, Naglick, Orzech, Pincheck, Roberson, Serda, Trozak, Watson and Chairperson Pegg - 13

Nays – None

**Re: Annual Re-examinations**

Resolution Moved By: Trustee Orzech Supported By: Trustee Pincheck

**RESOLVED**, that in accordance with the recommendation of the Medical Director, the following be CONTINUED on the Disability Retirement Payroll with no further **re-exams necessary:**

**Damarius Nettles  
Matthew Sandora**

Yeas – Battle, Berent, Jones, Mclellan, Moslimani, Naglick, Orzech, Pincheck, Roberson, Serda, Trozak, Watson and Chairperson Pegg - 13

Nays – None

**Re: Real Estate Discussion/Romulus Property**

The Board of Trustees discussed the aforementioned at length. Chairperson Pegg directed that the discussion come back before the Board at the next regular scheduled meeting (February 21<sup>st</sup>, 2019.)

**NEW BUSINESS/OLD BUSINESS**

- None

**ADJOURNMENT**

***Christa Mclellan moved to adjourn meeting #3231. Christa Mclellan supported.***

**Chairperson Pegg** adjourned the meeting at 10:30 a.m. The Board's next meeting is scheduled for **Thursday, February 21<sup>st</sup>, 2019**, at 09:00 a.m. in the Retirement Systems' Conference Room, 500 Woodward Avenue Suite 3000; Detroit, Michigan 48226.

RESPECTFULLY SUBMITTED,



David Cetlinski, Executive Director