

MEETING NO. 3270
JOURNAL OF PROCEEDINGS
BOARD OF TRUSTEES OF THE POLICE AND FIRE RETIREMENT SYSTEM
OF THE CITY OF DETROIT
HELD THURSDAY, OCTOBER 15, 2020

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

TRUSTEES PRESENT

Michael F. Berent	Elected Trustee/Fire/Chairperson
Shawn Battle	Ex/Officio Trustee/Fire Prevention Chief/Mayoral Designee
Matthew Gnatek	Elected Trustee/Police
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
John Naglick Jr.	Ex/Officio Trustee/Finance Director
George Orzech	Elected Retiree Trustee/Fire
Jeffrey Pegg	Elected Trustee/Fire
Dean Pincheck	Elected Trustee/Fire
John Serda	Elected Trustee/Police
Ronald Thomas	Elected Trustee/Police/Vice-Chairperson
Gregory Trozak	Elected Retiree Trustee/Police
Steven Watson	Ex/Officio Trustee/Deputy Budget Director/Budget Director's Designee

TRUSTEES EXCUSED

Portia Roberson	Ex/Officio/Mayor's Designee
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ALSO PRESENT

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

STAFF EXCUSED

None

POLICE AND FIRE RETIREMENT SYSTEM OF THE CITY OF DETROIT
MEETING NO. 3270- THURSDAY – OCTOBER 15, 2020

Meeting is being hosted electronically due to Covid-19

CHAIRPERSON

Michael Berent

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

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

Re: Approval of October 15, 2020 Agenda

Trustee Pegg moved to approve the agenda dated Thursday, October 15, 2020. Trustee Thomas supported. The motion passed unanimously.

Re: Approval of RETIREMENT Applications

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

NAME, TITLE, DEPARTMENT	Josif A. Angelovski – Police Officer – Police
RETIREMENT TYPE-PLAN	Drop - New
SERVICE CREDIT-EFFECTIVE DATE	14 03 17 – 03 24 20

NAME, TITLE, DEPARTMENT	Steven M. Banks – Fire Fighter - Fire
RETIREMENT TYPE-PLAN	Service - New
SERVICE CREDIT-EFFECTIVE DATE	24 08 22 – 09 02 20

NAME, TITLE, DEPARTMENT	Michael M. Borg – Fire Sergeant - Fire
RETIREMENT TYPE-PLAN	Drop - New
SERVICE CREDIT-EFFECTIVE DATE	23 00 14 – 09 28 20

NAME, TITLE, DEPARTMENT	Michael M. Borg – Fire Sergeant - Fire
RETIREMENT TYPE-PLAN	Hybrid - Drop
SERVICE CREDIT-EFFECTIVE DATE	06 03 00 – 09 28 20

NAME, TITLE, DEPARTMENT	Carlos F. Collins – Police Officer - Police
RETIREMENT TYPE-PLAN	Service - New
SERVICE CREDIT-EFFECTIVE DATE	19 09 11 – 07 01 20

POLICE AND FIRE RETIREMENT SYSTEM OF THE CITY OF DETROIT
MEETING NO. 3270- THURSDAY – OCTOBER 15, 2020

RETIREMENT APPLICATIONS - continued

NAME, TITLE, DEPARTMENT	Kolin Hearn – James L. Hearn – Deceased Police Officer - Police
RETIREMENT TYPE-PLAN	Duty Death Child - New
SERVICE CREDIT-EFFECTIVE DATE	04 05 07 – 07 27 18

NAME, TITLE, DEPARTMENT	Rainell N. Jones - Police Officer - Police
RETIREMENT TYPE-PLAN	Drop - New
SERVICE CREDIT-EFFECTIVE DATE	13 11 00 – 07 31 20

NAME, TITLE, DEPARTMENT	Sean Christopher Lewis – Firefighter - Fire
RETIREMENT TYPE-PLAN	Service - New
SERVICE CREDIT-EFFECTIVE DATE	15 11 04 – 07 17 20

NAME, TITLE, DEPARTMENT	Tabia S. Tabb – Police Officer – Police
RETIREMENT TYPE-PLAN	Service - New
SERVICE CREDIT-EFFECTIVE DATE	14 01 00 – 09 01 20

NAME, TITLE, DEPARTMENT	David E. Tanner – Police Officer – Police
RETIREMENT TYPE-PLAN	Service - New
SERVICE CREDIT-EFFECTIVE DATE	13 11 00 – 09 21 20

RECEIPTS:

The Board acknowledged the following receipts:

POLICE AND FIRE RETIREMENT SYSTEM OF THE CITY OF DETROIT
 MEETING NO. 3270- THURSDAY – OCTOBER 15, 2020

Cash Receipts Cash Account: HYBLIQRES
 Company: RSCD-PFRS Start Date: 8/27/2020
 End Date: 10/9/2020

Doc. Date	Module	Tran. Type	Doc. Nbr.	Description	R/C	Receipt
8/27/2020	GL	012489		After tax annuity contributions 8-28-20		12,677.07
9/10/2020	GL	012490		After tax annuity contributions 9-11-20		13,857.67
9/25/2020	CA	Cash Entry	001906	Pre tax pension contributions 9-25-20	R/C	108,211.83
10/9/2020	CA	Cash Entry		Pre tax pension contributions 10-9-20		407,846.28
10/9/2020	CA	Cash Entry		Pre tax pension contributions 10-9-20		11.27
						542,604.12

Cash Receipts Cash Account: LIQUID RES
 Company: RSCD-PFRS Start Date: 8/27/2020
 End Date: 10/9/2020

Doc. Date	Module	Tran. Type	Doc. Nbr.	Description	R/C	Receipt
9/25/2020	CA	Cash Entry	001904	Loan Deductions 9-18-20	R/C	2,967.53
9/29/2020	CA	Cash Entry	001913	Loan Deductions 9-25-20	R/C	98,088.10
10/7/2020	CA	Cash Entry	001917	Loan Deductions 10-2-20	R/C	4,534.89
						105,590.52
Total Receipts						648,194.64

Re: Approval of Disbursements

Trustee Thomas moved to approve the Disbursement as outlined below with Acknowledgement of Investment Committee expenses. Trustee Pincheck supported. The motion passed unanimously.

POLICE AND FIRE RETIREMENT SYSTEM OF THE CITY OF DETROIT
 MEETING NO. 3270- THURSDAY – OCTOBER 15, 2020

Page: 1 of 3
 Date: 10/13/2020 8:35 AM

Disbursement Report

Account	Payment Method	Currency		
LIQUID RES	WIRE	US		
Vendor Name	Invoice Number	Invoice Description	Amount To Pay	
BLACKSTONE	100520	Capital Call	684,059.97	
Bridgett Hardy	093020BH	IT Contractual Wages - September 2020	2,975.11	
CENTRE LANE CREDIT PARTNERS II LP	100920	Capital Call	624,485.00	
CHURCHILL MIDDLE MKT SR. LN FD III	101320	Capital Call	2,783,154.41	
CLAYTON, DUBILIER & RICE FUND X, L.P	100520	Capital Call	942,412.00	
James R. Hollins	093020JH	IT Contractual Wages - September 2020	3,484.42	
Raymond R. Tchou	093020RT	IT Contractual Wages - September 2020	6,308.58	
Venkat Rallapalli / Highbrow Systems, Inc.	093020VR	IT Contractual Wages - September 2020	7,926.47	
Cash Account/Payment Method Total:			8 Documents	5,054,805.96
HUNT VEND	ACH	US		
Vendor Name	Invoice Number	Invoice Description	Amount To Pay	
500 WEBWARD LLC	1113566	Electrical Billing:8/28/20-9/29/20 #16055044	790.78	
500 WEBWARD LLC	1113567	Electrical Billing:8/28/20-9/29/20 #16055070	829.88	
500 WEBWARD LLC	121284	October 2020 Rent	27,217.97	
500 WEBWARD LLC	121908	Work Orders for Office Maintenance	83.10	
CLARK HILL, PLC	1024983	Zawislak for September 2020	1,226.55	
CLARK HILL, PLC	1024984	Raby for September 2020	2,383.40	
CLARK HILL, PLC	1024981	General Counsel Services for September 2020	26,268.56	
Cogent Communications, Inc.	100120	Internet Service	525.00	
GABRIEL, ROEDER, SMITH & CO	457320	EDRO Calculations for Gentry Shelby	1,500.00	
GABRIEL, ROEDER, SMITH & CO	457703	Actuarial Services for September 2020	12,258.00	
GLOBAL GOVERNANCE ADVISORS LLC	973	September Deliverables	923.11	
Hamilton Lane Advisors, LLC (HL)	04673	Management Fees 4th Qtr '20	276,103.00	
METASOURCE, LLC	INV28714	Project to Convert Report Images for Procentia	5,400.00	
NORTHSTAR LIFE SERVICES	INV-0230	Servicing Fee	1,064.04	
PLANTE & MORAN	1883665	GASB 68 Audit for 6/30/19 & FS Audit for 6/30/20	11,062.50	
PLANTE & MORAN	1903459	Financial Statement Audit for 6/30/20	33,375.00	
PROCENTIA, INC.	2373	Procentia Implementation	138,968.96	

POLICE AND FIRE RETIREMENT SYSTEM OF THE CITY OF DETROIT
MEETING NO. 3270- THURSDAY – OCTOBER 15, 2020

QUILL CORPORATION	10886050	Office Supplies	137.66
RHUMBLINE ADVISERS	g13mpfrsd2020Q3	Management Fees 3rd Qtr '20	3,558.00
SMITH GRAHAM	3Q20	Smith Graham - Management Fees 3rd Qtr '20	20,838.00
UHY Advisors MI, Inc.	TS-2020-0038	Professional IT Services for September 2020	45,300.00
Cash Account/Payment Method Total:		21 Documents	609,813.51

HUNT VEND	CHECK	US		
Vendor Name	Invoice Number	Invoice Description	Amount To Pay	
CINTAS CORPORATION-300	4063203389	Floor Mats	130.65	
COMCAST	091720	High Speed Internet	202.70	
DAVID CETLINSKI	093020	3rd Quarter Phone Stipend	90.00	
Dean Pincheck	093020	3rd Quarter Phone Stipend	90.00	
EASY VERIFICATION INC	20-54508	Member Verification Requests	108.00	
FEDEX	7-136-28892	FedEx Mailing	26.40	
First CHOICE Coffee Services	704309	Coffee Supplies	75.12	
First CHOICE Coffee Services	718414	Equipment Rental	30.00	
First CHOICE Coffee Services	717584	Coffee Supplies	108.75	
George Orzech	093020.	3rd Quarter Phone Stipend	90.00	
GREGORY TROZAK	093020.	3rd Quarter Phone Stipend	90.00	
HEADSETS.COM, INC	2985213	Office Equipment	374.93	
IRON MOUNTAIN	202211866	Storage CDs	1,091.34	
IRON MOUNTAIN	186521	Data Domain Service	1,340.06	
Iron Mountain Records Management	CYVR019	Records Storage	2,294.48	
JEFF PEGG	093020	3rd Quarter Phone Stipend	90.00	
John Serda	093020	3rd Quarter Phone Stipend	90.00	
KELLEY CAWTHORNE	11717	Lobbyist Services for October 2020	6,750.00	
NCBERS	11739	Membership Renewal thru 12/31/2021	770.00	
RONALD THOMAS	093020	3rd Quarter Phone Stipend	90.00	
SHRED-IT USA	8180513752	Shredding Service Charges	49.73	
TRANSUNION RISK & ALT DATA SOLUTIONS INC	3712221-202009-1	TLOxp Research Services	25.00	
WELLS FARGO VENDOR FINANCIAL SVCS, LLC	104166296	Printer Maintenance	129.11	
Cash Account/Payment Method Total:		23 Documents	14,136.27	

Investment Committee Disbursement Acknowledgements

HUNT VEND	ACH	US		
Vendor Name	Invoice Number	Invoice Description	Amount To Pay	
RIVENOAK LAW GROUP, P.C	12272	IC Interim General Counsel August 2020	8,300.00	
RIVENOAK LAW GROUP, P.C	12293	IC Interim General Counsel September 2020	5,322.50	
Cash Account/Payment Method Total:		2 Documents	13,622.50	

* Payment amount is estimated based on the effective date 10/13/2020

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 3859 - \$ 262,521.60
List number 3860 - \$ 333,305.63

POLICE AND FIRE RETIREMENT SYSTEM OF THE CITY OF DETROIT
MEETING NO. 3270– THURSDAY – OCTOBER 15, 2020

List number 3861 - \$ 173,799.55
List number 3862 - \$ 10,190.76

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 - \$65,420.00 – 09/24/2020
List #2 - \$35,518.00 – 10/01/2020
List #3 - \$15,000.00 – 10/08/2020

Re: Approval of Minutes

Trustee Pegg moved to approve the Minutes of September 03, 2020. Trustee Pincheck supported. The motion passed unanimously.

ASSISTANT EXECUTIVE DIRECTOR’S REPORT

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

- Terrill Hardaway Disability Question
- Police Drop Report Request

Re: Terrill Hardaway

Terrill Hardaway is appealing the decision requiring a Functional Capacity Exam recommended by Dr. Vosburgh. Mr. Hardaway would like to have another exam but not the Functional Capacity Exam. The board stated the member is required to have the Functional Exam and if he is not satisfied with the decision of the exam, he can then appeal the decision. If Mr. Hardaway refuses to proceed with the exam, his benefits will be held until he has completed the exam.

Re: Police Drop Report Request

Trustee Thomas moved to approve a list to be sent to the Detroit Police Department of all employees in the DROP Program (DPD Employees Only), as requested by Sergeant Henning, to be used for planning purposes. Trustee Pincheck supported. The motion passed unanimously.

EXECUTIVE DIRECTOR’S REPORT

Trustee Jones and Trustee Watson joined the meeting at 9:20 am

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

POLICE AND FIRE RETIREMENT SYSTEM OF THE CITY OF DETROIT
MEETING NO. 3270– THURSDAY – OCTOBER 15, 2020

- An update on the Audit. All information has been submitted and everything is on track for completion of the audit.
- The office is continuing to take temperatures and sanitize as needed. Appointments are scheduled for every 30 minutes. The staff will continue to work remotely, with a few staff coming into the office daily.
- The Senate passed a bill which will amend the Open Meetings Act. We will continue to hold meetings via the web through the end of the year. The Board previously adopted a policy regarding holding meetings electronically.
- Trustee Pegg would like to discuss about the staff returning to work full time at the next meeting.
- Letters have been sent out to members to let them know that they are now able to view their Annuity on-line.
- The Hybrid Loan program is still scheduled to be implemented by Thanksgiving.

Chief Investment Officer Report

- Black & Blue Report – September 30, 2020
- CEM Benchmarking Survey
- Wilshire Organizational Update Memo
- PFRSIC Meeting, Monday, October 19, 2020

Trustee Jones left the meeting at 10:04 am

Re: Gabriel Roeder Presentation

Ken Alberts, Judith Kermans, David Kausch and Jamal Adora of Gabriel Roeder, Smith and Company discussed the following with the Board of Trustees:

- Response to City Funding Policy Presentation

Trustee Pegg moved to authorize Gabriel Roeder to model the funding scenario as discussed. Trustee Orzech supported. The motion passed unanimously

Trustee Jones joined the meeting at 11:00 am

PUBLIC COMMENT

- **Kathleen Colin, President of NASP of Detroit** informed the Board of the upcoming NASP Pension and Financial Services Virtual Conference which will be held December 7 – 10, 2020.

PUBLIC RELATIONS REPORT

- Bond Buyer Article
- USA Today

LOBBYIST’S REPORT

- House Bill

GENERAL COUNSEL’S REPORT

General Counsel Ronald King, as part of his legal report, discussed the following matters with the Board:

DPD Duty Retirement Disability
Raby and Zawislak Settlement
Mark Bostic Memo
City Council Resolution regarding Disability Earnings Offset

Raby and Zawislak Settlement

The settlement proposal agreed to by the Board was not accepted.

Trustee Pegg moved to proceed with proceeding in the litigation as directed in closed session on September 18, 2020. Trustee Pincheck supported. The motion passed unanimously.

Mark Bostic Memo

Mr. Bostic’s appeal to lower his monthly recoupment amount for his disability pension offset was discussed at length and after discussing several scenarios and options, the appeal was denied. The recoupment of funds will continue per the Plan of Adjustment.

Trustee Orzech moved to have General Counsel start developing a legal/financial professional team recommendation to advise PFRS with respect to financial matters related to the funding policy and/or other matters which may require proceedings in Bankruptcy Court. Trustee Pegg supported. The motion passes unanimously.

Trustee Gnatek left the meeting at 12:21 pm
Trustee McLellan left the meeting at 12:21 pm
Trustee Battle left the meeting at 12:27 pm

NEW BUSINESS/OLD BUSINESS

None

COMMITTEE REPORT

Policy Funding Committee Meeting will meet 2nd Thursday of every month at 10:00 am.

Trustee Pegg moved to amend the Rules of Order of Business policy to include Election Cost and Rules. Trustee Pincheck supported. The motion passed unanimously.

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ADJOURNMENT

Trustee Pegg moved to adjourn meeting #3270; Trustee Thomas supported.

Chairperson Berent adjourned the meeting at 1:04 P.M. The Board's next meeting is scheduled for Thursday, November 05, 2020 at 9:00 a.m. in the Retirement Systems' Conference Room, 500 Woodward Avenue, Suite 3000; Detroit, Michigan 48226.

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RESPECTFULLY SUBMITTED,



Kelly Tapper, Assistant Executive Director