

MEETING NO. 3256
JOURNAL OF PROCEEDINGS
BOARD OF TRUSTEES OF THE POLICE AND FIRE RETIREMENT SYSTEM
OF THE CITY OF DETROIT
HELD THURSDAY, MARCH 5, 2020

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

TRUSTEES PRESENT

Shawn Battle	Ex/Officio Trustee/Fire Prevention Chief/Mayoral Designee
Michael F. Berent	Elected Trustee/Fire
Matthew Gnatek	Elected Trustee/Police/ Chairperson
Brenda Jones	Ex/Officio Trustee/City Council President
Megan S. Moslimani	Ex/Officio Trustee/Corporation Counsel /Vice-Chairperson
John Naglick Jr.	Ex/Officio Trustee/Finance Director
George Orzech	Elected Retiree Trustee/Fire (VIA PHONE)
Jeffrey Pegg	Elected Trustee/Fire
Dean Pincheck	Elected Trustee/Fire
John Serda	Elected Trustee/Police
Ronald Thomas	Elected Trustee/Police
Gregory Trozak	Elected Retiree Trustee/Police

TRUSTEES EXCUSED

Angela R. James	Ex/Officio Retiree Trustee/Police/Mayoral Designee
Christa McLellan	Ex/Officio Trustee/Treasurer
Portia Roberson	Ex/Officio Trustee/Mayoral Alternate
Steven Watson	Ex/Officio Trustee/Deputy Budget Director/Budget Director's Designee

ALSO PRESENT

David Cetlinski	Executive Director
Marcella Brewer	Recording Secretary
Ronald King	General Counsel
Dr. Oscar King III	Board Lobbyist
Bruce Babiarz	Public Relations Advisor

STAFF EXCUSED

Kelly Tapper	Assistant Executive Director
Ryan Bigelow	Chief Investment Officer

POLICE AND FIRE RETIREMENT SYSTEM OF THE CITY OF DETROIT
MEETING NO. 3256 – THURSDAY – MARCH 5, 2020

CHAIRPERSON

Matthew Gnatek

A verbal Roll Call commenced at 9:10 a.m. and Chairperson Gnatek called the meeting to order.

Present at Roll Call: Battle, Berent, Orzech, Pegg, Pincheck, Serda, Thomas, and Trozak.

Re: Approval of March 5, 2020 Agenda

Trustee Pegg moved to approve the agenda dated Thursday, March 5, 2020. Trustee Berent supported. The motion passed unanimously.

Re: Approval of RETIREMENT Applications

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

RETIREMENT APPLICATIONS

NAME, TITLE, DEPARTMENT	Marlon Barksdale – Police Officer - Police
RETIREMENT TYPE-PLAN	Service - New
SERVICE CREDIT-EFFECTIVE DATE	14 07 16 – 03 09 20

NAME, TITLE, DEPARTMENT	Jonathan E. Bibbs – Police Officer - Police
RETIREMENT TYPE-PLAN	Drop - New
SERVICE CREDIT-EFFECTIVE DATE	14 04 24 – 02 25 20

NAME, TITLE, DEPARTMENT	Carl H. Chuney, Jr. – Police Officer - Police
RETIREMENT TYPE-PLAN	Drop - New
SERVICE CREDIT-EFFECTIVE DATE	18 06 24 – 02 04 20

NAME, TITLE, DEPARTMENT	Carl H. Chuney, Jr. – Police Detective - Police
RETIREMENT TYPE-PLAN	Hybrid - Drop
SERVICE CREDIT-EFFECTIVE DATE	05 07 00 – 02 04 20

NAME, TITLE, DEPARTMENT	Larry Davis - Police Officer - Police
RETIREMENT TYPE-PLAN	Drop - New
SERVICE CREDIT-EFFECTIVE DATE	17 11 25 – 02 05 20

NAME, TITLE, DEPARTMENT	Ericka R. Jones - Police Officer - Police
RETIREMENT TYPE-PLAN	Drop - New
SERVICE CREDIT-EFFECTIVE DATE	14 03 04 – 03 27 20

POLICE AND FIRE RETIREMENT SYSTEM OF THE CITY OF DETROIT
MEETING NO. 3256 – THURSDAY – MARCH 5, 2020

RETIREMENT APPLICATIONS (con't)

NAME, TITLE, DEPARTMENT Jeffrey J. Robert – Police Officer - Police
RETIREMENT TYPE-PLAN Drop - New
SERVICE CREDIT-EFFECTIVE DATE 14 04 24 – 02 17 20

NAME, TITLE, DEPARTMENT Phillip B. Romero – Fire Engine Operator -
Fire
RETIREMENT TYPE-PLAN Service - New
SERVICE CREDIT-EFFECTIVE DATE 14 00 19 – 02 06 20

NAME, TITLE, DEPARTMENT Phillip B. Romero – Fire Fighter Driver - Fire
RETIREMENT TYPE-PLAN Hybrid - Service
SERVICE CREDIT-EFFECTIVE DATE 05 07 00 – 02 06 20

NAME, TITLE, DEPARTMENT Paul R. West – Police Officer - Police
RETIREMENT TYPE-PLAN Drop - New
SERVICE CREDIT-EFFECTIVE DATE 14 06 02 – 02 12 20

NAME, TITLE, DEPARTMENT Melvin D. Williams – Police Officer - Police
RETIREMENT TYPE-PLAN Drop - New
SERVICE CREDIT-EFFECTIVE DATE 14 04 11 – 02 25 20

NAME, TITLE, DEPARTMENT Keith J. Wise – Fire Fighter - Fire
RETIREMENT TYPE-PLAN Drop - New
SERVICE CREDIT-EFFECTIVE DATE 14 07 16 – 11 25 19

POLICE AND FIRE RETIREMENT SYSTEM OF THE CITY OF DETROIT
 MEETING NO. 3256 – THURSDAY – MARCH 5, 2020

RECEIPTS:

The Board acknowledged the following receipts:

Cash Receipts			Cash Account:	HYBLIQRES	
Company:	RSCD-PFRS		Start Date:	2/6/2020	
			End Date:	2/28/2020	

Doc. Date	Module	Tran. Type	Doc. Nbr.	Description	R/C	Receipt
2/28/2020	GL			After tax annuity contributions 2-28-20		12,162.58
2/28/2020	CA	Cash Entry		Pre tax pension contributions 2-28-20		387,114.85
						399,277.43

Cash Receipts			Cash Account:	LIQUID RES	
Company:	RSCD-PFRS		Start Date:	2/6/2020	
			End Date:	2/28/2020	

Doc. Date	Module	Tran. Type	Doc. Nbr.	Description	R/C	Receipt
2/21/2020	CA	Cash Entry	001688	Loan Deductions 2-7-20	R/C	12,399.05
2/21/2020	CA	Cash Entry	001691	Loan Deductions 2-14-20	R/C	100,708.22
2/25/2020	CA	Cash Entry		Loan Deductions 2-21-20		16,836.00
						129,943.27
Total Receipts						529,220.70

Re: Approval of Disbursements

Trustee Pegg moved to approve payment of the items presented on the Disbursement List and, consistent with past practice, acknowledge the Investment Committee Disbursements for payment with the exception of the invoices presented by KJK Associates LLC. Trustee Pincheck supported. The motion passed unanimously.

POLICE AND FIRE RETIREMENT SYSTEM OF THE CITY OF DETROIT
 MEETING NO. 3256 – THURSDAY – MARCH 5, 2020

Disbursement Report

Page: 1 of 2
 Date: 3/2/2020 7:30 AM

Account	Payment Method	Currency			
LIQUID RES	WIRE	US			
Vendor Name	Invoice Number	Invoice Description	Amount To Pay		
AMERICAN SECURITIES PARTNERS VIII, LP - HL	022820	Capital Call	1,113,770.00		
BLACKSTONE	030220	Capital Call	59,684.12		
CASTLELAKE V	030420	Capital Call	408,497.00		
MESIROW FINANCIAL REAL ESTATE VALUE FUND III	030520	Capital Call	989,383.09		
PLATINUM EQUITY SMALL CAP FUND LP - HL	030620	Capital Call	784,137.00		
PriceWaterhouseCoopers (PWC)	20400055	Professional Tax Service for year ended 12/31/18	2,730.00		
Bridgett Hardy	022920BH	IT Contractual Wages - February 2020	4,821.91		
James R. Hollins	022920JH	IT Contractual Wages - February 2020	4,240.97		
Raymond R. Tchou	022920RT	IT Contractual Wages - February 2020	8,131.11		
Venkat Rallapalli / Highbrow Systems, Inc.	022920VR	IT Contractual Wages - February 2020	6,612.85		
Cash Account/Payment Method Total:		10 Documents	3,382,008.05		

HUNT VEND	ACH	US			
Vendor Name	Invoice Number	Invoice Description	Amount To Pay		
500 WEBWARD LLC	104011	March 2020 Rent	26,050.95		
ADP, INC	551852882	Check Printing Services	606.05		
CDW GOVERNMENT	WTQ9214	Computer Equipment	1,068.91		
CDW GOVERNMENT	WVD0557	Computer Equipment	96.65		
CLARK HILL, PLC	959427	DROP Program for January 2020	1,276.27		
CLARK HILL, PLC	959532	General Counsel Services for January 2020	26,250.00		
CRESTWOOD ASSOCIATES L.L.C.	INV055773	Acumatica Training & Implementation	150.00		
GABRIEL, ROEDER, SMITH & CO	452645	EDRO Calculations for Everett Barge	1,200.00		
GABRIEL, ROEDER, SMITH & CO	453064	EDRO Calculations for Erwin Stephens	1,500.00		
NORTHSTAR LIFE SERVICES	0003372-IN	Servicing Fee	500.00		
Premier Parking	198900	Parking Validation Charges - January 2020	345.00		
Premier Parking	199568	Parking - March 2020	2,332.00		
QUILL CORPORATION	4792593	Office Supplies	152.96		
QUILL CORPORATION	4803140	Office Supplies	12.87		

POLICE AND FIRE RETIREMENT SYSTEM OF THE CITY OF DETROIT
MEETING NO. 3256 – THURSDAY – MARCH 5, 2020

HUNT VEND	ACH	US
Vendor Name	Invoice Number	Invoice Description
UHY Advisors MI, Inc.	1327265	Professional IT Services for January 2020
		Amount To Pay
		62,887.50
Cash Account/Payment Method Total:		15 Documents
		124,429.16

HUNT VEND	CHECK	US
Vendor Name	Invoice Number	Invoice Description
ASCENSION MICHIGAN AT WORK	379995	Disability Re-Exam Fee
ASCENSION MICHIGAN AT WORK	379996	Disability Initial Exam Fee
ASCENSION MICHIGAN AT WORK	380034	Disability Initial Exam Fee
ASCENSION MICHIGAN AT WORK	380035	Disability Re-Exam Fee
CANON SOLUTIONS AMERICA, INC	4031910601	Copier Maintenance
CINTAS CORPORATION-300	4043256546	Floor Mats
COMCAST	021720	High Speed Internet
FEDEX	6-933-20738	FedEx Mailing
FEDEX	6-939-33170	FedEx Mailing
First CHOICE Coffee Services	671653	Coffee Supplies
LIEBERT SERVICES / VERTIV	57767935	Computer Preventative Maintenance
MAILFINANCE (a Neopost company)	N8163083	Mail Machine Lease Payment 3/17/20-6/16/20
NCBERS	10681	Membership Renewal thru 12/31/2020
SCANTRON CORPORATION	14683407	Toner Cartridge Supply
VERIZON WIRELESS	9847693299	Verizon Wireless Billing 1/5/20-2/4/20
		Amount To Pay
		250.00
		525.00
		525.00
		250.00
		106.29
		130.65
		181.33
		27.10
		26.98
		276.71
		4,132.50
		545.78
		770.00
		1,682.94
		749.77
Cash Account/Payment Method Total:		15 Documents
		10,180.05

Investment Committee Disbursement

HUNT VEND	CHECK	US
Vendor Name	Invoice Number	Invoice Description
Bodman PLC	700583	Retainer Fee
KJK ASSOCIATES. LLC	0003	Monthly Fee for February for Kevin Kenneally
		Amount To Pay
		25,000.00
		23,750.00
Cash Account/Payment Method Total:		2 Documents
		48,750.00

* Payment amount is estimated based on the effective date 3/2/2020

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.

- List number 3829 - \$381,372.09
- List number 3830 - \$405,638.95

➤ **John Naglick entered the meeting at 9:20 a.m.**

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 - \$35,339.00 – 02/27/2020
- List #2 - \$42,511.00 – 03/05/2020

➤ **Trustee Moslimani entered the meeting at 9:25 a.m.**

Re: Approval of Minutes

Trustee Pegg moved to approve the Minutes of January 23, 2020 and February 6, 2020. Trustee Berent supported. The motion passed. Trustee Trozak Abstained.

EXECUTIVE DIRECTOR’S REPORT

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

- Election Notice – Pincheck, Serda
- Seminole Invite March 10, 2020
- Policy Change Request – Closed Session by IC

Re: Election Notice

John Serda and Dean Pincheck are up for re-election. Election notices have gone out. The departments are responsible for Elections.

Re: Seminole Invite

Trustees would like to invite Seminole in to address any questions or concerns that the Board may have.

Re: Policy Change Request – Closed Session by IC

Trustee Orzech moved that the policy regarding Closed Session via phone be allowed for the current pending Litigation with the Police and Fire Investment Committee. The Board also acknowledges that the Investment Committee is following the policy. Trustee Moslimani supported. The motion passed unanimously

PUBLIC COMMENT

None

PUBLIC RELATIONS REPORT

LOBBYIST’S REPORT

Lobbyist, Dr. Oscar King, discussed the following with the Board:

Senate Bill 762

GENERAL COUNSEL’S REPORT

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

- EDRO’s
- Update with respect to Ch. 9 Adversary Proceeding (update provided in closed session)
- Request by PFRS IC to waive policy regarding procedure for conducting closed sessions under the OMA. This matter was discussed by the Board upon review of correspondence from IC counsel Valarie Brader.
- Draft KJK Associates, LLC Professional Services Agreement. A draft of a revised PSA was provided to the Board for information purposes.
- Paramount Limited, LLC – Confidential correspondence from special counsel M. Racine was provided to the Board for review Consideration.
- TransCanada Corporation Securities Class Action – A memorandum prepared by securities counsel Bernstein Litowitz recommending that PFRS participate as plaintiff in s securities class action case involving TransCanada and its acquisition of Columbia Pipeline Group was presented to the Board for review and consideration. The Board discussed this matter and determined that PFRS was well-suited to proceed as recommended by BLBG and a motion was made and passed to approve filing a complaint and proceedings as recommended by BLBG.

EDRO’s

RE: PENSION NUMBER: 233103

Participant: **JEFFREY SCOTT O’KEEFE**

Alternate Payee: **BILLIEJO LYNN O’KEEFE**

*Jeffrey Scott O’Keefe v Billiejo Lynn O’Keefe, Case No. 2007-005374-DM
Macomb County Circuit Court, Mount Clemens, Michigan*

BY: Trustee Pegg SUPPORTED BY: Trustee Orzech

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 February 10, 2020, which supplements a Judgment of Divorce entered on February 26, 2008, and an Eligible Domestic Relations Order entered on December 19, 2019, wherein Alternate Payee **BILLIEJO LYNN O’KEEFE** is awarded certain rights to the retirement benefits of Participant **JEFFREY SCOTT O’KEEFE**, an active employee,

WHEREAS, the EDRO provides that the Alternate Payee **BILLIEJO LYNN O’KEEFE** receive a monthly benefit in the amount equal to 50% of the Participant’s gross monthly benefit accrued under the plan between March 9, 2002 through February 26, 2008, and

WHEREAS, the Alternate Payee **BILLIEJO LYNN O’KEEFE** **IS** entitled to receive a monthly benefit in the amount equal to 50% of the Participant’s gross monthly benefit accrued under the

POLICE AND FIRE RETIREMENT SYSTEM OF THE CITY OF DETROIT
MEETING NO. 3256 – THURSDAY – MARCH 5, 2020

plan between March 9, 2002 and February 26, 2008, 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

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 Billiejo Lynn O'Keefe, and Participant Jeffrey Scott O'Keefe.

The motion passed unanimously.

TransCanada Corporation Securities Class Action

Trustee Serda made a motion to participate as plaintiff in the securities litigation class action case involving TransCanada as recommended by Bernstein Litowitz and presented by General Counsel. Trustee Pincheck supported.

Motion passed with Trustee Pegg opposed as this does not follow our Securities Litigation Policy in terms of dollars.

Re: Entering into Closed Session

Resolution Moved by Trustee Pegg – Supported by Trustee Berent

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**

POLICE AND FIRE RETIREMENT SYSTEM OF THE CITY OF DETROIT
MEETING NO. 3256 – THURSDAY – MARCH 5, 2020

RESOLVED, that the Board enter into Closed Session for the purpose of discussing Attorney/Client privileged matters regarding the following: Discussion regarding Pending Litigation and medical subject to Physician Patient Privilege.

A Roll Call Vote was taken as follows:

Yeas – Battle, Berent, Moslimani, Naglick, Orzech, Pegg, Pincheck, Serda, Thomas, Trozak, and Chairperson Gnatek – 11

Nays – None

Board took a 5-minute break at 10:20 a.m.

➤ **Trustee Jones entered the meeting at 10:23 am**

Board entered into closed Session at 10:25 am

Re: Open Session

The Board returned to **Open Session** at 10:58 a.m.

Re: Committee Report

None

Trustee Pegg discussed that at the General Retirement Meeting, there was discussion regarding the KJK Contract and who would be responsible for the Liability Insurance.

Trustee Pegg also discussed that the General Retirement Trustees will have a discussion of the policy regarding Speaking to the Press, enlighten by the article by Trustee Scott Benson.

NEW BUSINESS/OLD BUSINESS

None

ADJOURNMENT

Trustee Pegg moved to adjourn meeting #3256; Trustee Moslimani supported.

Chairperson Gnatek adjourned the meeting at 11:01 A.M. The Board's next meeting is scheduled for Thursday, March 19, 2020 at 9:00 a.m. in the Retirement Systems' Conference Room, 500 Woodward Avenue, Suite 3000; Detroit, Michigan 48226.

RESPECTFULLY SUBMITTED,

POLICE AND FIRE RETIREMENT SYSTEM OF THE CITY OF DETROIT
MEETING NO. 3256 – THURSDAY – MARCH 5, 2020

David Cetlinski, Executive Director