

**MEETING NUMBER 3023**

JOURNAL OF PROCEEDINGS  
BOARD OF TRUSTEES OF THE POLICE AND FIRE RETIREMENT SYSTEM  
OF THE CITY OF DETROIT  
**HELD THURSDAY, JANUARY 22, 2015**  
9:00 A.M.

RETIREMENT SYSTEMS' CONFERENCE ROOM  
ONE DETROIT CENTER  
500 WOODWARD AVENUE  
30<sup>TH</sup> FLOOR  
DETROIT, MICHIGAN 48226



PRESENT

JUNE ADAMS	EX/OFFICIO TRUSTEE/ALTERNATE-CORPORATION COUNSEL
MARK DIAZ	ELECTED TRUSTEE/POLICE/CHAIRMAN
MATTHEW GNATEK	ELECTED TRUSTEE/POLICE
ANGELA R. JAMES	EX/OFFICIO TRUSTEE/POLICE/MAYORAL DESIGNEE
MICHAEL JAMISON	EX/OFFICIO TRUSTEE/DEPUTY FINANCE DIRECTOR
EDSEL JENKINS	EX/OFFICIO TRUSTEE/FIRE/MAYORAL DESIGNEE
BRENDA JONES	EX/OFFICIO TRUSTEE/CITY COUNCIL PRESIDENT
JOHN NAGLICK	EX/OFFICIO TRUSTEE/INTERIM TREASURER
SEAN P. NEARY	ELECTED TRUSTEE/FIRE
PORTIA ROBERSON	EX/OFFICIO TRUSTEE/ALTERNATE-MAYOR
JOHN SERDA	ELECTED TRUSTEE/POLICE
LOUIS M. SINAGRA	ELECTED RETIRANT TRUSTEE/POLICE

ALSO PRESENT

CYNTHIA A. THOMAS	EXECUTIVE DIRECTOR
DAVID CETLINSKI	ASSISTANT EXECUTIVE DIRECTOR
RYAN C. BIGELOW	INVESTMENT OFFICER
RONALD A. KING	INTERIM GENERAL COUNSEL
JANET S. LENEAR	RECORDING SECRETARY

EXCUSED

JEFFREY PEGG	ELECTED TRUSTEE/FIRE/VICE CHAIRMAN
PAMELA SCALES	EX/OFFICIO TRUSTEE/BUDGET DIRECTOR
MICHAEL A. SIMON	ELECTED RETIRANT TRUSTEE/FIRE
JOSEPH E. TURNER	GENERAL COUNSEL

ABSENT

NONE

CHAIRMAN

**MARK DIAZ**

VICE CHAIRMAN

**JEFFERY PEGG**

FOLLOWING A VERBAL ROLL CALL, CHAIRMAN **DIAZ** CONVENED THE MEETING AT **9:24 A.M.**

TRUSTEE **JENKINS** TEMPORARILY EXCUSED HIMSELF AT 9:24 A.M.

JANUARY 22, 2015 AGENDA

BY TRUSTEE GNATEK – SUPPORTED BY TRUSTEE SINAGRA

**RESOLVED**, THAT TODAY’S JANUARY 22, 2015 AGENDA BE APPROVED AS PREPARED AND SUBMITTED BY THE BOARD’S RECORDING SECRETARY:

YEAS – TRUSTEES ADAMS, GNATEK, NAGLICK, NEARY, ROBERSON, SERDA, SINAGRA AND CHAIRMAN DIAZ – 8

NAYS – NONE

DROP APPLICATIONS

BY TRUSTEE GNATEK – SUPPORTED BY TRUSTEE SERDA

**RESOLVED**, THAT THE DROP APPLICATIONS WHICH ARE DESIGNATED BELOW BE APPROVED:

DROP APPLICATIONS

NAME, TITLE, DEPARTMENT: JAMES ORTH – SERGEANT - POLICE  
RETIREMENT TYPE, PLAN: DROP - NEW  
SER. CR., EFF. DATE: 24 00 14 – 08 11 14

NAME, TITLE, DEPARTMENT: DANIEL SALKOWSKI – FIRE FIGHTER - FIRE  
RETIREMENT TYPE, PLAN: DROP - NEW  
SER. CR., EFF. DATE: 19 10 23 – 08 09 15

DROP APPLICATIONS - CONTINUED

DROP APPLICATIONS

NAME, TITLE, DEPARTMENT: ROBERT WOODS – SERGEANT - FIRE  
RETIREMENT TYPE, PLAN: DROP - NEW  
SER. CR., EFF. DATE: 24 08 22 – 10 31 14

NAME, TITLE, DEPARTMENT: DONALD JUNE – SERGEANT - FIRE  
RETIREMENT TYPE, PLAN: DROP - NEW  
SER. CR., EFF. DATE: 27 08 22 – 11 07 14

NAME, TITLE, DEPARTMENT: AUBREY WADE – OFFICER - POLICE  
RETIREMENT TYPE, PLAN: DROP - NEW  
SER. CR., EFF. DATE: 19 09 12 – 09 19 14

NAME, TITLE, DEPARTMENT: GREGORY BARRETT – OFFICER - POLICE  
RETIREMENT TYPE, PLAN: DROP - NEW  
SER. CR., EFF. DATE: 19 09 11 – 10 15 14

NAME, TITLE, DEPARTMENT: MARTIN STEFAN – SERGEANT - POLICE  
RETIREMENT TYPE, PLAN: DROP - NEW  
SER. CR., EFF. DATE: 24 00 00 – 09 23 14

NAME, TITLE, DEPARTMENT: FRANK CARROLL – SERGEANT - POLICE  
RETIREMENT TYPE, PLAN: DROP - NEW  
SER. CR., EFF. DATE: 23 11 17 – 09 02 14

NAME, TITLE, DEPARTMENT: DAVID DELBOSQUE – OFFICER - POLICE  
RETIREMENT TYPE, PLAN: DROP - NEW  
SER. CR., EFF. DATE: 20 00 00 – 09 19 14

YEAS – TRUSTEES ADAMS, GNATEK, NAGLICK, NEARY, ROBERSON, SERDA,  
SINAGRA AND CHAIRMAN DIAZ – 8

NAYS – NONE

INTERIM GENERAL COUNSEL **RONALD A. KING** ENTERED THE MEETING AT  
9:25 A.M.

RETIREMENT APPLICATIONS

BY TRUSTEE SINAGRA – SUPPORTED BY TRUSTEE GNATEK

**RESOLVED**, THAT THE RETIREMENT APPLICATIONS (NON-DUTY WIDOW AND CHILDREN) WHICH ARE REFERENCED BELOW BE APPROVED:

RETIREMENT APPLICATIONS

NAME, TITLE, DEPARTMENT: JOY TAYLOR – WIDOW OF DECEASED SIDNEY TAYLOR – OFFICER -  
POLICE  
RETIREMENT TYPE, PLAN: NON-DUTY, WIDOW - NEW  
SER. CR., EFF. DATE: 18 00 29 – 01 01 15

NAME, TITLE, DEPARTMENT: SKYE TAYLOR – CHILD OF DECEASED SIDNEY TAYLOR – OFFICER -  
POLICE  
RETIREMENT TYPE, PLAN: NON-DUTY, CHILD - NEW  
SER. CR., EFF. DATE: 18 00 29 – 01 01 15

NAME, TITLE, DEPARTMENT: SYDNEY TAYLOR – CHILD OF DECEASED SIDNEY TAYLOR – OFFICER -  
POLICE  
RETIREMENT TYPE, PLAN: NON-DUTY, CHILD - NEW  
SER. CR., EFF. DATE: 18 00 29 – 01 01 15

YEAS – TRUSTEES ADAMS, GNATEK, NAGLICK, NEARY, ROBERSON, SERDA,  
SINAGRA AND CHAIRMAN DIAZ – 8

NAYS – NONE

CLARK-JENSEN APPLICATIONS

BY TRUSTEE GNATEK – SUPPORTED BY TRUSTEE SINAGRA

**RESOLVED**, THAT THE CLARK-JENSEN APPLICATIONS WHICH ARE OUTLINED BELOW BE APPROVED:

CLARK-JENSEN APPLICATIONS

NAME, TITLE, DEPARTMENT: BARRY MARDIS - FIRE FIGHTER - FIRE  
RETIREMENT TYPE, PLAN: CONVERSION TO REDUCED DUTY - OLD  
SER. CR., EFF. DATE: 25 00 00 – 04 04 91  
BENEFICIARY DATE OF DEATH: 10 12 14  
DATE OF APPLICATION: 11 03 14

CLARK-JENSEN APPLICATIONS - CONTINUED

NAME, TITLE, DEPARTMENT: LOUIS MIODUSZEWSKI – SERGEANT - POLICE  
 RETIREMENT TYPE, PLAN: SERVICE - OLD  
 SER. CR., EFF. DATE: 25 10 08 – 07 05 77  
 BENEFICIARY DATE OF DEATH: 10 02 14  
 DATE OF APPLICATION: 10 17 14

NAME, TITLE, DEPARTMENT: JACK SHOEMAKER – INSPECTOR - POLICE  
 RETIREMENT TYPE, PLAN: REDUCED DUTY - OLD  
 SER. CR., EFF. DATE: 26 05 08 – 06 07 74  
 BENEFICIARY DATE OF DEATH: 10 14 14  
 DATE OF APPLICATION: 11 04 14

YEAS – TRUSTEES ADAMS, GNATEK, NAGLICK, NEARY, ROBERSON, SERDA,  
 SINAGRA AND CHAIRMAN DIAZ – 8

NAYS – NONE

INVESTMENT OFFICER **RYAN C. BIGELOW** ENTERED THE MEETING AT 9:26 A.M.

CONFIRMATIONS

BY TRUSTEE GNATEK – SUPPORTED BY TRUSTEE SINAGRA

**RESOLVED,** THAT THE RECEIPTS AND DISBURSEMENTS WHICH ARE  
 OUTLINED BELOW BE CONFIRMED:

The Police & Fire Retirement System of the City of Detroit			
Weekly Receipts & Disbursements			
1/5/15-1/16/15			
Meeting #3023			
January 22, 2015			
REMITTER / PAYEE NAME	WIRE DATE	DESCRIPTION	AMOUNT
<b>RECEIPTS-BNY</b>			
SAS Mortgage Trust	01/15/15	Distribution	1,622,750.00
TRG Growth Partnership (Cayman Offshore) II	01/06/15	Distribution	780,342.06
TRG Growth Partnership (Cayman Offshore) II	01/06/15	Distribution	482,512.61
Seastone Capital Partners II	01/06/15	Distribution	416,268.73
SAS Equity REIT	01/15/15	Distribution	312,500.00
MuniMae Holdings II	01/05/15	Distribution	246,758.00
TRG Growth Partnership (Cayman Offshore) II	01/06/15	Distribution	244,569.45
City of Detroit	01/09/15	Weekly Mandatory Employee Contribution	229,274.42
TRG Growth Partnership (Cayman Offshore) II	01/06/15	Distribution	190,763.49
First Independence Bank	01/15/15	Loan Deductions	133,684.38
SG Mortgage-Tuscan Park	01/14/15	Distribution	48,334.34
First Independence Bank	01/09/15	Loan Deductions	37,794.18
First Independence Bank	01/15/15	Cancelled Loan Application	15,000.00
City of Detroit	01/09/15	Weekly Annuity Contribution	4,887.41
		<b>TOTAL RECEIPTS</b>	<b>\$ 4,765,439.07</b>
<b>DISBURSEMENTS-BNY</b>			
Checkwrite	01/09/15	Legal Administrative & Misc Expenses	425,555.03
Annuity Refunds	01/14/15	Refund List #3565	179,149.81
Loan Program	01/09/15	Loan Funding Meeting No 3018	52,956.00
Loan Program	01/09/15	Loan Funding Meeting No 3021	50,515.00
Programmes	01/08/15	IT Staff Wages-12/2014	49,279.51
PricewaterhouseCoopers	01/09/15	Tax Bill-Taiwan	3,182.00
Office Expense Fund	01/08/15	Replenishment	2,488.24
		<b>TOTAL DISBURSEMENTS</b>	<b>\$ 763,125.59</b>

CONFIRMATIONS - CONTINUED

YEAS – TRUSTEES ADAMS, GNATEK, NAGLICK, NEARY, ROBERSON, SERDA,  
 SINAGRA AND CHAIRMAN DIAZ – 8

NAYS – NONE

MANAGEMENT FEES, LEGAL FEES AND ADMINISTRATIVE AND OTHER  
 EXPENSES

BY TRUSTEE GNATEK – SUPPORTED BY TRUSTEE NAGLICK

**WHEREAS,** THE BOARD HAS BEEN PRESENTED WITH A SCHEDULE OF  
 MANAGEMENT FEES, LEGAL FEES AND ADMINISTRATIVE AND OTHER  
 EXPENSES (SAID SCHEDULE IS REFERENCED BELOW, AND

**WHEREAS,** THE BOARD HAS BEEN REQUESTED TO APPROVE PAYMENT OF  
 SAID MANAGEMENT FEES, LEGAL FEES AND ADMINISTRATIVE AND OTHER  
 EXPENSES, THEREFORE BE IT

**RESOLVED,** THAT SUBJECT TO FINAL APPROVAL OF ALL TRANSACTION  
 DOCUMENTS BY THE BOARD’S INTERIM GENERAL COUNSEL AND SUBJECT  
 TO STAFF AUDIT, THE BOARD APPROVES PAYMENT OF SAID MANAGEMENT  
 FEES, LEGAL FEES AND ADMINISTRATIVE AND OTHER EXPENSES:

THE POLICE AND FIRE RETIREMENT SYSTEM OF THE CITY OF DETROIT  
 LIST OF DISBURSEMENTS FOR BOARD APPROVAL  
 FOR JANUARY 15, 2015

PAYEE	DATE	INVOICE NO	DESCRIPTION	AMOUNT
<b>MANAGEMENT FEES:</b>				
AMBASSADOR CAPITAL MANAGEMENT	1/9/2015	0036-1501	Management Fees: 4th Qtr. '14	\$9,943.47
NORTHPOINTE CAPITAL, LLC	1/7/2015	010715	Management Fees: 4th Qtr. '14	\$74,008.34
SMITH GRAHAM	12/31/2014	123114	Management Fees: 4th Qtr. '14	\$14,803.00
Subtotal				\$98,754.81
<b>LEGAL FEES:</b>				
COUZENS, LANSKY, FEALK, ELLIS P.C.	1/12/2015	87360	Book Cadillac through 1/9/15	\$5,236.40
KENNETH R. SASSE PLLC	1/12/2015	011215	Legal Fees for October and November 2014	\$8,375.00
Subtotal				\$13,611.40
<b>ADMINISTRATIVE EXPENSES:</b>				
ADP, INC	1/2/2015	447370417	Check Printing Services	\$8,121.62
FEDEX	1/7/2015	289910908	FedEx Mailings	\$19.53
IRON MOUNTAIN RECORDS MANAGEMENT	12/31/2014	LBC7861	Records Storage: 1/1/15-1/31/15	\$1,339.49
NEOFUNDS BY NEOPOST	1/1/2015	010115	Postage	\$1,000.00
Subtotal				\$10,480.64
<b>OTHER EXPENSES:</b>				
500 WOODWARD LLC	1/9/2015	010915	Parking: January-March 2015	\$6,855.00
ALEX BROWN REALTY	12/2/2014	12022014	DTIF Loan Servicing Fees for November 2014	\$1,354.40
ANGELA JAMES	1/7/2015	010715	Trustee Parking: 11/9/14-1/7/15	\$141.00
GLC ADVISORS & CO.,LLC	11/20/2014		Quarterly Advisory Fees (January-November 2014) Invoice #2014-506	\$50,390.23
REGINALD E. ONEAL	12/3/2014	120314	Medical Examinations: 12/2/14-12/3/14	\$190.00
STAR INSURANCE COMPANY	12/30/2014	123014	Workers Compensation- Additional Premium	\$25.50
Subtotal				\$58,956.13
<b>Total Disbursements for Board Approval</b>				<b>\$181,802.98</b>

POLICE AND FIRE RETIREMENT SYSTEM OF THE CITY OF DETROIT  
 MEETING NUMBER 3023 – THURSDAY – JANUARY 22, 2015

MANAGEMENT FEES, LEGAL FEES AND ADMINISTRATIVE AND OTHER EXPENSES - CONTINUED

THE POLICE AND FIRE RETIREMENT SYSTEM OF THE CITY OF DETROIT  
 LIST OF DISBURSEMENTS FOR BOARD APPROVAL  
 FOR JANUARY 22, 2015

PAYEE	DATE	INVOICE NO	DESCRIPTION	AMOUNT
<b>MANAGEMENT FEES:</b>				
ATIVO CAPITAL	12/31/2014	1410	Management Fees: 4th Qtr. '14	\$32,376.88
PARADIGM ASSET MANAGEMENT CO., LLC	1/15/2015	011515	Management Fees: 4th Qtr. '14	\$42,738.29
Subtotal				\$75,115.17
<b>LEGAL FEES:</b>				
COUZENS, LANSKY, FEALK, ELLIS P.C.	1/19/2015	87725	Book Cadillac through 1/16/15	\$6,649.45
KLAUSNER & KAUFMAN	12/31/2014	16414	PFRS Legal Services Rendered through 12/31/14	\$5,256.69
PEPPER HAMILTON, LLP	1/16/2015	10909104	Rivers Casino: 12/1/14-12/31/14	\$1,900.00
RACINE & ASSOCIATES	1/15/2015	11803	Paramount: 12/1/14-12/31/14	\$7,856.57
Subtotal				\$21,662.71
<b>ADMINISTRATIVE EXPENSES:</b>				
FEDEX	1/14/2015	290580879	FedEx Mailings	\$44.88
IRON MOUNTAIN	12/31/2014	200513382	Storage CDs: December 2014	\$573.72
STAFF WAGES	1/19/2015		Contractual Staff: 12/15/14-1/19/14	\$43,841.34
VERIZON WIRELESS	1/4/2015	9738328799	Trustee Wireless: 12/5/14-1/4/15	\$529.63
VERIZON WIRELESS	1/4/2015	9738328798	Trustee Wireless: 12/5/14-1/4/14	\$543.20
Subtotal				\$45,532.77
<b>OTHER EXPENSES:</b>				
CITY OF DETROIT TREASURY DIVISION	1/8/2015		PFRS 7850 E. Jefferson Corp. - 2014 Winter Tax Bill	\$1,525.61
GREENHILL & CO., LLC	12/19/2014		Transaction Fee & Out of Pocket Expenses - Restructuring	\$1,523,229.00
TELSYSTEMS	11/25/2014	00265219	Computer Equipment and Installation	\$886.50
Subtotal				\$1,525,641.11
<b>Total Disbursements for Board Approval</b>				<b>\$1,667,951.76</b>

YEAS – TRUSTEES ADAMS, GNATEK, NAGLICK, NEARY, ROBERSON, SERDA,  
 SINAGRA AND CHAIRMAN DIAZ – 8

NAYS – NONE

TRUSTEE **JENKINS** RETURNED TO THE MEETING AT 9:28 A.M.

REFUNDS OF ACCUMULATED CONTRIBUTIONS

BY TRUSTEE GNATEK – SUPPORTED BY TRUSTEE NEARY

**RESOLVED**, THAT THE CONTRIBUTIONS TO THE ANNUITY SAVINGS FUND BY MEMBERS OF THE POLICE AND FIRE RETIREMENT SYSTEM OF THE CITY OF DETROIT, AS SET FORTH ON LIST **#3566**, IN THE AMOUNT OF **\$818,898.64**, INCLUDING INTEREST, BE REFUNDED PENDING AUDIT BY RETIREMENT SYSTEM ACCOUNTING STAFF, AND BE IT FURTHER

**RESOLVED**, THAT THE CONTRIBUTIONS TO THE ANNUITY SAVINGS FUND BY MEMBERS OF THE POLICE AND FIRE RETIREMENT SYSTEM OF THE CITY OF DETROIT, AS SET FORTH ON LIST **#3567**, IN THE AMOUNT OF **\$275,662.77**, INCLUDING INTEREST, BE REFUNDED PENDING AUDIT BY RETIREMENT SYSTEM ACCOUNTING STAFF:

YEAS – TRUSTEES ADAMS, GNATEK, JENKINS, NAGLICK, NEARY, ROBERSON,  
SERDA, SINAGRA AND CHAIRMAN DIAZ – 9

NAYS – NONE

1974 DEFINED CONTRIBUTION PLAN (EMPLOYEE LOAN PROGRAM)

BY TRUSTEE GNATEK – SUPPORTED BY TRUSTEE SINAGRA

**RESOLVED**, THAT THE **1974** DEFINED CONTRIBUTION PLAN LOAN REQUEST LISTS SUBMITTED THIS DATE BE APPROVED AND THE AMOUNTS OF **\$28,717.00** AND **\$49,110.00** BE DISBURSED PENDING AUDIT BY RETIREMENT SYSTEM ACCOUNTING STAFF:

YEAS – TRUSTEES ADAMS, GNATEK, JENKINS, NAGLICK, NEARY, ROBERSON,  
SERDA, SINAGRA AND CHAIRMAN DIAZ – 9

NAYS – NONE



MINUTES OF DECEMBER 18, 2014

BY TRUSTEE SINAGRA – SUPPORTED BY TRUSTEE ROBERSON

**RESOLVED**, THAT THE MINUTES OF THE MEETING HELD THURSDAY, DECEMBER 18, 2014 BE APPROVED AS RECORDED AND SUBMITTED BY THE BOARD'S RECORDING SECRETARY:

YEAS – TRUSTEES ADAMS, GNATEK, JENKINS, NAGLICK, NEARY,  
ROBERSON, SERDA, SINAGRA AND CHAIRMAN DIAZ – 9

NAYS – NONE

ASSISTANT EXECUTIVE DIRECTOR'S REPORTS

ASSISTANT EXECUTIVE DIRECTOR **DAVID CETLINSKI** INFORMED THE BOARD THAT THE SYSTEM'S NEXT TWO INVESTMENT COMMITTEE MEETINGS WILL BE HELD ON FEBRUARY 16, 2015 (TENTATIVE) AND MARCH 16, 2015 (TENTATIVE).

TRUSTEE **BRENDA JONES** ENTERED THE MEETING AT 9:30 A.M.

TRUSTEES **ANGELA JAMES** AND **MICHAEL JAMISON** ENTERED THE MEETING AT 9:37 A.M.

PFRS COMMITTEES

BY TRUSTEE GNATEK – SUPPORTED BY TRUSTEE NEARY

**WHEREAS**, TRUSTEE **GEORGE ORZECH** IS RETIRING, EFFECTIVE FEBRUARY 1, 2015, THEREFORE BE IT

**RESOLVED**, THAT THE BOARD HEREBY DESIGNATES TRUSTEE **JUNE ADAMS** TO REPLACE TRUSTEE **ORZECH** AS ONE OF THE MEMBERS OF THE BOARD'S INVESTMENT ROUNDTABLE COMMITTEE, AND BE IT FURTHER

**RESOLVED**, THAT TRUSTEE **JEFF PEGG** REPLACE TRUSTEE **ORZECH** AS ONE OF THE MEMBERS OF THE BOARD'S IT COMMITTEE:

YEAS – TRUSTEES ADAMS, GNATEK, JAMES, JAMISON, JENKINS, JONES, NAGLICK, NEARY,  
ROBERSON, SERDA, SINAGRA AND CHAIRMAN DIAZ - 12

NAYS – NONE

POLICE AND FIRE RETIREMENT SYSTEM 2015 POLICE RETIRANT SPECIAL ELECTION

TRUSTEE **LOUIS SINAGRA** PRESENTED THE BOARD'S ASSISTANT EXECUTIVE DIRECTOR WITH A LETTER WHEREIN HE DECLARES HIS INTENT TO RUN FOR RETIRANT TRUSTEE IN THE SYSTEM'S 2015 POLICE RETIRANT SPECIAL ELECTION.

JANUARY 16, 2015 PFRS INVESTMENT COMMITTEE MEETING

**MR. CETLINSKI** INFORMED THE BOARD THAT THE SYSTEM'S FIRST INVESTMENT COMMITTEE MEETING WAS VERY INFORMATIVE.

EXECUTIVE DIRECTOR'S REPORTS

EXECUTIVE DIRECTOR **CYNTHIA A. THOMAS** HAD NOTHING TO REPORT.

INVESTMENT OFFICER'S REPORTS

INVESTMENT OFFICER **RYAN C. BIGELOW** DISCUSSED THE SYSTEM'S SUMMARY ASSET ALLOCATION (BLACK AND BLUE) REPORT AS OF DECEMBER 31, 2014; AMERICAN REALTY ADVISORS; VALSTONE PARTNERS; HARVEST ADVISORS; AND 7860/7870 E. JEFFERSON AVENUE CORPORATION AT LENGTH.

AMERICAN REALTY ADVISORS/AMERICAN EXPRESS CENTER OFFICE AND DATA CENTER BUILDINGS IN PHOENIX, ARIZONA

BY TRUSTEE GNATEK – SUPPORTED BY TRUSTEE NAGLICK

**WHEREAS**, American Realty Advisors ("ARA") has prepared a memorandum seeking approval to market and sell the American Express Center office and data center buildings in Phoenix, Arizona, and

**WHEREAS**, the memorandum was presented to the Board by the Board's Chief Investment Officer who recommended approval of the proposal, and

**WHEREAS**, this matter has been discussed in open session, therefore be it

**RESOLVED**, that the Board approves the proposal of ARA and authorizes ARA to proceed as set forth in the memorandum, and be it further

AMERICAN REALTY ADVISORS/AMERICAN EXPRESS CENTER OFFICE AND  
DATA CENTER BUILDINGS IN PHOENIX, ARIZONA - CONTINUED

**RESOLVED**, that a copy of this resolution shall be provided to ARA:

Yeas – Trustees Adams, Gnatek, James, Jamison, Jenkins, Jones, Naglick,  
Neary, Roberson, Serda, Sinagra and Chairman Diaz – 12

Nays – None

RESOLUTION AMENDING ARA INVESTMENT ADVISORY AND ASSET  
MANAGEMENT AGREEMENT

BY TRUSTEE GNATEK – SUPPORTED BY TRUSTEE ADAMS

**WHEREAS**, the Board has previously considered the matter of permitting American Realty Advisors (“ARA”) to perform certain accounting and tax preparation functions with respect to various properties under ARA management, and

**WHEREAS**, the Board desires to retain ARA to perform these functions, and

**WHEREAS**, the Board has been provided a copy of an Amendment to Real Estate Investment Advisory and Asset Management Agreement which reflects the proposed additional role of ARA, and

**WHEREAS**, the Amendment has been reviewed and approved by Special Counsel, and

**WHEREAS**, this matter has been discussed in open session, therefore be it

**RESOLVED**, that the Board approves the proposed Amendment and authorizes its execution, and be it further

**RESOLVED**, that a copy of this resolution shall be provided to ARA:

Yeas – Trustees Adams, Gnatek, James, Jamison, Jenkins, Jones, Naglick,  
Neary, Roberson, Serda, Sinagra and Chairman Diaz – 12

Nays – None

VALSTONE OPPORTUNITY FUND III, LLC AND VALSTONE OPPORTUNITY FUND III-AIV I, LLC (INDIVIDUALLY AND COLLECTIVELY, THE "FUND")

BY TRUSTEE GNATEK – SUPPORTED BY TRUSTEE SINAGRA

**WHEREAS,** THE BOARD IS IN RECEIPT OF A LETTER FROM VALSTONE PARTNERS DATED DECEMBER 18, 2014 WHEREIN VALSTONE PARTNERS HAS REQUESTED THAT THE BOARD CONSENT TO AN EXTENSION OF THE DISSOLUTION DATE OF VOF III UNTIL JANUARY 27, 2016, AND

**WHEREAS,** THE BOARD HAS BEEN ADVISED BY THE BOARD'S INVESTMENT OFFICER AND DISCUSSED THIS MATTER WITH INTERIM GENERAL COUNSEL THIS DATE, THEREFORE BE IT

**RESOLVED,** THAT SUBJECT TO A WRITTEN RECOMMENDATION FROM THE BOARD'S REAL ESTATE CONSULTANT, THE REQUEST OF VALSTONE PARTNERS THAT THE BOARD APPROVE THE EXTENSION OF THE DISSOLUTION DATE OF VOF III UNTIL JANUARY 27, 2016 IS GRANTED, AND BE IT FURTHER

**RESOLVED,** THAT THE "JOINT CONSENT OF MANAGER AND MAJORITY INTEREST OF MEMBERS" BE EXECUTED BY THE APPROPRIATE PARTIES, AND BE IT FURTHER

**RESOLVED,** THAT THE EXECUTED ORIGINAL DOCUMENT BE FORWARDED TO THE APPROPRIATE PARTY, AND BE IT FURTHER

**RESOLVED,** THAT RETIREMENT SYSTEM ACCOUNTING STAFF RETAIN A COPY OF SAID EXECUTED ORIGINAL DOCUMENT:

YEAS – TRUSTEES ADAMS, GNATEK, JAMES, JAMISON, JENKINS, JONES,  
NAGLICK, NEARY, ROBERSON, SERDA, SINAGRA AND CHAIRMAN  
DIAZ – 12

NAYS – NONE

HARVEST FUND ADVISORS - CONSENT TO ASSIGNMENT OF ADVISORY AGREEMENT

BY TRUSTEE JAMISON – SUPPORTED BY TRUSTEE GNATEK

**WHEREAS**, the Board has received and considered correspondence dated December 30, 2014 from Harvest Fund Advisors, LLC seeking a request for a consent to the assignment of its investment advisory agreement for the reasons set forth in the correspondence, and

**WHEREAS**, the Board has considered this matter and consent to the assignment, and

**WHEREAS**, this matter has been discussed in open session, therefore be it

**RESOLVED**, that the Board consents to the assignment of the Harvest Fund Advisors, LLC investment advisory agreement for the reason set forth in the December 30, 2014 correspondence, and be it further

**RESOLVED**, that a copy of this resolution shall be provided to Harvest Fund Advisors, LLC:

YEAS – TRUSTEES ADAMS, GNATEK, JAMES, JAMISON, JENKINS, JONES,  
NAGLICK, NEARY, ROBERSON, SERDA, SINAGRA AND CHAIRMAN  
DIAZ – 12

NAYS – NONE

RESOLUTION ACCEPTING REVISED LETTER OF INTENT FOR 7860-7870 E.  
JEFFERSON AVENUE, DETROIT, MICHIGAN

BY TRUSTEE NEARY – SUPPORTED BY TRUSTEE GNATEK

**WHEREAS**, the Board is in receipt of a January 9, 2015 Revised Letter of Intent (“RLOI”) from Robert S. Storen related to the sale of 7860-7870 E. Jefferson Avenue, Detroit, Michigan, and

**WHEREAS**, the RLOI was presented to the Board by the Board’s Investment Officer who recommended acceptance of said letter, and

**WHEREAS**, this matter has been discussed in open session, therefore be it

RESOLUTION ACCEPTING REVISED LETTER OF INTENT FOR 7860-7870 E.  
JEFFERSON AVENUE, DETROIT, MICHIGAN - CONTINUED

**RESOLVED**, that the Board accepts the RLOI, and be it further

**RESOLVED**, that a copy of this resolution be provided to Robert S. Storen:

YEAS – TRUSTEES ADAMS, GNATEK, JAMES, JAMISON, JENKINS, JONES,  
NAGLICK, NEARY, ROBERSON, SERDA, SINAGRA AND CHAIRMAN  
DIAZ – 12

NAYS – NONE

PUBLIC RELATIONS ADVISOR'S REPORTS

PUBLIC RELATIONS ADVISOR **BRUCE BABIARZ** DISCUSSED POST CHAPTER 9  
BANKRUPTCY MATTERS.

LOBBYIST'S REPORTS

LOBBYIST **OSCAR W. KING, III** PROVIDED THE BOARD WITH A STATUS  
UPDATE, RE: THE MICHIGAN LEGISLATURE.

ADP

IT SUPERVISOR **DENNIS LINET** DISCUSSED ADP'S PAYCARD PROPOSAL  
(CALLED "ALINE") AT LENGTH. ALINE WOULD AID UNBANKED RETIREES SO  
THAT THEY WOULD NOT BE SUBJECT TO CHECK CASHING FEES AND HAVE  
THE BENEFITS OF A DEBIT CARD WITHOUT REQUIRING A BANK ACCOUNT.

RESOLUTION REGARDING ADP PAYCARD SOLUTION

BY TRUSTEE JAMISON – SUPPORTED BY TRUSTEE JONES

**WHEREAS**, the Board is in receipt of a Memorandum dated December 17,  
2014 from IT Supervisor Dennis Linet setting forth a proposal from ADP to  
furnish Paycards to unbanked members (retirees) if they so desire, and

**WHEREAS**, Mr. Linet presented the Memorandum to the Board and responded  
to questions from trustees, and

**WHEREAS**, this matter has been discussed in open session, therefore be it

RESOLUTION REGARDING ADP PAYCARD SOLUTION - CONTINUED

**RESOLVED**, that the Board adopts the proposal as set forth in the December 17, 2014 Memorandum subject to the limitations set forth on the record and authorizes Mr. Linet to proceed as discussed in open session, and be it further

**RESOLVED**, that a copy of this resolution shall be provided to the Executive Director and Mr. Linet:

YEAS – TRUSTEES ADAMS, GNATEK, JAMES, JAMISON, JENKINS, JONES,  
NAGLICK, NEARY, ROBERSON, SERDA, SINAGRA AND CHAIRMAN  
DIAZ – 12

NAYS – NONE

RECESS

THE BOARD RECESSED FROM 10:40 A.M. UNTIL 10:58 A.M.

**MICHAEL HALL** (CITY OF DETROIT'S HUMAN RESOURCES/LABOR RELATIONS) ENTERED THE MEETING (AT 10:59 A.M.) TO DISCUSS A MATTER THAT WARRANTED THE BOARD ENTERING INTO CLOSED SESSION.

CLOSED SESSION

BY TRUSTEE JONES – SUPPORTED BY TRUSTEE ADAMS

**RESOLVED**, THAT THE BOARD ENTER INTO CLOSED SESSION FOR THE PURPOSE OF DISCUSSING A PUBLIC ANNOUNCEMENT THAT HONORABLE MAYOR MIKE DUGGAN WILL MAKE ON MONDAY, JANUARY 26, 2015:

A ROLL CALL VOTE WAS TAKEN AS FOLLOWS:

YEAS – TRUSTEES ADAMS, GNATEK, JAMES, JAMISON, JENKINS, JONES,  
NAGLICK, NEARY, ROBERSON, SERDA, SINAGRA AND CHAIRMAN  
DIAZ – 12

NAYS – NONE

CLOSED SESSION – CONTINUED

THE BOARD ENTERED INTO CLOSED SESSION AT **11:00 A.M.**

OPEN SESSION

BY TRUSTEE JONES – SUPPORTED BY TRUSTEE JAMISON

**RESOLVED**, THAT THE BOARD RETURN TO OPEN SESSION:

A ROLL CALL VOTE WAS TAKEN AS FOLLOWS:

YEAS – TRUSTEES ADAMS, GNATEK, JAMES, JAMISON, JENKINS, JONES,  
NAGLICK, NEARY, ROBERSON, SERDA, SINAGRA AND CHAIRMAN  
DIAZ – 12

NAYS – NONE

THE BOARD RETURNED TO OPEN SESSION AT **11:12 A.M.**

RECESS

THE BOARD RECESSED FROM 11:12 A.M. UNTIL 11:17 A.M.

INTERIM GENERAL COUNSEL’S REPORTS

INTERIM GENERAL COUNSEL **RONALD A. KING** ASKED THE BOARD TO ENTER INTO CLOSED SESSION FOR THE PURPOSE OF DISCUSSING PENDING LITIGATION AND POST-CHAPTER 9 BANKRUPTCY MATTERS.

CLOSED SESSION

BY TRUSTEE GNATEK – SUPPORTED BY TRUSTEE SERDA

**RESOLVED**, THAT THE BOARD ENTER INTO CLOSED SESSION FOR THE PURPOSE OF DISCUSSING PENDING LITIGATION AND POST-CHAPTER 9 BANKRUPTCY MATTERS.

A ROLL CALL VOTE WAS TAKEN AS FOLLOWS:



CLOSED SESSION - CONTINUED

YEAS – TRUSTEES ADAMS, GNATEK, JAMES, JAMISON, JENKINS, JONES,  
NAGLICK, NEARY, ROBERSON, SERDA, SINAGRA AND CHAIRMAN  
DIAZ – 12

NAYS – NONE

THE BOARD ENTERED INTO CLOSED SESSION AT **11:20 A.M.**

OPEN SESSION

BY TRUSTEE ADAMS – SUPPORTED BY TRUSTEE NEARY

**RESOLVED**, THAT THE BOARD RETURN TO OPEN SESSION:

A ROLL CALL VOTE WAS TAKEN AS FOLLOWS:

YEAS – TRUSTEES ADAMS, GNATEK, JAMES, JAMISON, JENKINS, JONES,  
NAGLICK, NEARY, ROBERSON, SERDA, SINAGRA AND CHAIRMAN  
DIAZ – 12

NAYS – NONE

THE BOARD RETURNED TO OPEN SESSION AT **11:35 A.M.**

INTERIM GENERAL COUNSEL’S REPORTS – CONTINUED

**MR. KING** ASKED THE BOARD TO ADOPT THE BELOW-REFERENCED RESOLUTION:

ICG-REA MANAGER, LLC AND ICG LEASEBACK FUND I, LLC VERSUS THE POLICE  
AND FIRE RETIREMENT SYSTEM OF THE CITY OF DETROIT

BY TRUSTEE ROBERSON – SUPPORTED BY TRUSTEE SERDA

**WHEREAS**, THE BOARD HAS REVIEWED SPECIAL COUNSEL’S CONFIDENTIAL  
MEMORANDUM DATED JANUARY 19, 2015, THEREFORE BE IT

**RESOLVED**, THAT THE BOARD APPROVES THE RECOMMENDATION OF SPECIAL  
COUNSEL AND AUTHORIZES SPECIAL COUNSEL TO PROCEED AS SET FORTH  
IN SPECIAL COUNSEL’S JANUARY 19, 2015 CONFIDENTIAL MEMORANDUM,  
AND BE IT FURTHER

ICG-REA MANAGER, LLC AND ICG LEASEBACK FUND I, LLC VERSUS THE POLICE  
AND FIRE RETIREMENT SYSTEM OF THE CITY OF DETROIT - CONTINUED

**RESOLVED**, THAT A COPY OF THIS RESOLUTION BE FORWARDED TO SPECIAL COUNSEL:

YEAS – TRUSTEES ADAMS, GNATEK, JAMES, JAMISON, JENKINS, JONES,  
NAGLICK, NEARY, ROBERSON, SERDA, SINAGRA AND CHAIRMAN  
DIAZ – 12

NAYS – NONE

PFRS LEGAL REVIEW COMMITTEE

TRUSTEE **SERDA** INFORMED THE BOARD THAT THE BOARD’S LEGAL REVIEW COMMITTEE MET ON JANUARY 15, 2015 AND THE FOLLOWING MATTERS WERE DISCUSSED/ADDRESSED:

GENERAL COUNSEL RFP

INTERIM GENERAL COUNSEL DESIGNATION

GENERAL COUNSEL SEARCH FIRM DESIGNATION

PFRS JUNE 8, 2006 RESOLUTION, RE; ASSIGNMENTS TO SPECIAL  
LEGAL COUNSEL

RESOLUTION TO AMEND CERTAIN RESOLUTION OF MEETING NUMBER 2579  
DATED JUNE 8, 2006

BY TRUSTEE JAMES – SUPPORTED BY TRUSTEE SERDA

**WHEREAS**, the Board has considered a proposed amendment to a resolution related to Special Legal Counsel’s Assignments made at the Board’s June 8, 2006 Board meeting, and

**WHEREAS**, the Board desires to strike the 2<sup>nd</sup> full paragraph on page 28 of the meeting minutes from the June 8, 2006 Board meeting, and

**WHEREAS**, this matter has been discussed in open session, therefore be it

**RESOLVED**, that the resolution related to Special Legal Counsel’s Assignments is amended such that the 2<sup>nd</sup> full paragraph on page 28 of the meeting

RESOLUTION TO AMEND CERTAIN RESOLUTION OF MEETING NUMBER 2579  
DATED JUNE 8, 2006 - CONTINUED

Minutes from the June 8, 2006 Board meeting is hereby deleted in its entirety:

YEAS – TRUSTEES ADAMS, GNATEK, JAMES, JAMISON, JENKINS, JONES,  
NAGLICK, NEARY, ROBERSON, SERDA, SINAGRA AND CHAIRMAN  
DIAZ – 12

NAYS – NONE

RESOLUTION APPROVING RFP FOR GENERAL COUNSEL

BY TRUSTEE GNATEK – SUPPORTED BY TRUSTEE SERDA

**WHEREAS**, the Board has considered a report from the Legal Review Committee and reviewed and discussed a draft Request for Proposal (“RFP”) for General Counsel, and

**WHEREAS**, the Board approves the RFP subject to the modifications discussed and approved by the Board (i.e., removal of the last paragraph on page one; and removal of the words “which are generally held weekly” from the first paragraph on page two), and

**WHEREAS**, this matter has been discussed in open session, therefore be it

**RESOLVED**, that the Board approves the form of the RFP subject to the agreed upon modifications and approves moving forward with the RFP process, and be it further resolved that a copy of this resolution shall be provided to David Cetlinski, Assistant Executive Director:

Yeas – Trustees Adams, Gnatek, James, Jamison, Jenkins, Jones, Naglick,  
Neary, Roberson, Serda, Sinagra and Chairman Diaz – 12

Nays – None

RESOLUTION APPOINTING INTERIM GENERAL COUNSEL

BY TRUSTEE ROBERSON – SUPPORTED BY TRUSTEE GNATEK

**WHEREAS**, the Board has considered a report from the Legal Review Committee, and

RESOLUTION APPOINTING INTERIM GENERAL COUNSEL - CONTINUED

**WHEREAS**, the Board desires to appoint an Interim General Counsel until such time as a General Counsel is appointed, and

**WHEREAS**, this matter has been discussed in open session, therefore be it

**RESOLVED**, that the Board appoints **Ronald A. King** to serve as Interim General Counsel on a month-to-month basis until such time as a General Counsel is appointed or the Board takes other action on this matter, and be it further

**RESOLVED**, that a copy of this resolution shall be provided to **Ronald A. King**:

Yeas – Trustees Adams, Gnatek, James, Jamison, Jenkins, Jones, Naglick, Neary, Roberson, Serda, Sinagra and Chairman Diaz – 12

Nays – None

PFRS LEGAL REVIEW COMMITTEE

BY TRUSTEE GNATEK – SUPPORTED BY TRUSTEE JAMISON

**WHEREAS**, on November 20, 2014, under separate resolution, the Board established its Legal Review Committee, and

**WHEREAS**, **Rebecca S. Sorensen** and **Woodrow S. Tyler**, two members of the System’s Investment Committee, have petitioned the Board to be appointed to the Board’s Legal Review Committee, and

**WHEREAS**, this matter was discussed in open session, **THEREFORE BE IT**

**RESOLVED**, that the Board hereby appoints **Rebecca S. Sorensen** and **Woodrow S. Tyler** as members of the Board’s Legal Review Committee, and be it further

**RESOLVED**, that a copy of this resolution be provided to **Rebecca S. Sorensen**, **Woodrow S. Tyler**, and all special counsel:

Yeas – Trustees Adams, Gnatek, James, Jamison, Jenkins, Jones, Naglick, Neary, Roberson, Serda, Sinagra and Chairman Diaz – 12

Nays – None

PUBLIC FORUM

AT **12:25 P.M.**, CHAIRMAN **DIAZ** DECLARED THE MEETING IN OPEN FORUM FOR GENERAL DISCUSSION BY THE PUBLIC ATTENDING THE MEETING.

ADJOURNMENT

THERE BEING NO FURTHER BUSINESS BEFORE THE BOARD, CHAIRMAN **DIAZ** ADJOURNED THE MEETING AT **12:26 P.M.** UNTIL THURSDAY, **FEBRUARY 5, 2015**, AT **9:00 A.M.**, IN THE CONFERENCE ROOM OF THE RETIREMENT SYSTEMS, ONE DETROIT CENTER, 500 WOODWARD AVENUE, 30<sup>TH</sup> FLOOR, DETROIT, MICHIGAN 48226.

RESPECTFULLY SUBMITTED,

A handwritten signature in black ink, appearing to read "David Cetlinski". The signature is written in a cursive, flowing style.

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DAVID CETLINSKI, ASSISTANT EXECUTIVE DIRECTOR