

MEETING NO. 3321  
JOURNAL OF PROCEEDINGS  
**BOARD OF TRUSTEES OF THE POLICE AND FIRE RETIREMENT SYSTEM**  
OF THE CITY OF DETROIT  
HELD THURSDAY, DECEMBER 15, 2022

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/Vice-Chairperson
Angela R. James	Ex/Officio Retiree Trustee/Police/Mayoral Designee ( <b>Remote, does not count toward quorum</b> )
John Naglick Jr.	Ex/Officio Trustee/Finance Director ( <b>Remote, does not count toward quorum</b> )
George Orzech	Elected Retiree Trustee/Fire
Jeffrey Pegg	Elected Trustee/Fire
Dean Pincheck	Elected Trustee/Fire/Chairperson
Viollca Serifovski	Ex/Officio Trustee/Corporation Counsel Alternate
Gregory Trozak	Elected Retiree Trustee/Police
Steven Watson	Ex/Officio Trustee/Budget Director

**TRUSTEES EXCUSED**

Conrad Mallett	Ex/Officio/Mayor's Designee
John Serda	Elected Trustee/Police
Ronald Thomas	Elected Trustee/Police
Coleman Young II.	Ex/Officio Trustee/Honorable City Council President

**ALSO PRESENT**

David Cetlinski	Executive Director
Kelly Tapper	Assistant Executive Director
Woodrow Tyler	Interim Chief Investment Officer
Ronald King	General Counsel
Marcella Brewer	Recording Secretary
Dr. Oscar King III	Board Lobbyist ( <b>Remote</b> )
Bruce Babiarz	Public Relations Advisor

**STAFF EXCUSED**

None

POLICE AND FIRE RETIREMENT SYSTEM OF THE CITY OF DETROIT  
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This meeting is conducted pursuant to the requirements of the Michigan Open Meetings Act. Consistent with the OMA and Board Policy, Trustees may attend and participate in any meeting remotely (recognizing issues related to Covid-19 and other circumstances which may arise from time to time). However, only Trustees attending in person are permitted to take action on matters decided by the Board.

CHAIRPERSON

**Dean Pincheck**

A verbal Roll Call commenced at 9:09 a.m. and Chairperson Pincheck called the meeting to order.

**Present at Roll Call: Battle, Berent, Gnatek, James, Naglick, Orzech, Pegg, Serifovski, Trozak, and Pincheck–Chairperson**

**Re: Approval of December 15, 2022 Agenda**

Trustee Berent moved to approve the agenda dated Thursday, December 15, 2022. Trustee Gnatek supported. The motion passed unanimously.

**Re: Approval of RETIREMENT Applications**

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

NAME, TITLE, DEPARTMENT	Cregg D. Hughes – Police Sergeant - Police
RETIREMENT TYPE-PLAN	Drop – New
SERVICE CREDIT-EFFECTIVE DATE	17 01 19 – 05 12 22

NAME, TITLE, DEPARTMENT	Cregg D. Hughes – Police Lieutenant - Police
RETIREMENT TYPE-PLAN	Hybrid – Drop
SERVICE CREDIT-EFFECTIVE DATE	07 11 00 – 05 12 22

NAME, TITLE, DEPARTMENT	Gerry H. Johnson, Jr. - Police Sergeant - Police
RETIREMENT TYPE-PLAN	Service – New
SERVICE CREDIT-EFFECTIVE DATE	17 04 14 – 10 30 22

NAME, TITLE, DEPARTMENT	Lauren W. McLemore - Police Sergeant - Police
RETIREMENT TYPE-PLAN	Drop – New
SERVICE CREDIT-EFFECTIVE DATE	20 09 12 – 09 20 22

**RETIREMENT APPLICATIONS – cont'd**

NAME, TITLE, DEPARTMENT Lauren W. McLemore - Police Sergeant -  
Police  
RETIREMENT TYPE-PLAN Hybrid –Drop  
SERVICE CREDIT-EFFECTIVE DATE 08 03 00 – 09 20 22

NAME, TITLE, DEPARTMENT Matthew J. Ryan - Police Sergeant - Police  
Service – New  
RETIREMENT TYPE-PLAN  
SERVICE CREDIT-EFFECTIVE DATE 19 07 03 – 11 28 22

NAME, TITLE, DEPARTMENT Willie Smith, III – Police Sergeant - Police  
Hybrid – Drop  
RETIREMENT TYPE-PLAN  
SERVICE CREDIT-EFFECTIVE DATE 05 01 00 – 07 23 19

NAME, TITLE, DEPARTMENT Verlin D. Williams – Fire Fighter - Fire  
Service - New  
RETIREMENT TYPE-PLAN  
SERVICE CREDIT-EFFECTIVE DATE 15 08 09 – 12 05 22

NAME, TITLE, DEPARTMENT Verlin D. Williams – Fire Sergeant EMT - Fire  
Hybrid -Service  
RETIREMENT TYPE-PLAN  
SERVICE CREDIT-EFFECTIVE DATE 08 06 00 – 12 05 22

**RECEIPTS:**

The Board acknowledged the following receipts:

POLICE AND FIRE RETIREMENT SYSTEM OF THE CITY OF DETROIT  
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Cash Receipts  
 Company: RSCD-PFRS  
 Cash Account: HYBLIQRES  
 Start Date: 11/26/2022  
 End Date: 12/9/2022

Doc. Date	Module	Tran. Type	Doc. Nbr.	Description	R/C	Receipt
12/2/2022	CA	Cash Entry	002452	Pretax Pension Contributions 12-2-22	R/C	136,638.26
12/5/2022	CA	Cash Entry	002454	Pretax Pension Contributions 12-2-22 (rec'd 12/5)	R/C	437,584.16
						574,222.42

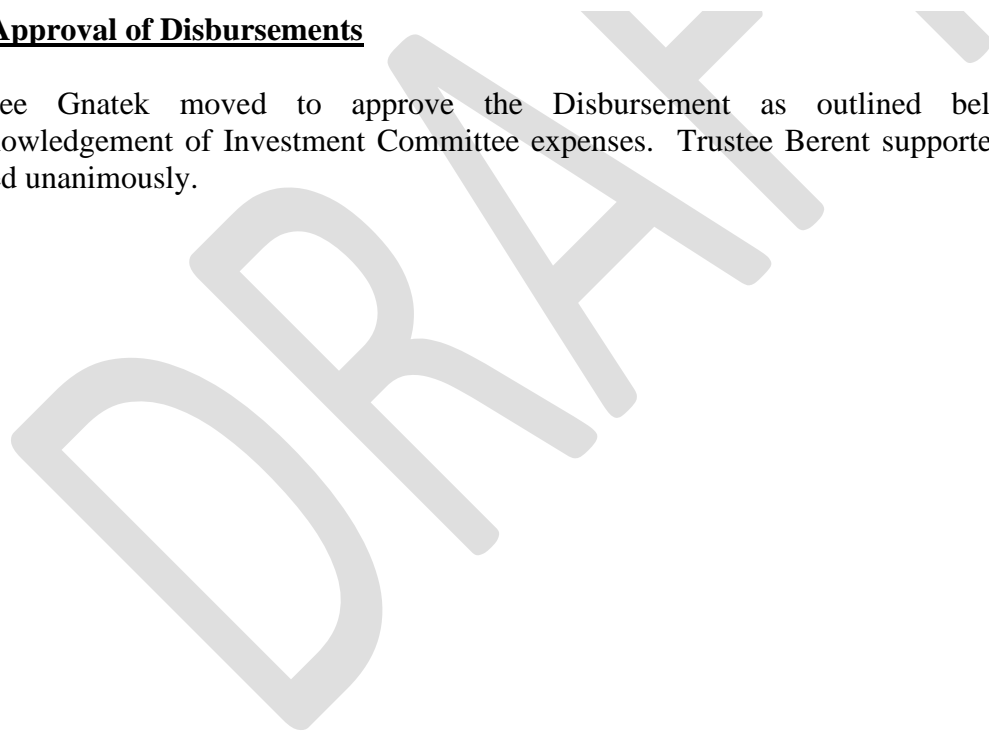
Cash Receipts  
 Company: RSCD-PFRS  
 Cash Account: LIQUID RES  
 Start Date: 11/26/2022  
 End Date: 12/9/2022

Doc. Date	Module	Tran. Type	Doc. Nbr.	Description	R/C	Receipt
12/1/2022	CA	Cash Entry	002451	Loan Deductions 11-25-22 (\$4,108.71) (Rec'd 12/1)	R/C	4,108.71
						4,108.71

Total Receipts 578,331.13

**Re: Approval of Disbursements**

Trustee Gnatek moved to approve the Disbursement as outlined below including Acknowledgement of Investment Committee expenses. Trustee Berent supported. The motion passed unanimously.



POLICE AND FIRE RETIREMENT SYSTEM OF THE CITY OF DETROIT  
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Disbursement Report

Page: 1 of 3  
 Date: 12/12/2022 9:00 AM

Account	Payment Method	Currency		
LIQUID RES	WIRE	US		
Vendor Name	Invoice Number	Invoice Description	Amount To Pay	
ABR CHESAPEAKE INVESTORS VI-B, LP	121522	Capital Call	4,200,000.00	
AMERICAN SECURITIES PARTNERS VIII, LP - HAMILTON	121422	Capital Call	504,825.00	
Bridgett Hardy	113022BH	IT Contractual Wages - November 2022	4,315.41	
GRANDVIEW II, LP	122022	Capital Call	759,767.00	
HAMILTON LANE SECONDARY FUND V LP	121522	Capital Call	553,129.00	
HL - Platinum Equity Capital Partners IV, LP	121522	Capital Call	7,844.00	
HL - THOMA BRAVO FUND XV, LP	122022	Capital Call	852,537.00	
HL AS Birch Grove Opportunities Fund, LP (fka Ascribe IV)	121322	Capital Call	965,455.00	
James R. Hollins	113022JH	IT Contractual Wages - November 2022	3,331.98	
PLATINUM EQUITY CAPITAL PARTNERS V, LP	121422	Capital Call	20,468.00	
PLATINUM EQUITY CAPITAL PARTNERS VI, LP (HL)	121222	Capital Call	580,371.00	
PLATINUM EQUITY SMALL CAP FUND LP - HAMILTON L	121622	Capital Call	119,782.00	
Raymond R. Tchou	113022RT	IT Contractual Wages - November 2022	6,859.71	
Venkat Rallapalli / Highbrow Systems, Inc.	113022VR	IT Contractual Wages - November 2022	7,653.01	
<b>Cash Account/Payment Method Total:</b>		<b>14 Documents</b>	<b>8,586,338.11</b>	

Account	Payment Method	Currency		
HUNT VEND	ACH	US		
Vendor Name	Invoice Number	Invoice Description	Amount To Pay	
500 WEBWARD LLC	1329958	Electrical Billing: 10/28/22-11/29/22 #16055044	768.12	
500 WEBWARD LLC	1329959	Electrical Billing: 10/28/22-11/29/22 #16055070	955.99	
8x8 INC.	3638200	Phone System Services	1,529.52	
CINTAS CORPORATION-300	4138983769	Floor Mats	70.02	
CLARK HILL, PLC	1264458	Chapter 9 Implementation for November 2022	2,030.00	
CLARK HILL, PLC	1264459	Roy Starks for November 2022	352.00	
CLARK HILL, PLC	1264465	General Counsel Services for November 2022	26,250.00	
CLARK HILL, PLC	829302	RSCD Opportunity Fund I, LLC for November 2018	23.34	
CLARK HILL, PLC	858722	RSCD Opportunity Fund I, LLC for February 2019	1,307.33	
CLARK HILL, PLC	869478	RSCD Opportunity Fund I, LLC for March 2019	731.17	
CLARK HILL, PLC	888178	RSCD Opportunity Fund I, LLC for May 2019	487.82	
CLARK HILL, PLC	895824	RSCD Opportunity Fund I, LLC for June 2019	582.00	



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Vendor Name	Invoice Number	Invoice Description	Amount To Pay
CLARK HILL, PLC	906070	RSCD Opportunity Fund I, LLC for July 2019	71.68
CLARK HILL, PLC	934160	RSCD Opportunity Fund I, LLC for November 2019	411.15
CLARK HILL, PLC	1014986	RSCD Opportunity Fund I, LLC for August 2020	384.06
CLARK HILL, PLC	1070465	RSCD Opportunity Fund I, LLC for February 2021	264.47
CLARK HILL, PLC	1152564	RSCD Opportunity Fund I, LLC for October 2021	1,138.85
CLARK HILL, PLC	1156477	RSCD Opportunity Fund I, LLC for November 2021	555.60
CLARK HILL, PLC	1162877	RSCD Opportunity Fund I, LLC for December 2021	755.62
CLARK HILL, PLC	1172057	RSCD Opportunity Fund I, LLC for January 2022	91.12
CLARK HILL, PLC	1180576	RSCD Opportunity Fund I, LLC for February 2022	888.41
CLARK HILL, PLC	1200711	RSCD Opportunity Fund I, LLC for April 2022	522.27
CLARK HILL, PLC	1235922	RSCD Opportunity Fund I, LLC for August 2022	261.14
CLARK HILL, PLC	1254535	RSCD Opportunity Fund I, LLC for October 2022	285.44
FEDEX	7-962-46297	FedEx Mailing	35.35
FEDEX	7-969-59774	FedEx Mailing	35.20
GABRIEL, ROEDER, SMITH & CO	474899	EDRO Calculations for Scott Webb	1,500.00
IRON MOUNTAIN	HBVL242	Records Storage	2,496.13
IRON MOUNTAIN	202641662	Storage CDs	2,213.08
NORTHSTAR LIFE SERVICES	INV-1144	Servicing Fee	375.00
PAYDEN & RYGEL	1612-M1122	Management Fees - November 2022	11,276.00
PROCENTIA, INC.	PSI0000122	Procentia Implementation	49,380.29
QUILL CORPORATION	29046310	Office Supplies	31.00
QUILL CORPORATION	29032193	Office Supplies	19.50
QUILL CORPORATION	29032180	Office Supplies	10.00
QUILL CORPORATION	29040355	Office Supplies	507.43
QUILL CORPORATION	29032323	Office Supplies	9.00
QUILL CORPORATION	29058163	Office Supplies	28.19
QUILL CORPORATION	29061800	Office Supplies	165.87
RACINE & ASSOCIATES	13130	DPF v. Paramount	2,883.94
UHY Advisors MI, Inc.	TS-2022-0237	Professional IT Services for November 2022	18,937.50
WELLS FARGO VENDOR FINANCIAL SVCS, LLC	106729812	Printer Maintenance	129.11
<b>Cash Account/Payment Method Total:</b>		<b>42 Documents</b>	<b>130,749.71</b>

HUNT VEND CHECK US

Vendor Name	Invoice Number	Invoice Description	Amount To Pay
BAB ASSOCIATES, LLC	2022-67	Public Relations Services for November 2022	1,667.00
CANON SOLUTIONS AMERICA, INC	6002389848	Copier Maintenance	161.65
Eternal Security Services	22-176010	Front Desk Security	480.00

Vendor Name	Invoice Number	Invoice Description	Amount To Pay
Eternal Security Services	22-176011	Front Desk Security	800.00
First CHOICE Coffee Services	884075	Equipment Rental	167.00
GOVERNMENT FINANCE OFFICERS ASSOCIATION (GF)	2336001	Membership Renewal Fees: 2/1/23-1/31/24	210.00
Lamonica Arrington-Cabean	L0092287201	Expense Reimbursement - Michigan Notary License and Supplies	51.90
NAPO (Nat'l Assn of Police Organizations)	112822JP	Regis. Fee for 34th Annual Pension & Benef. Seminar - Jeffery Pegg	635.00
STERICYCLE, INC (fka Shred-It USA)	8001812419	Shredding Service Charges	49.73
STERICYCLE, INC (fka Shred-It USA)	8002195889	Shredding Service Charges	49.73
STERICYCLE, INC (fka Shred-It USA)	8002400842	Shredding Service Charges	49.73
STERICYCLE, INC (fka Shred-It USA)	8002794625	Shredding Service Charges	49.73
TRANSUNION RISK & ALT DATA SOLUTIONS INC (TLOx)	3712221-202211-1	TLOx Research Services	37.50
VERIZON WIRELESS	9922151468	Wireless Billing 11/5/22-12/4/22	718.31
<b>Cash Account/Payment Method Total:</b>		<b>14 Documents</b>	<b>5,127.28</b>

**Investment Committee Disbursement Acknowledgements**

HUNT VEND ACH US

Vendor Name	Invoice Number	Invoice Description	Amount To Pay
Crain Communications Inc	CD24488	Classified Advertising	846.00
<b>Cash Account/Payment Method Total:</b>		<b>1 Document</b>	<b>846.00</b>

\* Payment amount is estimated based on the effective date 12/12/2022.

➤ **Trustee Watson joined the meeting at 9:13 am**

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

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

List number – 3974- \$296,825.16

List number – 3975- \$273,807.10

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

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

List #1 - \$ 6,199.00 – 12/08/2022

List #1 - \$30,317.00 – 12/15/2022

**Re: Approval of Minutes**

Trustee Trozak moved to approve the Minutes of November 17, 2022. Trustee Gnatek supported. The motion passed unanimously.

**ASSISTANT EXECUTIVE DIRECTOR'S REPORT**

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

- DPOA Request
- Office Closure

**Re: DPOA Report Request**

Trustee Gnatek moved to approve a report be sent to the DPOA for retirees with Life Insurance. Trustee Pegg supported. The motion passed unanimously.

**Re: Office Closure**

The office will be closed in observance of Christmas and New Year Holidays, December 23, 2022 – January 3, 2023.

**INTERIM CHIEF INVESTMENT OFFICER'S REPORT**

Interim Chief Investment Officer, Woodrow Tyler, discussed the following with the Board of Trustees:

- Investment Committee Materials Update

- Market Update
- CIO Search Update

### **Public Comment**

Kathleen Collin thanked the Board for allowing the meetings to be accessible to the public and, to extend an invitation to come and fellowship with NASP Detroit at Floods Bar and Grill on Wednesday, December 23, 2022.

### **PUBLIC RELATIONS REPORT**

- CIO Search Inquiry

### **PRESENTATION – Plante Moran**

Michelle Watterworth and Spencer Tawa of Plante Moran discussed the following with the Board of Trustees:

#### **Audit Presentation – June 30, 2022**

##### Financial Statement

- Audit Opinion
- Statement of Fiduciary Net Position (Balance Sheet)
- Statement of Changes in fiduciary Net Position (Income Statement)
- Net Position Trend (Components I & II)
- Net Pension Liability (Asset) Trend

##### Communication with those Charged with Governance - End of Audit Letter

- Internal Control Related Matters
  - Material Weakness
    - Census Data
    - Controls over information Technology Process
  - Significant Deficiencies
    - Controls over Year-End Investment Valuation
- Management estimates included with the financial Statement
- Actuarial Assumptions
  - Long-term rate of return
  - Single Discount rate
  - Mortality Assumption
- Unrecorded Possible Adjustments
- Other Recommendations/Informational Items

**Presentation materials provided.**



Trustee Pegg moved to approve and recommend to the PFRS Investment Committee the adoption of the Audit presented by Plante Moran for Fiscal Year 2021-2022. Trustee Gnatek supported. The motion passed unanimously.

### **LOBBYIST’S REPORT**

- Rob Elhenicky – Kelley Cawthorne gave a brief update of the Lobbyist Letter.

### **EXECUTIVE DIRECTOR’S REPORT**

Executive Director, David Cetlinski, had no formal report.

### **GENERAL COUNSEL’S REPORT**

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

- City of Detroit – Bankruptcy Case Update
- PFRS – Investment Committee – Special Reporting Certification and Compliance Report
- Paramount LLC Update
- Lightstone and Stewart Real Estate Partners Fund
- EDRO
- Chester Update

#### **Re: Lightstone and Stewart Real Estate Partners**

Trustee Pegg moved to accept the recommendation by the PFRS Investment Committee to exit Lightstone and allow the CIO and Legal Counsel to take action as required. Trustee Orzech supported. The motion passed unanimously.

#### **Re: Special Reporting Certification and Compliance Report**

Trustee Pegg moved to approve and accept the Special Certification and Compliance Report from the Investment Committee Chair as required under PA 314. Trustee Gnatek supported. The motion passed unanimously.

**Re: EDRO**

**Re: Tyrone Johnson v. Josephine Johnson, Case No. 99-926542-DM  
Wayne County Circuit Court, Detroit, Michigan**

Motion By: Trustee Gnatek Supported By: Trustee Pegg

**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 June 2, 2022, which supplements a Judgment of Divorce entered on August 2, 2000, where Alternate Payee **JOSEPHINE JOHNSON** is awarded certain rights to the retirement benefits of Participant **TYRONE A. JOHNSON**.

**WHEREAS**, the EDRO provides that the Alternate Payee **JOSEPHINE JOHNSON** is entitled to receive a monthly benefit in the amount of 50% of the marital portion from the participant’s Component I retirement allowance;

**WHEREAS**, the EDRO defines the material portion as the increase in accrued benefit from the date of marriage (April 10, 1984) through the date of divorce (August 2, 2000); and

**WHEREAS**, the Alternate Payee **JOSEPHINE JOHNSON** **IS** entitled to receive a monthly benefit in the amount of 50% of the marital portion from the participant’s Component I retirement allowance, 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 that the Alternate Payee **JOSEPHINE JOHNSON** is entitled to receive 50% of the accumulated balance of the participant’s Component I voluntary employee contributions accumulated through August 2, 2000;

**WHEREAS**, the Alternate Payee **JOSEPHINE JOHNSON** **IS** entitled to receive 50% of the accumulated balance of the participant’s Component I voluntary employee contributions through October 10, 2018, 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 that the Alternate Payee **JOSEPHINE JOHNSON** is entitled to receive a monthly benefit in the amount of 50% of the marital portion from the participant’s Component II pension; and

**WHEREAS**, the Alternate Payee **JOSEPHINE JOHNSON** **IS** entitled to receive a monthly benefit in the amount of 50% of the marital portion from the participant’s Component II pension, 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 that the Alternate Payee **JOSEPHINE JOHNSON** is entitled to receive 50% of the accumulated balance of the participant’s Component II annuity savings fund accumulated through August 2, 2000;

**WHEREAS**, the Alternate Payee **JOSEPHINE JOHNSON IS** entitled to receive 50% of the accumulated balance of the participant’s Component II annuity savings fund through August 2, 2000, 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 Participant, Tyrone A. Johnson and Alternate Payee, Josephine Johnson.

Yeas: James, Naglick, Orzech, Serifovski, Serda, Thomas, Trozak, Watson and Pincheck-Chairperson - 9

Nays: None

### **COMMITTEE REPORT**

PFRS Investment Committee meeting was scheduled for Monday, December 12, 2022  
Policy Committee will meet January 12, 2023.

### **NEW BUSINESS/OLD BUSINESS**

The PFRS Investment Committee created a sub-committee to review Money Managers.

**ADJOURNMENT**

Trustee Gnatek moved to adjourn. Trustee Berent supported.

Chairperson Pincheck adjourned meeting #3321 at 11:07 AM. The Board's next meeting is scheduled for Thursday, January 19, 2023 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

DRAFT