

MEETING NO. 3342
JOURNAL OF PROCEEDINGS
BOARD OF TRUSTEES OF THE POLICE AND FIRE RETIREMENT SYSTEM
OF THE CITY OF DETROIT
HELD THURSDAY, NOVEMBER 02, 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/Chairperson
Angela R. James	Ex/Officio Retiree Trustee/Police/Mayoral Designee
Michael McGinnis	Elected Trustee/Police
John Naglick Jr.	Ex/Officio Trustee/Finance Director
Nikhil Patel	Ex/Officio Trustee/City Treasurer
Jeffrey Pegg	Elected Trustee/Fire/Vice-Chairperson
Viollca 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
Leo Spitzig	Elected 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	Chief Investment Officer
Marcella Brewer	Recording Secretary
Bruce Babiarz	Public Relations Advisor
Dr. Oscar King III	Board Lobbyist

STAFF EXCUSED

Ronald King	General Counsel
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POLICE AND FIRE RETIREMENT SYSTEM OF THE CITY OF DETROIT
MEETING NUMBER 3342 – THURSDAY – NOVEMBER 02, 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.

VICE-CHAIRPERSON

Jeff Pegg

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

Present at Roll Call: Battle, Berent, McGinnis, Naglick, Patel, Serifovski, Thomas, Trozak, and Pegg–Vice Chairperson

Re: Approval of November 2, 2023 Agenda

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

Re: Approval of RETIREMENT Applications

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

NAME, TITLE, DEPARTMENT	Kevin Flowers – Fire Engine Operator - Fire
RETIREMENT TYPE-PLAN	Service – New
SERVICE CREDIT-EFFECTIVE DATE	15 11 04 – 11 15 23

NAME, TITLE, DEPARTMENT	Kevin Flowers – Fire Engine Operator - Fire
RETIREMENT TYPE-PLAN	Hybrid - Service
SERVICE CREDIT-EFFECTIVE DATE	09 05 00 – 11 15 23

NAME, TITLE, DEPARTMENT	Ray T. Saati – Police Sergeant - Police
RETIREMENT TYPE-PLAN	Drop – New
SERVICE CREDIT-EFFECTIVE DATE	15 09 10 – 10 10 23

NAME, TITLE, DEPARTMENT	Ray T. Saati – Police Sergeant - Police
RETIREMENT TYPE-PLAN	Hybrid - Drop
SERVICE CREDIT-EFFECTIVE DATE	09 03 00 – 10 10 23

➤ **Trustee James joined the meeting at 9:10 am**

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

Page: 1 of 3
Date: 10/30/2023 9:00 AM

Account	Payment Method	Currency	
LIQUID RES	WIRE	US	
Vendor Name	Invoice Number	Invoice Description	Amount To Pay
HL - INCLINE ASCENT FUND, LP	103123	Capital Call	241,722.71
NUVEEN U.S STRATEGIC INDUSTRIAL FD II	110123	Capital Call	1,878,580.00
PLATINUM EQUITY CAPITAL PARTNERS VI, LP (HL)	102523	Capital Call	362,615.00
Cash Account/Payment Method Total:			3 Documents 2,482,917.71

HUNT VEND ACH US

Vendor Name	Invoice Number	Invoice Description	Amount To Pay
500 WEBWARD LLC	237136	November 2023 Rent	27,012.46
ADP, INC	644533181	Check Printing Services	532.68
ADVENT CAPITAL MANAGEMENT, LLC	3Q23	Management Fees 3rd Qtr '23 (Net of 3Q23 Forgiveness)	95,453.19
CLARK HILL, PLC	1358630	RSCD Opportunity Fund I, LLC for September 2023	991.75
Cogent Communications, Inc.	100123	Internet Service	650.00
DEROY & DEVEREAUX	3Q23	Management Fees - 3rd Qtr '23	47,395.00
GABRIEL, ROEDER, SMITH & CO	482882	EDRO Calculations for Sean Wayrynen	1,550.00
GABRIEL, ROEDER, SMITH & CO	482881	EDRO Calculations for James Suyak	1,550.00
GABRIEL, ROEDER, SMITH & CO	482880	EDRO Calculations for Abdul Shabazz	1,550.00
HARDMAN JOHNSTON GLOBAL ADVISORS	DETPFRE888590923	Management Fees - 3rd Qtr '23	58,552.72
HARVEST FUND ADVISORS LLC	Detroit_P&F_2023_Q3	Management Fees - 3rd Qtr '23	150,129.99
LOOMIS, SAYLES & COMPANY, L.P.	236817	Management Fees - 3rd Qtr '23	53,964.70
LOOP CAPITAL LLC	INV0930	Management Fees - 3rd Qtr '23	18,309.42
METASOURCE, LLC	SO57901	Software License/Support for Application Xtender	5,372.01
PARADIGM ASSET MANAGEMENT CO., LLC	3Q23	Management Fees - 3rd Qtr '23	64,840.48
PAYDEN & RYGEL	1612-M923	Management Fees - 3rd Qtr '23	10,519.00
PUGH CAPITAL MANAGEMENT, INC.	3Q23	Management Fees - 3rd Qtr '23	49,141.81
QUILL CORPORATION	34723925	Office Supplies	223.97
QUILL CORPORATION	35175629	Office Supplies	437.53
QUILL CORPORATION	35171997	Office Supplies	56.49
QUILL CORPORATION	35189948	Office Supplies	18.00
QUILL CORPORATION	35195995	Office Supplies	31.99
REVEL SOLUTIONS LLC	29639	Palo Alto Firewall Support	4,964.94
SCANTRON CORPORATION	80074357	Toner Cartridge Supply	1,000.75

Vendor Name	Invoice Number	Invoice Description	Amount To Pay
SHENKMAN CAPITAL MANAGEMENT, INC	23-09-DETROIT_PFS	Management Fees 3rd Qtr '23	67,122.79
Xponance, Inc. (fka Piedmont Invest. Adv.)	INV50246	Management Fees - 3rd Qtr '23	19,618.91
Cash Account/Payment Method Total:			26 Documents 680,790.58

HUNT VEND CHECK US

Vendor Name	Invoice Number	Invoice Description	Amount To Pay
AVALON TECHNOLOGIES INC.	8765	Carbon Black - One Year Subscription	3,750.00
COMCAST	101723	High Speed Internet	279.48
DAVID CETLINSKI	93023	3rd Quarter Phone Stipend	134.49
Eternal Security Services	23-178038	Front Desk Security	1,600.00
First CHOICE Coffee Services	945479	Coffee Supplies	108.45
George Orzech	93023	3rd Quarter Phone Stipend	90.00
GOVERNMENT FINANCE OFFICERS ASSOCIATION (GF)3126935		Annual Governmental GAAP Update 11/2/23 - Ramzee Jackson	90.00
GOVERNMENT FINANCE OFFICERS ASSOCIATION (GF)3126946		Avoiding Fraud in Treasury Operations Training 10/26/23 - C. Conyers	85.00
GOVERNMENT FINANCE OFFICERS ASSOCIATION (GF)3126948		Avoiding Fraud in Treasury Operations Training 10/26/23 - Brie Fort	85.00
GOVERNMENT FINANCE OFFICERS ASSOCIATION (GF)3126934		Avoiding Fraud in Treasury Operations Training 10/26/23 - R. Jackson	42.50
GOVERNMENT FINANCE OFFICERS ASSOCIATION (GF)3127025		Cash Flow Forecast'g: Develop'g the Right Approach 11/15/23 - C. Conyer	85.00
GREGORY TROZAK	93023	3rd Quarter Phone Stipend	90.00
Luis Cely	93023	3rd Quarter Phone Stipend	90.00
Matthew Gnatek	93023	3rd Quarter Phone Stipend	90.00
MICHAEL BERENT	93023	3rd Quarter Phone Stipend	90.00
RONALD THOMAS	93023	3rd Quarter Phone Stipend	90.00
STERICYCLE, INC (fka Shred-It USA)	8005073595	Shredding Service Charges	49.73
VERIZON WIRELESS	9646043927	Wireless Billing 9/5/23-10/4/23	719.18
Cash Account/Payment Method Total:			18 Documents 7,628.83

POLICE AND FIRE RETIREMENT SYSTEM OF THE CITY OF DETROIT
MEETING NUMBER 3342 – THURSDAY – NOVEMBER 02, 2023

Vendor Name	Invoice Number	Invoice Description	Amount To Pay
<u>Investment Committee Disbursement Acknowledgements</u>			
HUNT VEND	CHECK	US	
Vendor Name	Invoice Number	Invoice Description	Amount To Pay
JERRY MINGIONE	101323JM	Travel Reimbursement for 10/2/23 IC Meeting	937.65
Cash Account/Payment Method Total:			1 Documents 937.65

* Payment amount is estimated based on the effective date 10/30/2023.

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 – 4020- \$ 35,496.13
List number – 4021- \$ 542,885.21

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

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

List #1 - \$ 67,673.00 – 10/26/2023
List #2 - \$ 3,199.00 – 11/02/2023

Re: Approval of Minutes

Trustee Thomas moved to approve the Minutes of October 5, 2023. Trustee McGinnis supported. The motion passed. Trustee Patel abstained.

ASSISTANT EXECUTIVE DIRECTOR’S REPORT

Assistant Executive Director, Kelly Tapper, had no formal report, but discussed the following with the Board of Trustees:

- Denise Starr Human Resources Director Report
- GASB 67/68 – Component II
- Disability Memo
- Gregory Davis – Military Time
- Office Closure

Re: Denise Starr Report

Trustee Berent moved to approve the requested report from Human Resources. Trustee McGinnis supported. The motion passed unanimously.

Re: Annual Re-examinations- Return to Work

Resolution Moved By: Trustee Berent Supported By: Trustee Thomas

RESOLVED, that in accordance with the recommendation of the Medical Director, the following be **RETURNED TO WORK – No further exam:**

Matthew Maday

Yeas – Battle, Berent, James, McGinnis, Naglick, Patel, Serifovski, Thomas, Trozak and Vice-Chairperson Pegg - 10

Nays – None

Motion passed unanimously.

Re: Annual Examinations

Resolution Moved By: Trustee Berent Supported By: Trustee Thomas

RESOLVED, that in accordance with the recommendation of the Medical Director, the following members be CONTINUED on the Disability Retirement Payroll with **an examination in one (1) year:**

Justin Elliot

Yeas – Battle, Berent, James, McGinnis, Naglick, Patel, Serifovski, Thomas, Trozak and Vice-Chairperson Pegg - 10

Nays – None

Motion passed unanimously.

Re: Annual Examinations

Resolution Moved By: Trustee Berent Supported By: Trustee Thomas

RESOLVED, that in accordance with the recommendation of the Medical Director, the following members be CONTINUED on the Disability Retirement Payroll with **an examination in one (1) year:**

Roy Worth

Yeas – Battle, Berent, James, McGinnis, Naglick, Patel, Serifovski, Thomas, Trozak and Vice-Chairperson Pegg - 10

Nays – None

Motion passed unanimously.

➤ **Trustee Gnatek joined the meeting at 9:21 am – assumed as Chair**

EXECUTIVE DIRECTOR’S REPORT

Executive Director, David Cetlinski, had no formal report, but discussed the following with the Board of Trustees:

- EDROS

Re: EDRO

Re: Rigoberto Velazquez v. Rosetta Velazquez, Case No. 22-104790-DM 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 September 25, 2023, which supplements a Judgment of Divorce entered on April 6, 2023, wherein Alternate Payee **ROSETTA VELAZQUEZ** is awarded certain rights to the retirement benefits of Participant **RIGOBERTO VELAZQUEZ**;

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

WHEREAS, the EDRO provides that the Alternate Payee **ROSETTA VELAZQUEZ** is entitled to receive a distribution from the participant's Component I Voluntary Employee Contributions Account (the "Account") in the amount of 50% of the Account balance as of April 6, 2023;

WHEREAS, the Alternate Payee **ROSETTA VELAZQUEZ** IS entitled to receive a distribution from the Acc

WHEREAS, the EDRO provides that the Alternate Payee **ROSETTA VELAZQUEZ** is entitled to receive a distribution from the participant's Component II Annuity Savings Fund (the "Fund") in the amount of 50% of the Fund balance as of April 6, 2023;

WHEREAS, the Alternate Payee **ROSETTA VELAZQUEZ** **IS** entitled to receive a distribution from the Fund in the amount of 50% of the Fund balance as of April 6, 2023;

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, **RIGOBERTO**

VELAZQUEZ, and his counsel Robert J. Cassar, and Alternate Payee, **ROSETTA VELAZQUEZ**, and her counsel, Randall B. Pitler.

Yeas: Battle, Berent, James, McGinnis, Naglick, Patel, Pegg, Serifovski, Thomas, Trozak, and Gnatek,- Chairperson – 11

Nays: None

LOBBYISTS REPORT

- Ban of Weapons
- House Bill 4605
- VEBA Update

CHIEF INVESTMENT OFFICER’S REPORT

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

- Life Insurance Policy Dissolution

Re: Key Man Life Insurance Policy Dissolution

Trustee Pegg moved to approve the recommendation by the CIO to close out the key man insurance policy and collect the remaining cash surrender value of approximately \$57,000 for the President at the time of the Strategic Tech Group which was dissolved in 2005. Trustee Thomas supported. The motion passed unanimously.

PUBLIC RELATIONS REPORT

- Financial Times Media Inquiry
- Tesla News Article
- Media Training

PUBLIC COMMENTS

None

PRESENTATION – Wilshire

Representatives Steve DiGirolamo and Jacob McClelland discussed the following with the Board of Trustees:

Monthly Performance Summary

- Monthly Index Performance
- Actual Allocations vs. Policy Index
- Asset Allocation & Performance
- Commodities

Performance Estimate – October 30, 2023

- Performance estimate as of October 30, 2023

COMMITTEE REPORT

The Policy Committee will meet Thursday, November 9, 2023.

NEW BUSINESS/OLD BUSINESS

None

ADJOURNMENT

Trustee Pegg moved to adjourn. Trustee McGinnis supported.

Chairperson Gnatek adjourned meeting #3342 at 9:52 AM. The Board's next meeting is scheduled for Thursday, November 16, 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