

MEETING NO. 3324
JOURNAL OF PROCEEDINGS
BOARD OF TRUSTEES OF THE POLICE AND FIRE RETIREMENT SYSTEM
OF THE CITY OF DETROIT
HELD THURSDAY, FEBRUARY 2, 2023

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
John Naglick Jr.	Ex/Officio Trustee/Finance Director
Jeffrey Pegg	Elected Trustee/Fire
Dean Pincheck	Elected Trustee/Fire/Chairperson
John Serda	Elected Trustee/Police
Violca Serifovski	Ex/Officio Trustee/Corporation Counsel Alternate
Ronald Thomas	Elected Trustee/Police
Gregory Trozak	Elected Retiree Trustee/Police

TRUSTEES EXCUSED

Conrad Mallett	Ex/Officio/Mayor's Designee
George Orzech	Elected Retiree Trustee/Fire
Steven Watson	Ex/Officio Trustee/Budget Director
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
Bruce Babiarz	Public Relations Advisor

STAFF EXCUSED

None

POLICE AND FIRE RETIREMENT SYSTEM OF THE CITY OF DETROIT
MEETING NUMBER 3324 – THURSDAY – FEBRUARY 2, 2023

This meeting is conducted pursuant to the requirements of the Michigan Open Meetings Act. Consistent with the OMA and Board Policy, Trustee’s 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 9:01 a.m. and Chairperson Pincheck called the meeting to order.

Present at Roll Call: Battle, Berent, Gnatek, Pegg, Serda, Serifovski, Thomas, Trozak, and Pincheck–Chairperson

Re: Approval of February 2, 2023 Agenda

Trustee Gnatek moved to approve the agenda dated Thursday, February 2, 2023. Trustee Thomas supported. The motion passed unanimously.

RECEIPTS:

The Board acknowledged the following receipts:

Cash Receipts
Company: RSCD-PFRS
Cash Account: HYBLIQRES
Start Date: 1/14/2023
End Date: 1/27/2023

Doc. Date	Module	Tran. Type	Doc. Nbr.	Description	R/C	Receipt
1/17/2023	CA	Cash Entry	002482	Pretax Pension Contributions 1-13-23 (rec'd 1/17)	R/C	9,855.77
1/17/2023	CA	Cash Entry	002484	Pretax Pension Contributions 11-21-22 (rec'd 1/17)	R/C	450.85
1/17/2023	CA	Cash Entry	002485	Pretax Pension Contributions 12-19-22 (rec'd 1/17)	R/C	522.08
1/17/2023	CA	Cash Entry	002486	Pretax Pension Contributions 1-13-23 (rec'd 1/17)	R/C	9,841.79
1/20/2023	CA	Cash Entry		Pretax Pension Contributions	-/C	62.77
1/26/2023	CA	Cash Entry		Pretax Pension Contributions	-/C	143,581.76
1/26/2023	CA	Cash Entry		Pretax Pension Contributions	-/C	348,626.35
1/27/2023	CA	Cash Entry		Employer Match October 1 - December 31, 2022 Police & Fire	-/C	5,850,582.64
						6,383,124.01

Cash Receipts
Company: RSCD-PFRS
Cash Account: LIQUID RES
Start Date: 1/14/2023
End Date: 1/27/2023

Doc. Date	Module	Tran. Type	Doc. Nbr.	Description	R/C	Receipt
1/26/2023	CA	Cash Entry		Loan Deductions	-/C	256.42
1/26/2023	CA	Cash Entry		Loan Deductions	-/C	73,903.18
						74,159.60

Total Receipts 6,437,283.61

POLICE AND FIRE RETIREMENT SYSTEM OF THE CITY OF DETROIT
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Re: Approval of Disbursements

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

Disbursement Report

Page: 1 of 2
Date: 1/30/2023 9:00 AM

Account	Payment Method	Currency			
LIQUID RES	WIRE	US			
Vendor Name	Invoice Number	Invoice Description			Amount To Pay
ATERIAN INVESTMENT PARTNERS IV, LP	013123	Capital Call			12,037.00
HL - INCLINE ASCENT FUND, LP	020623	Capital Call			398,405.61
LUBERT-ADLER WORKFORCE HOUSING, L.P	020123	Capital Call			1,875,000.00
PLATINUM EQUITY CAPITAL PARTNERS VI, LP (HL)	020723	Capital Call			170,295.00
PriceWaterhouseCoopers (PWC) Private Limited (Mumbai)	41226080819	Professional Tax Service for Period 8/1/22 - 12/31/22			464.00
ROARK CAPITAL PARTNERS VI, L.P - HAMILTON LANE	013023	Capital Call			23,548.01
VISTA EQUITY PARTNERS FUND VII, L.P	012723	Capital Call			594,636.00
Cash Account/Payment Method Total:			7 Documents		3,074,385.62

Account	Payment Method	Currency			
HUNT VEND	ACH	US			
Vendor Name	Invoice Number	Invoice Description			Amount To Pay
500 WEBWARD LLC	198615	February 2023 Rent			26,278.12
ADP, INC	623579281	Check Printing Services			384.57
Avanade Incorporated	1026104934	Software Upgrade Assistance Special Proj - Svc Fee 12/19/22-3/17/23			6,257.00
BLOOMBERG FINANCE LP	5607291181	Bloomberg Anywhere 1/21/23-4/20/23			6,060.00
FEDEX	8-011-73615	FedEx Mailing			148.57
FEDEX	8-018-30031	FedEx Mailing			40.48
HARDMAN JOHNSTON GLOBAL ADVISORS	DETPFRE888591222	Management Fees 4th Qtr '22			56,679.31
HARVEST FUND ADVISORS LLC	Detroit P&F 2022 Q4	Management Fees 4th Qtr '22			146,117.84
PARADIGM ASSET MANAGEMENT CO., LLC	4Q22	Management Fees 4th Qtr '22			63,538.40
PENN CAPITAL MANAGEMENT COMPANY, Inc	20221231-1301-8524-A	Management Fees 4th Qtr '22			48,061.80
Premier Parking (fka Ultimate Parking)	320431	Parking - February 2023			2,328.48
Premier Parking (fka Ultimate Parking)	320909	Parking Validation Charges - December 2022			145.00
PROCENTIA, INC.	PSI0000127	Procentia Implementation			61,325.71
QUILL CORPORATION	30084467	Office Supplies			33.18

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Vendor Name	Invoice Number	Invoice Description	Amount To Pay
QUILL CORPORATION	30100645	Office Supplies	42.00
QUILL CORPORATION	30091739	Office Supplies	431.71
QUILL CORPORATION	30102950	Office Supplies	21.49
QUILL CORPORATION	30117031	Office Supplies	30.00
QUILL CORPORATION	30115832	Office Supplies	14.99
RHUMBLINE ADVISERS	detpol22022Q4	RU1000GS and RU1000S Management Fees 4th Qtr '22	12,026.00
ROCK SECURITY, LLC	CI-63-00003233	Panic Alarm & Camera Monitoring - January	30.00
SHENKMAN CAPITAL MANAGEMENT, INC	22-12-DETROIT_PFS	Management Fees 4th Qtr '22	49,904.75
UHY Advisors MI, Inc.	TRC-2022-0222	Professional Services 2022 - 2023	22,500.00
Xpounce, Inc. (fka Piedmont Invest. Adv.)	INV13220	Management Fees 4th Qtr '22	19,255.59
Cash Account/Payment Method Total:			521,654.99

HUNT VEND CHECK US

Vendor Name	Invoice Number	Invoice Description	Amount To Pay
BAB ASSOCIATES, LLC	2022-71	Public Relations Services for December 2022	1,492.00
COMCAST	011723	High Speed Internet	216.93
Eternal Security Services	23-176002	Front Desk Security	800.00
Eternal Security Services	23-176003	Front Desk Security	640.00
First CHOICE Coffee Services	893456	Coffee Supplies	142.53
SCANTRON CORPORATION	15183760	Toner Cartridge Supply	1,348.09
VERIZON WIRELESS	9924535535	Wireless Billing 12/5/22-1/4/23	718.74
XEROX	017994586	Printer Maintenance	11.80
Cash Account/Payment Method Total:			5,370.09

Investment Committee Disbursement Acknowledgements

HUNT VEND ACH US

Vendor Name	Invoice Number	Invoice Description	Amount To Pay
Crain Communications Inc	PI24517	Pensions & Investments Classified Advertising	4,335.00
Cash Account/Payment Method Total:			4,335.00

* Payment amount is estimated based on the effective date 1/30/2023.

Re: Approval of Refunds (Accumulated Contributions)

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

List number – 3981- \$351,394.57

List number – 3982- \$260,435.81

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

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

List #1 - \$ 15,000.00 – 01/26/2023

List #2- \$ 27,414.00 – 02/02/2023

Re: Approval of Minutes

Trustee Trozak moved to approve the Minutes of December 15, 2022. Trustee Berent supported. The motion passed. Trustees Serda and Thomas abstain.

ASSISTANT EXECUTIVE DIRECTOR’S REPORT

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

- Disability Memo

EXECUTIVE DIRECTOR’S REPORT

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

- CIO Search Update – Daniel Lee

Re: CIO Search Update

The Investment Committee met on Friday, January 27, 2023 to interview potential CIO Candidate Mr. Daniel Lee. The committee has authorized the Executive Director and Chairman to start negotiations for the position.

Financial Analysis IV position has been filled. Mr. Cely will start on Monday, February 6, 2023.

- **Trustee James joined the meeting at 9:14 am**
- **Dr. Oscar King joined the meeting at 9:21 am**

INTERIM CHIEF INVESTMENT OFFICER’S REPORT

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

- Market Update
- Asset Allocation Update

Public Comment

Kathleen Colin informed the Board of the upcoming NASP Pension and Financial Services Conference, which will be held, July 24 -26, 2023, in Philadelphia, PA at the downtown Marriott.

- Trustee Naglick joined the meeting at 9:30 am

PUBLIC RELATIONS REPORT

- Bridge Media -Amortization Inquiry

LOBBYIST’S REPORT

- Pension Tax
- VEBA

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
- EDROS

Re: EDRO

**Re: David Hatwood v Deanna Hatwood, Case No. 20-105601-DM
Wayne County Circuit Court, Detroit, Michigan**

Motion By: Trustee Pegg Supported By: Trustee Thomas

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 September 1, 2022, which supplements a Judgment of Divorce entered on February 10, 2021, where Alternate Payee **DEANNA HATWOOD** is awarded certain rights to the retirement benefits of Participant **DAVID HATWOOD**.

WHEREAS, the EDRO provides that the Alternate Payee **DEANNA HATWOOD** 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 (9/23/2000) through the date of divorce (2/10/2021); and

WHEREAS, the Alternate Payee **DEANNA HATWOOD 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 **DEANNA HATWOOD** is entitled to receive 50% of the accumulated balance of the participant’s Component I voluntary employee contributions as of the date of divorce;

WHEREAS, the Alternate Payee **DEANNA HATWOOD IS** entitled to receive 50% of the accumulated balance of the participant’s Component I voluntary employee contributions as of the date of divorce, when the Participant is eligible to receive such benefits and as set forth in the

WHEREAS, the Alternate Payee **DEANNA HATWOOD 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 **DEANNA HATWOOD** is entitled to receive 50% of the accumulated balance of the participant’s Component II annuity savings funds as of the date of divorce;

WHEREAS, the Alternate Payee **DEANNA HATWOOD IS** entitled to receive 50% of the accumulated balance of the participant’s Component II annuity savings fund as of the date of divorce, 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 DRO awards the Alternate Payee **DEANNA HATWOOD** 50% of the marital portion of the Participant’s DROP proceeds; and

WHEREAS, the Alternate Payee **DEANNA HATWOOD IS** entitled to 50% of the marital portion of the Participant’s DROP proceeds when the DROP is eligible for disbursement, subject to the Participant and/or Alternate Payee submitting the appropriate application with the third-party administrator; 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, David Hatwood, and Alternate Payee, Deanna Hatwood, as well as her counsel, Lisa D. Lizana Short.

Yeas: Battle, Berent, Gnatek, James, Naglick, Pegg, Serda, Serifovski, Thomas, Trozak, and Pincheck-Chairperson - 11

Nays: None

Re: James Suyak, Jr. v Lisa Kuwalek, Case No. 2019--11038-DO
Wayne County Circuit Court, Detroit, Michigan

Motion By: Trustee Pegg Supported By: Trustee Gnatek

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 15, 2022, which supplements a Judgment of Divorce entered on June 9, 2020, where Alternate Payee **LISA KUWALEK** is awarded certain rights to the retirement benefits of Participant **JAMES SUYAK JR.**

WHEREAS, the EDRO provides that the Alternate Payee **LISA KUWALEK** 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 (2/14/1995) through the date of divorce (6/9/2020); and

WHEREAS, the Alternate Payee **LISA KUWALEK 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 **LISA KUWALEK** is entitled to receive 50% of the accumulated balance of the participant’s Component I voluntary employee contributions as of the date of divorce;

WHEREAS, the Alternate Payee **LISA KUWALEK IS** entitled to receive 50% of the accumulated balance of the participant’s Component I voluntary employee contributions as of the date of divorce, 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 **LISA KUWALEK** is entitled to receive a monthly benefit in the amount of 50% of the marital portion from the participant’s Component II retirement pension;

WHEREAS, the Alternate Payee **LISA KUWALEK 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 **LISA KUWALEK** is entitled to receive 50% of the accumulated balance of the participant’s Component II annuity savings funds as of the date of divorce;

WHEREAS, the Alternate Payee **LISA KUWALEK IS** entitled to receive 50% of the accumulated balance of the participant’s Component II annuity savings fund as of the date of divorce, 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, James Suyak Jr., and Alternate Payee, Lisa Kuwalek.

Yeas: Battle, Berent, Gnatek, James, Naglick, Pegg, Serda, Serifovski, Thomas, Trozak, and Pincheck-Chairperson - 11

Nays: None

COMMITTEE REPORT

Policy Committee is scheduled to meet Thursday, February 9, 2023
Public Relations Meeting to be scheduled

NEW BUSINESS/OLD BUSINESS

None

ADJOURNMENT

Trustee Gnatek moved to adjourn. Trustee Thomas supported.

Chairperson Pincheck adjourned meeting #3324 at 10:05 AM. The Board's next meeting is scheduled for Thursday, February 15, 2023 at 9:00 a.m. in the Retirement Systems' Conference Room, 500 Woodward Avenue, Suite 3000; Detroit, Michigan 48226.

RESPECTFULLY SUBMITTED,

A handwritten signature in cursive script, appearing to read "Kelly Tapper".

Kelly Tapper, Assistant Executive Director