

MEETING NO. 3249  
JOURNAL OF PROCEEDINGS  
**BOARD OF TRUSTEES OF THE POLICE AND FIRE RETIREMENT SYSTEM**  
OF THE CITY OF DETROIT  
HELD **THURSDAY, NOVEMBER 21, 2019**

9:00 A.M.  
RETIREMENT SYSTEMS' CONFERENCE ROOM  
ALLY DETROIT CENTER, 500 WOODWARD AVENUE; SUITE 3000  
DETROIT, MICHIGAN 48226

**TRUSTEES PRESENT**

Matthew Gnatek	Elected Trustee/Police/ Chairperson
Angela R. James	Ex/Officio Retiree Trustee/Police/Mayoral Designee
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 Jr.	Ex/Officio Trustee/Finance Director
George Orzech	Elected Retiree Trustee/Fire
Jeffrey Pegg	Elected Trustee/Fire
Dean Pincheck	Elected Trustee/Fire
Portia Roberson	Ex/Officio Trustee/Mayoral Alternate
John Serda	Elected Trustee/Police
Ronald Thomas	Elected Trustee/Police
Gregory Trozak	Elected Retiree Trustee/Police

**TRUSTEES EXCUSED**

Shawn Battle	Ex/Officio Trustee/Fire Prevention Chief/Mayoral Designee
Michael F. Berent	Elected Trustee/Fire
Steven Watson	Ex/Officio Trustee/Deputy Budget Director/Budget Director's Designee

**ALSO PRESENT**

David Cetlinski	Executive Director
Kelly Tapper	Assistant Executive Director
Ryan Bigelow	Chief Investment Officer
Joann Harrison	Board Secretary
Ronald King	General Counsel
Bruce Babiarz	Public Relations Advisor
Dr. Oscar King III	Board Lobbyist

**STAFF EXCUSED**

None

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CHAIRPERSON

**Matthew Gnatek**

A verbal Roll Call commenced at 9:25 a.m. and Chairperson Gnatek called the meeting to order.

**Present at Roll Call: Gnatek, McLellan, Naglick, Orzech, Pegg, Pincheck, Serda, Thomas and Trozak.**

**Re: Approval of November 21, 2019 Agenda**

Trustee Pegg moved to approve the agenda dated Thursday, November 21, 2019. Trustee Serda supported. The motion passed unanimously.

**Re: Approval of RETIREMENT Applications**

Trustee Pegg moved to approve the RETIREMENT applications as listed below. Trustee Thomas supported. The motion passed unanimously.

NAME, TITLE, DEPARTMENT	Amari Johnson – Child of Elaine E. Williams – Deceased – Police Sergeant - Police
RETIREMENT TYPE-PLAN	Non-Duty Death Child - New
SERVICE CREDIT-EFFECTIVE DATE	11 10 17 – 06 03 19

NAME, TITLE, DEPARTMENT	Jennifer N. Maddox – Police Sergeant – Police
RETIREMENT TYPE-PLAN	Non-Duty Disability - New
SERVICE CREDIT-EFFECTIVE DATE	13 02 27 – 10 11 19

NAME, TITLE, DEPARTMENT	Kelly D. James - Police Officer - Police
RETIREMENT TYPE-PLAN	Drop – New
SERVICE CREDIT-EFFECTIVE DATE	17 01 28 – 10 22 19

NAME, TITLE, DEPARTMENT	Lisa M. Johnson - Police Officer – Police
RETIREMENT TYPE-PLAN	Drop - New
SERVICE CREDIT-EFFECTIVE DATE	15 00 03 – 10 18 19

NAME, TITLE, DEPARTMENT	Reginald M. Washington – Police Sergeant - Police
RETIREMENT TYPE-PLAN	Drop - New
SERVICE CREDIT-EFFECTIVE DATE	20 01 18 – 10 21 19

NAME, TITLE, DEPARTMENT	Walter L. Wilson - Police Officer - Police
RETIREMENT TYPE-PLAN	Drop - New
SERVICE CREDIT-EFFECTIVE DATE	14 11 13 – 10 31 19



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Disbursement Report

Page: 1 of 2  
Date: 11/18/2019 8:56 AM

Account	Payment Method	Currency
LIQUID RES	WIRE	US

  

Vendor Name	Invoice Number	Invoice Description	Amount To Pay
GREENFIELD ACQUISITION PARTNERS VIII	112519	Capital Call	853,448.00
HL - Platinum Equity Capital Partners IV, LP	112019	Capital Call	10,562.00
HL - Platinum Equity Capital Partners IV, LP	112019	Capital Call	14,198.00
KELSO INVESTMENT ASSOCIATES X, L.P	110519	Capital Call	314,578.00
PLATINUM EQUITY SMALL CAP FUND LP - HAMILTON	112119	Capital Call	15,050.00
ROARK CAPITAL PARTNERS V, L.P. - HAMILTON LAN	111919	Capital Call	23,792.14
<b>Cash Account/Payment Method Total:</b>			<b>6 Documents</b>
			<b>1,231,628.14</b>

HUNT VEND	ACH	US	
<b>Vendor Name</b>	<b>Invoice Number</b>	<b>Invoice Description</b>	<b>Amount To Pay</b>
500 WEBWARD LLC	1021759	Electrical Billing: 9/28/19-10/30/19 #16055070	1,031.31
500 WEBWARD LLC	1021758	Electrical Billing: 9/28/19-10/30/19 #16055044	654.12
8x8 INC.	2514664	Phone System Services	1,388.75
ADP, INC	544510597	Check Printing Services	605.80
ADVENT CAPITAL MANAGEMENT, LLC	3Q19	Management Fees 3rd Qtr '19	87,449.97
BAIRD ADVISORS	BA193Q2314	Management Fees 3rd Qtr '19	50,939.88
Cogent Communications, Inc.	110119	Internet Service	1,023.00
CREATIVE BREAKTHROUGHS INC	INV2640	Software Maintenance	11,837.50
GABRIEL, ROEDER, SMITH & CO	450433	EDRO Calculations-Christopher Baumann	1,200.00
GABRIEL, ROEDER, SMITH & CO	450447	EDRO Calculations for Tony Cotton	1,500.00
GABRIEL, ROEDER, SMITH & CO	450828	Actuarial Services for October 2019	13,392.00
INCOME RESEARCH + MANAGEMENT INC.	30465	Management Fees 3rd Qtr '19	52,064.01
Office of the Chief Financial Officer	1146686	Wages&Benefits CoD Employees FY19-20 1st Qtr	339,099.51
PENN CAPITAL MANAGEMENT COMPANY, Inc	3Q19	Management Fees 3rd Qtr '19	57,777.79
PLANTE & MORAN	1752143	Financial Statement Audit for 6/30/19	26,925.00
QUILL CORPORATION	2286749	Office Supplies	221.59
UHY Advisors MI, Inc.	1318128	Professional IT Services for October 2019	53,955.00
UHY Advisors MI, Inc.	1318127	Professional IT Services for October 2019	9,787.50
<b>Cash Account/Payment Method Total:</b>			<b>18 Documents</b>
			<b>710,852.73</b>

HUNT VEND	CHECK	US	
<b>Vendor Name</b>	<b>Invoice Number</b>	<b>Invoice Description</b>	<b>Amount To Pay</b>
BAB ASSOCIATES, LLC	2019-0176	Public Relations Services October 2019	3,227.70
BAB ASSOCIATES, LLC	2019-0175	Public Relations Services September 2019	3,127.70
FEDEX	6-769-02886	FedEx Mailing	26.26
FEDEX	6-776-85854	FedEx Mailing	26.14
FEDEX	6-823-70391	FedEx Mailing	26.20
FEDEX	6-830-30192	FedEx Mailing	26.20
FEDEX	6-836-89438	FedEx Mailing	26.20
IRON MOUNTAIN	202002684	Storage CDs	916.54
KELLEY CAWTHORNE	10730	Lobbyist Services for November 2019	7,500.00
MIKE BERENT	110819MB	Trustee Parking	49.00
OFFICE DEPOT	393872093001	Office Supplies	13.07
PENSION BENEFIT INFORMATION	INV028276	Death Audit - One Time Run/Adhoc - 3,777 Records	250.00
TRANSUNION RISK & ALT DATA SOLUTIONS INC	3712221-201910	TLOxp Research Services	25.00
WELLS FARGO VENDOR FINANCIAL SVCS, LLC	102882625	Printer Maintenance	129.11
<b>Cash Account/Payment Method Total:</b>			<b>14 Documents</b>
			<b>15,369.12</b>

\* Payment amount is estimated based on the effective date 11/18/2019

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

Trustee Pegg moved to approve the Refunds/Accumulated Contributions list as outlined below. Trustee Thomas supported. The motion passed unanimously.

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List number 3814 - \$841,936.20

List number 3815 - \$357,771.35

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

Trustee Pegg moved to approve the Frozen Defined Contribution Plan/Employee Loan Program as outlined below. Trustee Thomas supported. The motion passed unanimously.

List #1 - \$20,600.00 – 11/14/2019

List #2 - \$88,415.00 – 11/21/2019

**Re: Approval of Minutes**

Trustee Orzech moved to approve the Minutes of October 3, 2019. Trustee Naglick supported. Trustees Moslimani abstained as she was not at the meeting. Trustee Thomas abstained as he had no voting rights. The motion passed unanimously.

**Re: Approval of Minutes**

Trustee Orzech moved to approve the Minutes of October 17, 2019. Trustee Naglick supported. Trustees Gnatek, Pegg and Serda abstained as they were not at the meeting. The motion passed unanimously.

**ASSISTANT EXECUTIVE DIRECTOR'S REPORT**

Assistant Executive Director, Kelly Tapper, addressed the following with the Board of Trustees:

- Proposed 2020 Meeting Calendar
- Global Governance Advisors
- Request from Lieutenant Ryan Lovier

Trustee Pegg moved to approve the proposed Police and Fire 2020 meeting calendar. Trustee Pincheck supported. The motion passed unanimously.

➤ **Trustee James and Trustee Roberson enter the Boardroom at 9:45 a.m.**

**PUBLIC COMMENT**

Lieutenant Ryan Lovier moved to the head of the table to discuss his sick time not being included in his Average Final Compensation for his vested pension.

The Trustees took a moment of silence in respect for the Police Officer that was killed last night.

## **EXECUTIVE DIRECTOR’S REPORT**

Executive Director, David Cetlinski, had no formal report.

## **CHIEF INVESTMENT OFFICER’S REPORT**

Chief Investment Officer, Ryan Bigelow, addressed the following with the Board of Trustees:

- Investment Committee meeting on November 18, 2019.
- Revised Asset Allocation
- Investment Policy Statement
- Wilshire Report
- Black and Blue Report

Trustee Pegg made a motion to approve the recommendation by the Investment Committee to approve the Wilshire Consulting Alternative Policy II Asset Allocation change recommendation. Trustee Orzech supported. The motion passed unanimously.

## **PUBLIC RELATIONS REPORT**

- WDET article on City Council vote on Bond Issues
- Salary of Deputy Chief Investment Officer

## **GABRIEL ROEDER SMITH**

Judith Kermans and Kenneth Alberts of Gabriel Roeder Smith moved to the head of the table and discussed the following:

- **Trustee Jones entered the Boardroom 10:08 a.m.**
- **GASB 67/68 Component I**
- **GASB 67/68 Component II**

Judith Kermans and Kenneth Alberts exited the Boardroom at 10:40 a.m.

Trustee Pegg moved to approve the GASB 67/68 Component I and II Accounting and Financial Reporting for Pension Plans. Trustee Roberson supported. The motion passed unanimously.

## **LOBBYIST’S REPORT**

- State Budget
- Lawsuit filed to eliminate term limits for Legislature
- Financial Report

Chief Accounting Officer, Ramzee Jackson moved to the head of the table to discuss September 30, 2019 Budget to Actual Report.

- Executive Director, David Cetlinski reminded the trustees that the office is closed on November 28-29, 2019 in observance of Thanksgiving.

## **GENERAL COUNSEL’S REPORT**

General Counsel, Ronald King, in addition to his legal report, discussed the following matters with the Board:

- EDRO
- Update regarding the Investment Committee meeting
- ProPetro Holding Securities Litigation – Someone larger has applied to be lead plaintiff

**Re: *Charnice Hogans v Robert F. Hogans, Jr.*, Case No. 2018-862360-DM  
Oakland County Circuit Court, Pontiac**

Motion By: Trustee Pegg – Supported by: Trustee Pincheck

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 October 9, 2019, which supplements a Judgment of Divorce entered on November 19, 2018, wherein Alternate Payee **CHARNICE HOGANS** is awarded certain rights to the retirement benefits of Participant **ROBERT F. HOGANS, JR.**, who is on duty disability,

WHEREAS, the EDRO provides that the Alternate Payee **CHARNICE HOGANS** receive a monthly benefit from the Retirement Allowance portion of Participant’s Component I benefit in the amount of 50% of the martial portion of the Participant’s Retirement Allowance, including a pro-rata share of any guaranteed automatic pension increases, which has accrued as of November 19, 2018, or the Participant’s date of retirement if earlier, and

WHEREAS, the Alternate Payee **CHARNICE HOGANS** IS entitled to receive a monthly benefit from the Retirement Allowance portion of Participant’s Component I benefit in the amount of 50% of the martial portion of the Participant’s Retirement Allowance, including a pro-rata share of any guaranteed automatic pension increases, which has accrued as of November 19, 2018, or the Participant’s date of retirement if earlier, 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 awards the Alternate Payee **CHARNICE HOGANS** a distribution from the Voluntary Employee Contributions of Participant’s Component I benefit in an amount equal to 50% of the accumulated balance under the plan as of November 19, 2018, or the Participant’s date of retirement if earlier, and

WHEREAS, the Alternate Payee **CHARNICE HOGANS** IS entitled to a distribution from the Voluntary Employee Contributions of Participant’s Component I benefit in an amount equal to 50% of the accumulated balance under the plan as of November 19, 2018, or the Participant’s

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date of retirement if earlier, 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 awards the Alternate Payee **CHARNICE HOGANS** a monthly benefit from the Pension portion of Participant's Component II benefit in an amount equal to 50% of the marital portion of the Participant's pension, including any pro-rata share of any guaranteed automatic pension increases, which have accrued as of November 19, 2018 and

WHEREAS, the Alternate Payee **CHARNICE HOGANS IS** entitled to a monthly benefit from the Pension portion of Participant's Component II benefit in an amount equal to 50% of the marital portion of the Participant's Pension, including any pro-rata share of any guaranteed automatic pension increases, which have accrued as of November 19, 2018, or the Participant's date of retirement if earlier, 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 awards the Alternate Payee **CHARNICE HOGANS** a distribution from the Annuity Savings Fund of Participant's Component II benefit equal to 50% of the marital portion of the accumulated balance under the Plan as of November 19, 2018, including a pro-rata share of any annual adjustments made after November 19, 2018 and before the date of distribution to reflect gains or losses allocated to the annuity savings fund, and

WHEREAS, the Alternate Payee **CHARNICE HOGANS IS** entitled to a distribution from the Annuity Savings Fund of Participant's Component II benefit equal to 50% of the marital portion of the accumulated balance under the Plan as of November 19, 2018, including a pro-rata share of any annual adjustments made after November 19, 2018 to reflect gains or losses allocated to the annuity savings fund account, 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 a Domestic Relations Order pursuant to the Public Employee Retirement Benefit Protection Act, MCL 38.1681, 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



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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 Charnice Hogans and her counsel, Heather A. Hartner, and Participant Robert F. Hogans, Jr., and his counsel, Jeffrey M. Perlman.

Motion passed unanimously.

**NEW BUSINESS/OLD BUSINESS**

Trustee Pegg discussed Lieutenant Ryan Lovier estimates.

Trustee Pegg requested that the projected escalator for DROP be eliminated from the estimate program.

Trustee Pegg made a motion for Patrick Burt to be able to withdraw his application for the DROP Plan. The motion failed for lack of support.

Trustee McLellan would like to see a documented process regarding the estimates.

**ADJOURNMENT**

Trustee Pegg moved to adjourn meeting #3249; Trustee Pincheck supported.

Chairperson Gnatek adjourned the meeting at 11:48 A.M. The Board's next meeting is scheduled for Thursday, December 5, 2019, at 9:00 a.m. in the Retirement Systems' Conference Room, 500 Woodward Avenue Suite 3000; Detroit, Michigan 48226.

RESPECTFULLY SUBMITTED,



Kelly Tapper, Assistant Executive Director