

MEETING NO. 3336
JOURNAL OF PROCEEDINGS
BOARD OF TRUSTEES OF THE POLICE AND FIRE RETIREMENT SYSTEM
OF THE CITY OF DETROIT
HELD THURSDAY, AUGUST 3, 2023

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
Matthew Gnatek	Elected Trustee/Police/Chairperson
Angela R. James	Ex/Officio Retiree Trustee/Police/Mayoral Designee
Michael McGinnis	Elected Trustee/Police
John Naglick Jr.	Ex/Officio Trustee/Finance Director
George Orzech	Elected Retiree Trustee/Fire
Jeffrey Pegg	Elected Trustee/Fire/Vice-Chairperson
Viollca Serifovski	Ex/Officio Trustee/Corporation Counsel Alternate
Leo Spitzig	Elected Trustee/Fire
Ronald Thomas	Elected Trustee/Police
Gregory Trozak	Elected Retiree Trustee/Police
Steven Watson	Ex/Officio Trustee/Budget Director

TRUSTEES EXCUSED

Shawn Battle	Ex/Officio Trustee/Fire Prevention Chief/Mayoral Designee
Conrad Mallett	Ex/Officio/Mayor's Designee
Coleman Young II.	Ex/Officio Trustee/Honorable City Council President

ALSO PRESENT

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

STAFF EXCUSED

David Cetlinski	Executive Director
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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, 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

Matthew Gnatek

A verbal Roll Call commenced at 9:03 a.m. and Chairperson Gnatek called the meeting to order.

Present at Roll Call: Berent, McGinnis, Naglick, Orzech, Pegg, Spitzig, Thomas, Trozak, Watson and Gnatek–Chairperson

Re: Approval of August 3, 2023 Agenda

Trustee Thomas moved to approve the agenda dated Thursday, August 3, 2023. Trustee Pegg supported. The motion passed unanimously.

Re: Approval of RETIREMENT Applications

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

NAME, TITLE, DEPARTMENT	Danial A. Salo – Police Officer - Police
RETIREMENT TYPE-PLAN	Service - New
SERVICE CREDIT-EFFECTIVE DATE	15 11 25 – 07 21 23

- **Trustee Serifovski joined the meeting at 9:03 a.m.**

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: 7/15/2023
 End Date: 7/28/2023

Doc. Date	Module	Tran. Type	Doc. Nbr.	Description	R/C	Receipt
7/20/2023	CA	Cash Entry		Pretax Pension Contributions	-/C	678.66
7/21/2023	AR	Payment	000056	Employer Match April 1 - June 30, 2023 Police & Fire	R/C	5,740,225.87
7/27/2023	CA	Cash Entry		Pretax Pension Contributions	-/C	874,998.06
						6,615,902.59

Cash Receipts
 Company: RSCD-PFRS
 Cash Account: LIQUID RES
 Start Date: 7/15/2023
 End Date: 7/28/2023

Doc. Date	Module	Tran. Type	Doc. Nbr.	Description	R/C	Receipt
7/20/2023	CA	Cash Entry	002659	Loan Deductions 6-30-23 (\$70,212.91) (Rec'd 7/20)	R/C	70,212.91
7/20/2023	CA	Cash Entry	002660	Loan Deductions 7-7-23 (\$2,589.11) (Rec'd 7/20)	R/C	2,589.11
7/20/2023	CA	Cash Entry	002661	Loan Deductions 7-14-23 (\$69,863.11) (Rec'd 7/20)	R/C	69,863.11
						142,665.13

Total Receipts **6,758,567.72**

Re: Approval of Disbursements

Trustee Pegg moved to approve the Disbursement as outlined below. Trustee Thomas supported. The motion passed unanimously.

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Disbursement Report

Page: 1 of 2
 Date: 7/31/2023 9:00 AM

Account	Payment Method	Currency	
LIQUID RES	WIRE	US	
Vendor Name	Invoice Number	Invoice Description	Amount To Pay
TT International	20230630-114-A	Management Fees 2nd Qtr '23	72,583.81
VISTA EQUITY PARTNERS FUND VII, L.P	072023	Capital Call	62,042.00
Cash Account/Payment Method Total:			134,625.81

Account	Payment Method	Currency	
HUNT VEND	ACH	US	
Vendor Name	Invoice Number	Invoice Description	Amount To Pay
500 WEBWARD LLC	1390973	Electrical Billing: 5/30/23-6/29/23 #16055044	731.05
500 WEBWARD LLC	1390974	Electrical Billing: 5/30/23-6/29/23 #16055070	911.34
500 WEBWARD LLC	221587	Work Orders for Office Maintenance	44.00
500 WEBWARD LLC	221679	Work Orders for Office Maintenance	159.59
500 WEBWARD LLC	222149	August 2023 Rent	27,012.46
ATIVO CAPITAL	2846	Management Fees 2nd Qtr '23	42,781.90
BAIRD ADVISORS	BA232Q2314	Management Fees 2nd Qtr '23	40,602.77
BLOOMBERG FINANCE LP	5607623908	Bloomberg Anywhere 7/21/23-10/20/23	6,352.50
CINTAS CORPORATION-300	4161568336	Floor Mats	176.29
DELL MARKETING, LP	10685864440	Computer Equipment	693.03
GABRIEL, ROEDER, SMITH & CO	479955	EDRO Calculations for Lavar Green	1,500.00
GABRIEL, ROEDER, SMITH & CO	479956	EDRO Calculations for Richard Townsel	1,500.00
GABRIEL, ROEDER, SMITH & CO	479959	EDRO Calculations for Adlone Morris	1,500.00
GABRIEL, ROEDER, SMITH & CO	479961	EDRO Calculations for Marc Thompson	1,500.00
GABRIEL, ROEDER, SMITH & CO	479962	EDRO Calculations for Ivan Luckey	1,500.00
HARDMAN JOHNSTON GLOBAL ADVISORS	DETPFRE888590623	Management Fees 2nd Qtr '23	62,497.19
KENNEDY CAPITAL MANAGEMENT	2Q23	Management Fees 2nd Qtr '23	138,934.00
LOOMIS, SAYLES & COMPANY, L.P.	234242	Management Fees 2nd Qtr '23	55,167.44
LOOP CAPITAL LLC	INV6214	Management Fees 2nd Qtr '23	18,609.39
Metropolis Parking (fka Premier Parking)	357767	Parking Validation Charges - June 2023	235.00
PARADIGM ASSET MANAGEMENT CO., LLC	2Q23	Management Fees 2nd Qtr '23	63,085.27
PLANTE & MORAN	10035434	Financial Stmt Audit for 6/30/23 & GASB 68 Audit for 6/30/22	16,750.00
PROCENTIA, INC.	PSI0000156	Procentia Implementation	67,230.66

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Vendor Name	Invoice Number	Invoice Description	Amount To Pay
PUGH CAPITAL MANAGEMENT, INC.	2Q23	Management Fees 2nd Qtr '23	50,026.49
QUILL CORPORATION	33458734	Office Supplies	22.00
RHUMBLINE ADVISERS	detpol22023Q2	RU1000GS and RU1000S Management Fees 2nd Qtr '23	13,050.00
ROCK SECURITY, LLC	CI-63-00003866	Panic Alarm & Camera Monitoring - July	30.00
SHENKMAN CAPITAL MANAGEMENT, INC	23-06-DETROIT_PFS	Management Fees 2nd Qtr '23	55,200.06
Xponance, Inc. (fka Piedmont Invest. Adv.)	INV50139	Management Fees - 2nd Qtr '23	20,017.97
Cash Account/Payment Method Total:			29 Documents 687,820.40

HUNT VEND CHECK US

Vendor Name	Invoice Number	Invoice Description	Amount To Pay
BAB ASSOCIATES, LLC	2023-076	Public Relations Services for July 2023	3,163.50
COMCAST	071723	High Speed Internet	278.30
Eternal Security Services	23-176028	Front Desk Security	800.00
Eternal Security Services	23-176029	Front Desk Security	720.00
METCOM	154973	Spirit Business Card Master Run	154.83
STERICYCLE, INC (fka Shred-It USA)	8004348770	Shredding Service Charges	49.73
Cash Account/Payment Method Total:			6 Documents 5,166.36

Investment Committee Disbursement Acknowledgements

HUNT VEND CHECK US

Vendor Name	Invoice Number	Invoice Description	Amount To Pay
Cash Account/Payment Method Total:			0 Documents 0.00

* Payment amount is estimated based on the effective date 7/31/2023.

Re: Approval of Refunds (Accumulated Contributions)

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

List number – 4007- \$ 189,973.16

List number – 4008- \$ 358,765.73

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 Thomas supported. The motion passed unanimously.

List #1 - \$ 11,500.00 – 08/03/2023

Re: Approval of Minutes

Trustee Thomas moved to approve the Minutes of June 15, 2023. Trustee Pegg supported. The motion passed. Trustee McGinnis and Spitzig abstained.

ASSISTANT EXECUTIVE DIRECTOR’S REPORT

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

- Parking Garage Update
- Investment Committee Meeting – August 21, 2023
- IFEBP Conference

Re: IFEBP Conference

Resolution Moved By: Trustee Orzech – Supported By: Trustee Pegg

Resolved, that the Board approve the attendance of any interested Trustee, the Executive Director and Assistant Executive Director at the aforementioned conference, and **BE IT Further**

Resolved, that the Board approve expenditures for any interested Trustee, the Executive Director, and the Assistant Executive Director to attend said conference, and **BE IT FURTHER**

Resolved, that a copy of said conference brochure or applicable conference literature be provided to Retirement System Staff member JoAnn Harrison. The motion passed unanimously.

- **Dr. Oscar King joined the meeting at 9:08 am**

CHIEF INVESTMENT OFFICER’S REPORT

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

- Investment Committee Meeting update - Money Managers
- DROP Plan – Stable Value
- VOYA Update discussion

DROP Plan Committee Members – Trustees Pegg, Naglick, McGinnis, Thomas, Orzech, CIO Woodrow Tyler and General Counsel, Ronald King.

- **Trustee James joined the meeting at 9:24 a.m.**

Public Comment

Kathleen Colin reminded the board of the upcoming NASP-Detroit 17th Annual Ray Welbourne Memorial Scholarship Golf Classic to be held Friday, August 4th at Taylor Meadows, Taylor, MI.

PUBLIC RELATIONS REPORT

- WDET Interview – Trustee Orzech

- Media Inquiries regarding Amortization
- Securities Litigation Case - Tesla

LOBBYISTS REPORT

- VEBA Update
- Legislative Schedule
- Governor’s Budget Update

GENERAL COUNSEL’S REPORT

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

- EDRO
- Wilshire Investment Consultant Contract Update
- Life Assurance Update
- Medical Director’s Contract Update
- Bankruptcy Case Update – Status of City’s response to Motion for Reconsideration
- Securities Litigation Case Update - Tesla

Re: EDRO

Re: John F. Moore v. Sheila L. Davis, Case No. 01-108797-DO Wayne County Circuit Court, Detroit, Michigan

Motion By: Trustee Thomas 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 October 3, 2023, which supplements a Judgment of Divorce entered on March 28, 2002, wherein Alternate Payee **SHEILA DAVIS** is awarded certain rights to the retirement benefits of Participant **JOHN MOORE**;

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

WHEREAS, the Alternate Payee **SHEILA DAVIS IS** entitled to receive a monthly benefit in the amount of 50% of the marital portion, if any, from the participant’s Component I retirement allowance, as set forth in the EDRO and **SUBJECT TO ALTERNATE PAYEE FILING AN**

APPLICATION FOR SAME;

WHEREAS, the EDRO provides that the Alternate Payee **SHEILA DAVIS** is entitled to receive a distribution of 50% of the marital portion, if any, of the participant's Component I Voluntary Employee Contributions Fund;

WHEREAS, the Alternate Payee **SHEILA DAVIS IS** entitled to receive a distribution of 50% of the marital portion, if any, of the participant's Component I Voluntary Employee Contributions Fund, as set forth in the EDRO and SUBJECT TO ALTERNATE PAYEE FILING AN APPLICATION FOR SAME;

WHEREAS, the EDRO provides that the Alternate Payee **SHEILA DAVIS** is entitled to receive a monthly benefit in the amount of 50% of the marital portion from the participant's Component II retirement allowance;

WHEREAS, the Alternate Payee **SHEILA DAVIS IS** entitled to receive a monthly benefit in the amount of 50% of the marital portion from the participant's Component II retirement allowance, as set forth in the EDRO and SUBJECT TO ALTERNATE PAYEE FILING AN APPLICATION FOR SAME;

WHEREAS, the EDRO provides that the Alternate Payee **SHEILA DAVIS** is entitled to receive a distribution of 50% of the marital portion of the participant's Component II Annuity Savings Fund;

WHEREAS, the Alternate Payee **SHEILA DAVIS IS** entitled to receive a distribution of 50% of the marital portion of the participant's Component II Annuity Savings Fund, as set forth in the EDRO and SUBJECT TO ALTERNATE PAYEE FILING AN APPLICATION FOR SAME;
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, John Moore, and Alternate Payee, Sheila Davis, and her counsel, Laura Gruber.

Yeas: Berent, James, McGinnis, Naglick, Orzech, Pegg, Serifovski, Spitzig, Thomas, Trozak, Watson and Gnatek -Chairperson - 12

Nays: None

COMMITTEE REPORT

Committee Assignments Update
Policy Committee will meet in October 2023.

NEW BUSINESS/OLD BUSINESS

None

ADJOURNMENT

Trustee Thomas moved to adjourn. Trustee Spitzig supported.

Chairperson Gnatek adjourned meeting #3336 at 10:32 AM. The Board’s next meeting is scheduled for Thursday, August 17, 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