

**POLICE AND FIRE RETIREMENT SYSTEM  
OF THE  
CITY OF DETROIT**

**MEETING NO. 3293  
Thursday, October 07, 2021  
9:00 A.M.**

**AGENDA**



**CHAIRPERSON: RONALD THOMAS  
VICE CHAIRPERSON: DEAN PINCHECK**

*"With advance notice of seven calendar days, the City of Detroit will provide interpreter services at public meetings, including language translation and reasonable ADA accommodations. Please contact the Civil Rights, Inclusion and Opportunity Department at [\(313\) 224-4950](tel:3132244950) through the TTY number 711, or e-mail [crio@detroitmi.gov](mailto:crio@detroitmi.gov) to schedule these services".*

*Questions regarding this notice may be sent to the LEP Coordinator in the CRIO Department by email at [crio@detroitmi.gov](mailto:crio@detroitmi.gov) or by phone at (313) 224-4950. Those interested in requesting interpretation or translation services for their department may also contact the LEP Coordinator for assistance in coordinating these services.*

Please silence cell phones and to ensure there are no distractions, refrain from personal phone calls/conversations during "open meeting." There is a lobby area to conduct personal business.

POLICE AND FIRE RETIREMENT SYSTEM OF THE CITY OF DETROIT  
MEETING NUMBER 3293– THURSDAY – OCTOBER 07, 2021

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ROLL CALL:

Excused:

AGENDA APPROVAL

RETIREMENT APPLICATIONS

RECEIPTS (ACKNOWLEDGE ONLY)

DISBURSEMENTS

REFUNDS (ANNUITY WITHDRAWALS)

EMPLOYEE LOANS

MINUTES FOR DISTRIBUTION: September 16, 2021

MINUTES FOR APPROVAL: September 02, 2021

ASSISTANT EXECUTIVE DIRECTOR'S REPORT

- Signature List
- DROP Proposal Steve Azoury
- DPOA Insurance Codes report request
- September 2021 Audit Update

EXECUTIVE DIRECTOR'S REPORT

- Gabriel Roeder Smith and Company Project List

CHIEF INVESTMENT OFFICER'S REPORT

PUBLIC COMMENT (3-minute time limit)

PUBLIC RELATIONS ADVISOR'S REPORT

LOBBYIST'S REPORT

GENERAL COUNSEL'S REPORT

- Legal Report

COMMITTEE REPORT

FOR REVIEW

**TABLED MOTIONS/DISCUSSIONS**

**PRESENTATION SCHEDULE**

**October 7, 2021**

10:00 A.M. -Valstone

10:30 A.M. – VEBA Deduction Issue (requested by Trustee Orzech)

11:00 A.M.

**October 21, 2021**

10:00 A.M. -T Rowe DROP Interview

10:20 A.M. – AIG DROP Interview

10:40 A.M.- Voya DROP Interview

**November 04, 2021**

10:00 A.M. – State Rep. Carter

10:30 A.M. -

11:00 A.M.

**RETIREMENT APPLICATIONS**

|                               |  |
|-------------------------------|--|
| NAME, TITLE, DEPARTMENT       | Tereasa E. Duncan – Police Sergeant - Police   |
| RETIREMENT TYPE-PLAN          | Drop - New                                     |
| SERVICE CREDIT-EFFECTIVE DATE | 17 09 01 – 09 30 21                            |
| NAME, TITLE, DEPARTMENT       | Tereasa E. Duncan – Police Lieutenant - Police |
| RETIREMENT TYPE-PLAN          | Hybrid - Drop                                  |
| SERVICE CREDIT-EFFECTIVE DATE | 07 03 00 – 09 30 21                            |
| NAME, TITLE, DEPARTMENT       | Bernard Goss, Jr. – Fire Fighter - Fire        |
| RETIREMENT TYPE-PLAN          | Vested - New                                   |
| SERVICE CREDIT-EFFECTIVE DATE | 15 11 04 – 09 01 21                            |
| NAME, TITLE, DEPARTMENT       | Bernard Goss, Jr. – Fire Fighter - Fire        |
| RETIREMENT TYPE-PLAN          | Hybrid - Service                               |
| SERVICE CREDIT-EFFECTIVE DATE | 02 04 00 – 09 01 21                            |
| NAME, TITLE, DEPARTMENT       | Tommy L. Jackson – Police Officer - Police     |
| RETIREMENT TYPE-PLAN          | Service - New                                  |
| SERVICE CREDIT-EFFECTIVE DATE | 13 08 02 – 09 27 21                            |
| NAME, TITLE, DEPARTMENT       | Von Jackson – Fire Engine Operator - Fire      |
| RETIREMENT TYPE-PLAN          | Drop - New                                     |
| SERVICE CREDIT-EFFECTIVE DATE | 17 09 08 – 09 23 21                            |
| NAME, TITLE, DEPARTMENT       | Von Jackson – Fire Engine Operator - Fire      |
| RETIREMENT TYPE-PLAN          | Hybrid - Drop                                  |
| SERVICE CREDIT-EFFECTIVE DATE | 07 03 00 – 09 23 21                            |
| NAME, TITLE, DEPARTMENT       | Joseph M. Machon - Police Sergeant - Police    |
| RETIREMENT TYPE-PLAN          | Drop - New                                     |
| SERVICE CREDIT-EFFECTIVE DATE | 17 09 01 – 09 30 21                            |

**RETIREMENT APPLICATIONS-continued**

|                               |  |
|-------------------------------|--|
| NAME, TITLE, DEPARTMENT       | Joel D. Moss – Fire Engine Operator - Fire |
| RETIREMENT TYPE-PLAN          | Drop - New                                 |
| SERVICE CREDIT-EFFECTIVE DATE | 18 04 19 – 08 24 21                        |

|                               |  |
|-------------------------------|--|
| NAME, TITLE, DEPARTMENT       | Joel D. Moss – Fire Engine Operator - Fire |
| RETIREMENT TYPE-PLAN          | Hybrid - Drop                              |
| SERVICE CREDIT-EFFECTIVE DATE | 07 02 00 – 08 24 21                        |

|                               |   |
|-------------------------------|---|
| NAME, TITLE, DEPARTMENT       | Jermaine D. Owens – Police Officer - Police |
| RETIREMENT TYPE-PLAN          | Drop – New                                  |
| SERVICE CREDIT-EFFECTIVE DATE | 13 04 05 – 10 01 21                         |

|                               |  |
|-------------------------------|--|
| NAME, TITLE, DEPARTMENT       | Rodney N. Sizemore – Police Lieutenant -<br>Police |
| RETIREMENT TYPE-PLAN          | Drop – New   |
| SERVICE CREDIT-EFFECTIVE DATE | 17 09 01 – 09 30 21                                |

|                               |  |
|-------------------------------|--|
| NAME, TITLE, DEPARTMENT       | Eric M. Smigielski – Police Officer - Police |
| RETIREMENT TYPE-PLAN          | Drop - New                                   |
| SERVICE CREDIT-EFFECTIVE DATE | 12 09 14 – 09 21 21                          |

POLICE AND FIRE MEETING SCHEDULE 2021

| <u>DATE</u>       |
|-------------------|
| October 7, 2021   |
| October 21, 2021  |
| November 4, 2021  |
| November 18, 2021 |
| December 2, 2021  |
| December 16, 2021 |

ALL BOARD MEETINGS ARE ON THURSDAY AND BEGIN AT 9:00 A.M. UNLESS NOTED

2021 MEETING SCHEDULE  
INVESTMENT COMMITTEE OF THE POLICE AND FIRE RETIREMENT SYSTEM

| <u>DAY</u> | <u>DATE</u>       | <u>LOCATION</u> |
|------------|-------------------|-----------------|
| Monday     | October 18, 2021  | Teleconference  |
| Monday     | December 13, 2021 | Conference Room |

\*ALL INVESTMENT COMMITTEE MEETINGS BEGIN AT 10:00 A.M. UNLESS NOTED DIFFERENTLY AND WILL BE IN THE BOARD CONFERENCE ROOM.

**FOCUS LIST - UNDERPERFORMERS -as of June 30, 2021 Wilshire Report**

**Ativo International Equity** -Non-US Equity Developed Markets. Underperformance in late 2019 and early 2020 caused longer-term relative performance negative and forced peer rankings lower. Ativo has seen a strong recovery throughout most of 2020 and 2021, outperforming the benchmark during the Second Quarter 2021, returning 7.12% and ranking near the top quartile relative to peers. Long-term relative performance still remains negative.

**Analytic**- Global Low Volatility Equity. Analytic's strategy has struggled to add value since early 2019; however, the manager has seen some recovery during the second-half of 2020 and first-half of 2021. Over the trailing one year, Analytic has outperformed the benchmark by over 4%, but longer-term relative performance remains negative.

**Penn Capital**- High Yield. PENN Capital's higher-quality, defensive-oriented high yield fixed income strategy has continued to struggle during the market recovery and rally during 2020 and 2021. As credit spreads continue to narrow and riskier segments of fixed income outperform, PENN Capital's more defensive approach has faced significant headwinds. Because of these headwinds, longer-term relative outperformance has deteriorated.

**FOCUS LIST- OUTPERFORMERS – as of June 30, 2021 Wilshire Report**

**Wells Capital Small Cap**- US Equity Small Cap Growth. Wells Capital had a strong Second Quarter 2021 and trailing one-year, outperforming the Russell 2000 Growth benchmark by 4.72% net of fees during the quarter. Over the trailing one-year, Wells returned 57.55%, outperforming the benchmark by 6.19% and ranking near the top 1/3 of peers.

**Johnston International Equity** -Non-US Equity Developed Markets. Johnston International Equity had another strong quarter, returning 8.12%, and outperforming the benchmark by 2.47%. Over the trailing one-year, Johnston's 43.50% return outpaced the benchmark by 9.90% and ranked in the top quartile relative to peers.

**Loomis Sayles Core Plus**- Core Fixed Income. Loomis Sayles' Core Plus strategy returned 2.08% during the quarter, outperforming the Bloomberg U.S. Aggregate Index, which was up 1.83%. Over the trailing one-year, where the index was down -0.34%, Loomis' strategy outperformed, returning 2.87% and ranking at the 14th percentile relative to peers. Loomis' opportunistic allocations to credit, including below investment grade and Non-U.S. added strong value during DPFRS' Fiscal Year.

**Xponance (formerly Piedmont)**- Core Fixed Income. Xponance, a diverse-owned investment manager, saw notable outperformance during the quarter and Fiscal Year. During the Second Quarter 2021, Piedmont returned 2.44%, outperforming the Bloomberg U.S. Aggregate Index, which was up 1.83%. Over the trailing one-year, Piedmont's 2.42% return, and 18th percentile ranking relative to peers, can be largely attributed to strong credit selection as credit spreads narrowed.

**COMMITTEES**

**FINANCE** – BERENT, JONES, MCLELLAN, NAGLICK, PEGG, ORZECZ AND WATSON

**JOINT PERSONNEL – PFRS:** NAGLICK, PEGG, SERDA AND THOMAS **GRS:** NICKLEBERRY, PERKINS, SHEEHAN, AND HALL-WAGNER

**POLICY** – BERENT, JAMES, JONES, PEGG AND PINCHECK

**PUBLIC RELATIONS** –BERENT, NAGLICK, PEGG AND EXECUTIVE STAFF: EXECUTIVE DIRECTOR DAVID CETLINSKI, ASSISTANT EXECUTIVE DIRECTOR KELLY TAPPER AND GENERAL COUNSEL RONALD KING