

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

**MEETING NO. 3317**

**THURSDAY OCTOBER 20, 2022**

**9:00 A.M.**

**AGENDA**



**CHAIRPERSON: DEAN PINCHECK  
VICE CHAIRPERSON: MATTHEW GNATEK**

*"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.

ROLL CALL:

Excused: Dean Pincheck

AGENDA APPROVAL

RETIREMENT APPLICATIONS

RECEIPTS (ACKNOWLEDGE ONLY)

DISBURSEMENTS

REFUNDS (ANNUITY WITHDRAWALS)

EMPLOYEE LOANS

MINUTES FOR DISTRIBUTION:

October 6, 2022

MINUTES FOR APPROVAL:

September 15, 2022

ASSISTANT EXECUTIVE DIRECTOR'S REPORT

- Audit Update – October 2022
- Code of Conduct Policy

EXECUTIVE DIRECTOR'S REPORT

INTERIM CHIEF INVESTMENT OFFICER'S REPORT

- CIO 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 20, 2022**

10:00 A.M. – Representative Tyrone Carter  
10:15 A.M. – Allspring Investment Overview  
11:00 A.M. –

**November 3, 2022**

10:00 A.M. –  
10:15 A.M. –  
11:00 A.M.

**November 17, 2022**

10:00 A.M. –  
10:15 A.M. –  
11:00 A.M.

**RETIREMENT APPLICATIONS**

NAME, TITLE, DEPARTMENT	Christopher Cole – Police Lieutenant - Police
RETIREMENT TYPE-PLAN	Service - New
SERVICE CREDIT-EFFECTIVE DATE	17 04 14 – 10 11 22

NAME, TITLE, DEPARTMENT	Tommy L. Jackson – Police Officer – SP PSY – SEN C - Police
RETIREMENT TYPE-PLAN	Hybrid – Vested
SERVICE CREDIT-EFFECTIVE DATE	07 03 00 – 09 06 22

NAME, TITLE, DEPARTMENT	Thomas M. Kozlowski – Police Officer - Police
RETIREMENT TYPE-PLAN	Service - New
SERVICE CREDIT-EFFECTIVE DATE	17 06 29 – 08 29 22

NAME, TITLE, DEPARTMENT	Thomas M. Kozlowski – Police Officer - Police
RETIREMENT TYPE-PLAN	Hybrid - Service
SERVICE CREDIT-EFFECTIVE DATE	08 02 00 – 08 29 22

NAME, TITLE, DEPARTMENT	Teresa S. Singleton – Fire R&D Asst – Capt - Fire
RETIREMENT TYPE-PLAN	Drop - New
SERVICE CREDIT-EFFECTIVE DATE	16 09 23 – 09 08 22

POLICE AND FIRE MEETING SCHEDULE 2021

DATE
October 20, 2022
November 3, 2022
November 17, 2022
December 1, 2022
December 15, 2022

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

2022 MEETING SCHEDULE  
INVESTMENT COMMITTEE OF THE POLICE AND FIRE RETIREMENT SYSTEM

DATE
October 24, 2022
December 12, 2022

\*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, 2022 Wilshire Report**

**Paradigm-** US Equity Large Cap Value. Paradigm's Large Cap Value strategy underperformed on the one quarter period returning -13.41% vs the benchmark of -12.21%, bringing their 3-year return below the benchmark, and the strategy below the peer universe median on a 3-year basis.

**Allspring-** Non-US Equity Small Cap Growth. Allspring's Non-U.S. Equity Small Cap Fund rebounded in 2Q 2022, bouncing back from the large underperformance in 1Q 2022. In 1Q 2022, the strategy struggled, when growth stocks underperformed value. During 2Q 2022, growth underperformed once again, but the strategy was able to add value.

**Ativo-** Non-US Equity Large Cap Growth. Ativo's International Equity strategy underperformed during 2Q 2022, returning -15.98% vs the benchmark of -13.73%. The strategy struggled during the quarter, while growth stocks underperformed value. This underperformance led the strategy to be below benchmark at the 3- and 5-year period, while also below the peer median on the same periods.

**Mondrian-** Non-US Equity Small Cap Value. Mondrian's Small Cap strategy performed well over 2Q 2022 as their philosophy favors value-oriented stocks. During 2Q 2022, Mondrian outperformed the benchmark, returning -15.65% versus -17.94%. Longer-term performance continues to be below the benchmark over 3 and 5 years.

**Allspring –** Global Low Volatility. Allspring's investment style and philosophy had struggled to outperform since early 2019 as growth stocks rapidly outperformed value stocks. Analytic began to see some performance recovery during 2021, which continued during 2022. Analytic outperformed the benchmark -8.36% versus -9.27% during the quarter. Longer term returns and peer comparisons are still below benchmark and median.

**Penn Capital –** High Yield Fixed Income. PENN Capital, a high-quality, defensive-oriented high yield investment manager in the DPFRS Portfolio, struggled during the market and credit rally during 2020 and 2021. Over 2Q 2022, they provided downside protection, as we would expect to see with their portfolio construction, given the rate environment, performing -9.35% vs the benchmark of -9.83%.

**FOCUS LIST- OUTPERFORMERS – as of June 30, 2022 Wilshire Report**

**Deroy & Devereaux-** US Equity All Cap Value. Deroy & Devereaux, a Diverse-Owned investment manager all cap value strategy in the U.S. Equity portfolio provided strong downside protection, returning -12.23%, vs. the benchmark of -12.41%. Relative to peers D&D performed in the 46th percentile this quarter, while, continuing to perform in the top 2 quartiles over the 3- and 5-year periods.

**Kennedy -**US Equity Small Cap Value, a small cap value strategy in the U.S. Equity portfolio provided strong downside protection, returning -13.71%, vs. the benchmark of -15.28%. Relative to peers Kennedy performed in the 21st percentile on the 3-year period, while continuing to perform in the top 2 quartiles over the 5- and 10-year periods.

**Lazard –** Emerging Markets, an emerging markets strategy in the Non-U.S. Equity portfolio provided strong downside protection, returning -8.82%, vs. the benchmark of -11.45%. Relative to peers Lazard

performed in the 8th percentile on the 1 quarter period, while continuing to perform in the top 2 quartiles over the 3- and 5-year periods.

**TT International Equity-** Non-US Equity Large Cap Value, an international equity strategy in the Non-U.S. Equity portfolio provided strong downside protection, returning -13.09%, vs. the benchmark of -14.66%. Relative to peers TT international performed in the 2nd percentile on the 3-year period, while continuing to perform in the top quartile over the 5 and 10 year periods.

## **COMMITTEES**

**FINANCE** – BERENT, NAGLICK, PEGG, ORZECH AND WATSON

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

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

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