

**MEETING NUMBER 3033**

JOURNAL OF PROCEEDINGS  
BOARD OF TRUSTEES OF THE POLICE AND FIRE RETIREMENT SYSTEM  
OF THE CITY OF DETROIT  
**HELD THURSDAY, APRIL 2, 2015**  
9:00 A.M.

IN THE CONFERENCE ROOM OF THE RETIREMENT SYSTEMS  
ONE DETROIT CENTER  
500 WOODWARD AVENUE  
30<sup>TH</sup> FLOOR (SUITE 3000)  
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
BRENDA JONES	EX/OFFICIO TRUSTEE/CITY COUNCIL PRESIDENT
JOHN NAGLICK	EX/OFFICIO TRUSTEE/INTERIM TREASURER
JEFFREY PEGG	ELECTED TRUSTEE/FIRE/VICE CHAIRMAN
PORTIA ROBERSON	EX/OFFICIO TRUSTEE/ALTERNATE-HONORABLE MAYOR
PAMELA SCALES	EX/OFFICIO TRUSTEE/BUDGET DIRECTOR
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
REGINALD O'NEAL	MEDICAL DIRECTOR

EXCUSED

EDSEL JENKINS	EX/OFFICIO TRUSTEE/FIRE/MAYORAL DESIGNEE
SEAN P. NEARY	ELECTED TRUSTEE/FIRE
MICHAEL A. SIMON	ELECTED RETIRANT TRUSTEE/FIRE

ABSENT

NONE

CHAIRMAN

**MARK DIAZ**

VICE CHAIRMAN

**JEFFERY PEGG**

FOLLOWING A REQUESTED VERBAL ROLL CALL BY CHAIRMAN **DIAZ**, THE MEETING CONVENED AT **9:25 A.M.**

TRUSTEE **JAMES** TEMPORARILY EXCUSED HERSELF AT 9:26 A.M.

APRIL 2, 2015 AGENDA

BY TRUSTSEE GNATEK – SUPPORTED BY TRUSTEE PEGG

**RESOLVED**, THAT TODAY'S **APRIL 2, 2015** AGENDA BE APPROVED AS PREPARED AND PRESENTED BY THE BOARD'S RECORDING SECRETARY SUBJECT TO DISCUSSION BEING HELD REGARDING THE SYSTEM'S ANNUITY SAVINGS FUND (OLD PLAN); AND SUBJECT TO DISCUSSION AND A SUBSEQUENT MOTION BEING MADE BY TRUSTEE JONES REGARDING THE POSSIBLE ESTABLISHMENT OF A RETIREE FOUNDATION:

YEAS – TRUSTEES ADAMS, GNATEK, JAMISON, JONES, PEGG, SERDA, SINAGRA  
AND CHAIRMAN DIAZ – 8

NAYS – NONE

TRUSTEE **JAMES** RETURNED TO THE MEETING AT 9:27 A.M.

CLOSED SESSION

BY TRUSTEE GNATEK – SUPPORTED BY TRUSTEE PEGG

**WHEREAS**, THE BOARD'S MEDICAL DIRECTOR IS NOW BEFORE THE BOARD OF TRUSTEES OF THE POLICE AND FIRE RETIREMENT SYSTEM OF THE CITY OF DETROIT TO DISCUSS THE MEDICAL AND PSYCHIATRIC REPORTS OF INDIVIDUALS WHO HAVE RECEIVED RE-EXAMINATIONS, AND

OSD SESSION - CONTINUED

**WHEREAS**, THE MICHIGAN OPEN MEETINGS ACT PROVIDES FOR CLOSED SESSIONS IN CERTAIN CIRCUMSTANCES, INCLUDING THE FOREGOING MATTERS, AND

**WHEREAS**, THE BOARD HAS DISCUSSED THIS MATTER CONSISTENT WITH THE MICHIGAN OPEN MEETINGS ACT, THEREFORE BE IT

**RESOLVED**, THAT THE BOARD ENTER INTO CLOSED SESSION CONSISTENT WITH THE MICHIGAN OPEN MEETINGS ACT:

A ROLL CALL VOTE WAS TAKEN AS FOLLOWS:

YEAS – TRUSTEES ADAMS, GNATEK, JAMES, JAMISON, JONES, PEGG, SERDA,  
SINAGRA AND CHAIRMAN DIAZ – 9

NAYS – NONE

THE BOARD ENTERED INTO CLOSED SESSION AT **9:28 A.M.**

TRUSTEE **ROBERSON** ENTERED THE MEETING AT 9:29 A.M.

OPEN SESSION

BY TRUSTEE PEGG – SUPPORTED BY TRUSTEE GNATEK

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

YEAS – TRUSTEES ADAMS, GNATEK, JAMES, JAMISON, JONES, PEGG, ROBERSON,  
SERDA, SINAGRA AND CHAIRMAN DIAZ – 10

NAYS – NONE

THE BOARD RETURNED TO OPEN SESSION AT **9:38 A.M.** AND EXCUSED MEDICAL DIRECTOR REGINALD O'NEAL.

RE-EXAMINATIONS

BY TRUSTEE GNATEK – SUPPORTED BY TRUSTEE JAMISON

**RESOLVED**, THAT IN ACCORDANCE WITH THE RECOMMENDATION OF THE BOARD'S MEDICAL DIRECTOR, THE FOLLOWING DIRECTIVES BE FOLLOWED:

**RE-EXAMINATIONS**

NAME/PENSION NO. DEPARTMENT DISABILITY TYPE RE-EXAM NUMBER	CONTINUE ON DISABILITY RETIREMENT PAYROLLS WITH RETIRANT RECEIVING NEXT RE-EXAM IN ONE (1) YEAR UNLESS OTHERWISE DIRECTED	CONTINUE ON DISABILITY RETIREMENT PAYROLLS WITH NO FURTHER RE- EXAMS BEING NECESSARY FOR RETIRANT	CONTINUE ON DISABILITY RETIREMENT PAYROLLS WITH RETIRANT RECEIVING NEXT RE-EXAM AT MEDICAL DIRECTOR'S OFFICE IN ONE (1) YEAR UNLESS OTHERWISE DIRECTED
CONSTANCE BURGER - 234827 - FIRE - DUTY - FIRST	X		
OTIS COMBS - 097379 - POLICE - DUTY - FIFTH		X	
KERRY DELIBERA - 236292 - POLICE - DUTY - FIFTH		X	
CLAUDE HARRIS - 232362 - FIRE - DUTY - FIRST	X		
CANDY LONAKER - 236395 - POLICE - DUTY - SECOND		X	
JEFFERY MAJCHRZAK - 224896 - FIRE - DUTY - FIRST	X		
DAMARIUS NETTLES - 235404 - FIRE - DUTY - SECOND	X		
GEORGE PAJOR - 234263 - POLICE - DUTY - SECOND		X	
JONATHAN ROSE - 237308 - POLICE - DUTY - THIRD		X	
RICHARD SOPHA - 226267 - FIRE - DUTY - SECOND	X		
JOHN WEISS - 237816 - POLICE - DUTY - SECOND	X		

YEAS – TRUSTEES ADAMS, GNATEK, JAMES, JAMISON, JONES, PEGG, ROBERSON,  
 SERDA, SINAGRA AND CHAIRMAN DIAZ – 10

NAYS – NONE

LOBBYIST **OSCAR W. KING, III** ENTERED THE MEETING AT 9:38 A.M.

DROP APPLICATIONS

BY TRUSTEE PEGG – SUPPORTED BY TRUSTEE GNATEK

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

DROP APPLICATIONS

NAME, TITLE, DEPARTMENT: MATTHEW LINN – FIRE FIGHTER - FIRE  
RETIREMENT TYPE, PLAN: DROP - NEW  
SER. CR., EFF. DATE: 19 10 23 – 03 17 15

NAME, TITLE, DEPARTMENT: KEITH THOMPSON – OFFICER - POLICE  
RETIREMENT TYPE, PLAN: DROP - NEW  
SER. CR., EFF. DATE: 19 10 16 – 08 15 14

NAME, TITLE, DEPARTMENT: ERIC WATTS – SERGEANT - FIRE  
RETIREMENT TYPE, PLAN: DROP - NEW  
SER. CR., EFF. DATE: 24 04 19 – 01 22 15

NAME, TITLE, DEPARTMENT: MICHAEL CHOUKOURIAN – OFFICER - POLICE  
RETIREMENT TYPE, PLAN: DROP - NEW  
SER. CR., EFF. DATE: 19 10 16 – 03 24 15

YEAS – TRUSTEES ADAMS, GNATEK, JAMES, JAMISON, JONES, PEGG, ROBERSON,  
SERDA, SINAGRA AND CHAIRMAN DIAZ – 10

NAYS – NONE

RETIREMENT APPLICATIONS

BY TRUSTEE PEGG – SUPPORTED BY TRUSTEE GNATEK

**RESOLVED**, THAT THE RETIREMENT APPLICATIONS WHICH ARE OUTLINED BELOW BE APPROVED:

RETIREMENT APPLICATIONS

NAME, TITLE, DEPARTMENT: RODGER JOHNSON, JR. – SERGEANT – POLICE  
RETIREMENT TYPE, PLAN: SERVICE - NEW  
SER. CR., EFF. DATE: 23 09 22 – 02 14 15

POLICE AND FIRE RETIREMENT SYSTEM OF THE CITY OF DETROIT  
MEETING NUMBER 3033 – THURSDAY – APRIL 2, 2015

RETIREMENT APPLICATIONS - CONTINUED

NAME, TITLE, DEPARTMENT: DARLINE RUCKER – OFFICER - POLICE  
RETIREMENT TYPE, PLAN: CONVERSION FROM DUTY DISABILITY – TYPE 35 – NEW  
SER. CR., EFF. DATE: 25 00 00 – 01 20 07

YEAS – TRUSTEES ADAMS, GNATEK, JAMES, JAMISON, JONES, PEGG, ROBERSON,  
SERDA, SINAGRA AND CHAIRMAN DIAZ – 10

NAYS – NONE

CONFIRMATIONS

BY TRUSTEE JONES – SUPPORTED BY TRUSTEE JAMES

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

The Police & Fire Retirement System of the City of Detroit			
Weekly Receipts & Disbursements			
3/16/15-3/27/15			
Meeting #3033			
April 2, 2015			
REMITTER / PAYEE NAME	WIRE DATE	DESCRIPTION	AMOUNT
<b>RECEIPTS-BNY</b>			
USPF II Institutional Fund, LP	03/27/15	Distribution	268,957.00
City of Detroit	03/20/15	Weekly Mandatory Employee Contribution	224,265.17
First Independence Bank	03/16/15	Loan Deductions	137,634.78
First Independence Bank	03/26/15	Loan Deductions	132,824.58
Longship Multi-Strategy Debt Fund, Ltd	03/17/15	Distribution	127,832.09
City of Detroit	03/27/15	Weekly Mandatory Employee Contribution	78,596.96
SG Mortgage Fund-Tuscan Shores	03/17/15	Distribution	48,334.38
First Independence Bank	03/19/15	Loan Deductions	38,540.05
Alex Brown Realty-Lafer Building	03/17/15	Distribution	16,916.10
City of Detroit	03/20/15	Weekly Annuity Contribution	4,788.09
City of Detroit	03/27/15	Weekly Annuity Contribution	1,212.67
<b>TOTAL RECEIPTS</b>			<b>\$ 1,080,001.87</b>
<b>DISBURSEMENTS-BNY</b>			
Annuity Refunds	03/25/15	Refund List #3574	558,771.30
Annuity Refunds	03/25/15	Refund List #3575	491,159.00
Checkwrite	03/20/15	Legal, Administrative & Misc. Expenses	297,612.51
TT International	03/20/15	Management Fees- 4Q14	151,479.62
Checkwrite	03/20/15	Legal, Administrative & Misc. Expenses	40,247.50
Loan Program	03/20/15	Loan Funding: Meeting No. 3030	25,460.00
Loan Program	03/20/15	Loan Funding: Meeting No. 3031	23,131.00
<b>TOTAL DISBURSEMENTS</b>			<b>\$ 1,587,860.93</b>

YEAS – TRUSTEES ADAMS, GNATEK, JAMES, JAMISON, JONES, PEGG, ROBERSON,  
SERDA, SINAGRA AND CHAIRMAN DIAZ – 10

NAYS – NONE

CAPITAL CALLS, MANAGEMENT FEES, LEGAL FEES AND ADMINISTRATIVE AND OTHER EXPENSES

BY TRUSTEE PEGG – SUPPORTED BY TRUSTEE SERDA

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

**WHEREAS**, THE BOARD HAS BEEN REQUESTED TO APPROVE FUNDING OF SAID CAPITAL CALLS AND 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 GENERAL COUNSEL/INTERIM GENERAL COUNSEL AND SUBJECT TO STAFF AUDIT, THE BOARD APPROVES FUNDING OF SAID CAPITAL CALLS AND 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 MARCH 26, 2015

PAYEE	DATE	INVOICE NO	DESCRIPTION	AMOUNT
<b>CAPITAL CALLS:</b>				
SYNDICATED COMMUNICATIONS VENTURE PA	3/18/2015		Due 4/1/15	\$37,163.00
Subtotal				\$37,163.00
<b>LEGAL FEES:</b>				
COUZENS, LANSKY, FEALK, ELLIS P.C.	3/23/2015	89167	Book Cadillac through 3/20/15	\$4,001.33
Subtotal				\$4,001.33
<b>ADMINISTRATIVE EXPENSES:</b>				
ADP, INC	3/13/2015	451477372	Check Printing Services	\$116.05
FEDEX	3/18/2015	297157469	FedEx Mailings	\$26.44
STAFF WAGES	3/22/2015		Contractual Staff: 2/17/15-3/22/15	\$55,962.07
VERIZON WIRELESS	3/4/2015	9741714448	Trustee Wireless: 2/5/15-3/4/15	\$522.01
Subtotal				\$56,626.57
<b>OTHER EXPENSES:</b>				
LOUIS SINAGRA	3/19/2015	31915	Trustee Stipend: 1st Qtr. '15	\$416.33
MICHAEL SIMON	3/19/2015	31915	Trustee Stipend: 1st Qtr. '15	\$76.71
PLANTE & MORAN	3/16/2015	1225843	Annual Audit Services FY 13-14 (add'l census work, trial balance cleanup, etc)	\$32,600.00
Subtotal				\$33,093.04
<b>Total Disbursements for Board Approval</b>				<b>\$130,883.94</b>

CAPITAL CALLS, 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 APRIL 2, 2015

PAYEE	DATE	INVOICE NO	DESCRIPTION	AMOUNT
<b>LEGAL FEES:</b>				
COUZENS, LANSKY, FEALK, ELLIS P.C.	3/30/2015	89274	Book Cadillac through 3/27/15	\$5,736.45
Subtotal				\$5,736.45
<b>ADMINISTRATIVE EXPENSES:</b>				
ADP, INC	3/20/2015	451738768	Check Printing Services	\$121.93
OFFICE DEPOT	3/18/2015	760781382001	Office Supplies	\$32.38
OFFICE DEPOT	3/17/2015	760781381001	Office Supplies	\$11.50
OFFICE DEPOT	3/17/2015	760781380001	Office Supplies	\$68.12
QUILL CORPORATION	3/18/2015	2457535	Office Supplies	\$18.00
QUILL CORPORATION	3/18/2015	2452289	Office Supplies	\$15.61
QUILL CORPORATION	3/16/2015	2392537	Office Supplies	\$36.60
QUILL CORPORATION	3/16/2015	2380006	Office Supplies	\$27.89
RICOH	3/12/2015	5035062582	Contract Services	\$218.34
Subtotal				\$550.37
<b>OTHER EXPENSES:</b>				
ALEX BROWN REALTY	3/24/2015	03232015	Asset Management Services from 8/9/13 to 3/23/15	\$1,087.54
COMCAST	3/14/2015	031415	High-Speed Internet	\$131.18
DIRECTV	3/24/2015	25435337267	Service Charges	\$19.00
GREENHILL & CO., LLC	3/25/2015	150069	Retainer Fee for October 2014 & Expenses	\$76,934.50
Subtotal				\$78,172.22
<b>Total Disbursements for Board Approval</b>				<b>\$84,459.04</b>

YEAS – TRUSTEES ADAMS, GNATEK, JAMES, JAMISON, JONES, PEGG, ROBERSON, SERDA, SINAGRA AND CHAIRMAN DIAZ – 10

NAYS – NONE

REFUNDS OF ACCUMULATED CONTRIBUTIONS

BY TRUSTEE JAMISON – SUPPORTED BY TRUSTEE GNATEK

**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 **#3576**, IN THE AMOUNT OF **\$154,693.46**, 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



REFUNDS OF ACCUMULATED CONTRIBUTIONS - CONTINUED

DETROIT, AS SET FORTH ON LIST **#3577**, IN THE AMOUNT OF **\$273,315.82**, INCLUDING INTEREST, BE REFUNDED PENDING AUDIT BY RETIREMENT SYSTEM ACCOUNTING STAFF:

YEAS – TRUSTEES ADAMS, GNATEK, JAMES, JAMISON, JONES, PEGG, ROBERSON, SERDA, SINAGRA AND CHAIRMAN DIAZ – 10

NAYS – NONE

1974 DEFINED CONTRIBUTION PLAN (EMPLOYEE LOAN PROGRAM)

BY TRUSTEE GNATEK – SUPPORTED BY TRUSTEE JONES

**RESOLVED**, THAT THE **1974** DEFINED CONTRIBUTION PLAN LOAN REQUEST LISTS SUBMITTED THIS DATE BE APPROVED AND THE AMOUNTS OF **\$32,864.00** AND **\$71,784.00** BE DISBURSED PENDING AUDIT BY RETIREMENT SYSTEM ACCOUNTING STAFF:

YEAS – TRUSTEES ADAMS, GNATEK, JAMES, JAMISON, JONES, PEGG, ROBERSON, SERDA, SINAGRA AND CHAIRMAN DIAZ – 10

NAYS – NONE

MARCH 5, 2015 MINUTES

BY TRUSTEE ROBERSON – SUPPORTED BY TRUSTEE PEGG

**RESOLVED**, THAT THE MINUTES OF THE MEETING HELD THURSDAY, **MARCH 5, 2015** BE APPROVED AS RECORDED AND SUBMITTED BY THE BOARD'S RECORDING SECRETARY:

YEAS – TRUSTEES ADAMS, GNATEK, JAMES, JAMISON, JONES, PEGG, ROBERSON, SERDA, SINAGRA AND CHAIRMAN DIAZ – 10

NAYS – NONE

ASSISTANT EXECUTIVE DIRECTOR'S REPORTS

ASSISTANT EXECUTIVE DIRECTOR **DAVID CETLINSKI** INFORMED THE BOARD OF THE FOLLOWING:

POLICE DEPARTMENT RETIRANT TRUSTEE SPECIAL ELECTION

RETIRANT **GREGORY TROZAK**, VICE PRESIDENT OF THE RETIRED DETROIT POLICE AND FIRE FIGHTERS' ASSOCIATION, WON SAID ELECTION AND WILL SUCCEED TRUSTEE **SINAGRA** ON THIS BOARD.

FIRE DEPARTMENT RETIRANT TRUSTEE SPECIAL ELECTION

A RUN-OFF ELECTION BETWEEN RETIRANTS **JOHN TUCKER** AND **GEORGE ORZECH** (THE TWO WHO RECEIVED THE HIGHEST NUMBER OF VOTES) WILL BE HELD ON **MAY 8, 2015** TO DETERMINE WHO WILL SUCCEED **MICHAEL A. SIMON** ON THIS BOARD.

TRUSTEE **NAGLICK** ENTERED THE MEETING AT 9:45 A.M.

LABATON & SUCHAROW, LLP

AT THE CHAIR'S DIRECTION, A COMMUNICATION WILL BE FORWARDED TO **MARISA N. DEMATO** INFORMING HER THAT THE BOARD HOLDS NO PRESENT INTEREST IN HEARING A PORTFOLIO MONITORING AND SECURITIES LITIGATION PRESENTATION.

EXECUTIVE DIRECTOR'S REPORTS

EXECUTIVE DIRECTOR **CYNTHIA A. THOMAS** PROVIDED EACH BOARD AND ADMINISTRATIVE STAFF MEMBER WITH A COPY OF A MARCH 23, 2015 MEMORANDUM FROM IT SUPERVISOR **DENNIS LINET** REGARDING THE CITY'S DATA FILE OF DEFINED BENEFIT AND DEFINED CONTRIBUTION PLAN DEDUCTIONS (ISSUES, RE: RECONCILING DATA PASSED TO THE RETIREMENT SYSTEM BY THE CITY FOR USE IN POSTING SAID DEDUCTIONS).

**MS. THOMAS** ALSO PROVIDED EACH BOARD AND ADMINISTRATIVE STAFF MEMBER WITH A COPY OF A MARCH 31, 2015 COMMUNICATION REGARDING PFRS

EXECUTIVE DIRECTOR'S REPORTS - CONTINUED

INVESTMENT COMMITTEE PROFESSIONAL EXPENSES WHICH WAS REQUESTED BY PFRS INVESTMENT COMMITTEE CHAIRMAN ROBERT SMITH.

INVESTMENT OFFICER'S REPORTS

INVESTMENT OFFICER **RYAN C. BIGELOW** HAS NOT YET ATTENDED THE MEETING.

PUBLIC RELATIONS ADVISOR'S REPORTS

PUBLIC RELATIONS ADVISOR **BRUCE BABIARZ** IS EXCUSED FROM TODAY'S MEETING.

LOBBYIST'S REPORTS

LOBBYIST **OSCAR W. KING, III** WILL PRESENT HIS REPORTS FOLLOWING WILSHIRE'S PRESENTATION.

INTERIM GENERAL COUNSEL'S REPORTS

INTERIM GENERAL COUNSEL **RONALD A. KING** ADDRESSED THE FOLLOWING MATTERS:

CHAPTER 9: ISSUES RELATED TO APPEALS OF THE CONFIRMATION ORDER BEING PURSUED IN THE U.S. DISTRICT COURT

CHAPTER 9 IMPLEMENTATION – SPECIAL POLICE DEPARTMENT RETIRANT TRUSTEE ELECTION: DUTY DISABILITY MEMBER ANDREW JACKSON, JR. REQUESTS A WRITTEN EXPLANATION AS TO WHY HE WAS DENIED ELIGIBILITY AS A CANDIDATE FOR SAID ELECTION

USA V. BEASLEY, ET AL: JUSTICE DEPARTMENT PROVIDED NOTICE REGARDING POST-TRIAL HEARINGS AND SENTENCING DATES FOR CONVICTED DEFENDANTS

INTERIM GENERAL COUNSEL'S REPORTS - CONTINUED

ELIGIBLE DOMESTIC RELATIONS ORDER OF RODNEY E. COX: ALTERNATE PAYEE (TERESA D. MOORER-COX) IS ENTITLED TO CLAIM A PORTION OF BOTH MR. COX'S DEFINED BENEFIT AND DEFINED CONTRIBUTION PLAN BENEFITS

PENSION NUMBER OF RODNEY E. COX: **232860**  
PARTICIPANT: RODNEY E. COX  
ALTERNATE PAYEE: TERESA D. MOORER-COX  
RODNEY E. COX VERSUS TERESA D. MOORER-COX  
CASE NO.: 09-105-DM  
MACOMB COUNTY CIRCUIT FOR THE STATE OF MICHIGAN  
(MT. CLEMENS, MICHIGAN)

BY TRUSTEE GNATEK – SUPPORTED BY TRUSTEE SERDA

**WHEREAS**, THE BOARD OF TRUSTEES OF THE POLICE AND FIRE RETIREMENT SYSTEM OF THE CITY OF DETROIT ("BOARD") IS IN RECEIPT OF AN ELIGIBLE DOMESTIC RELATIONS ORDER DATED JANUARY 2, 2014 (EDRO) WHICH AMENDS/SUPPLEMENTS A JUDGMENT OF DIVORCE ENTERED ON DECEMBER 17, 2009 WHEREIN TERESA D. MOORER-COX IS AWARDED CERTAIN RIGHTS TO THE DEFINED BENEFIT PLAN AND DEFINED CONTRIBUTION PLAN BENEFITS OF RODNEY E. COX, AND

**WHEREAS**, THE BOARD HAS BEEN INFORMED THAT PARTICIPANT, RODNEY E. COX, IS AN ACTIVE EMPLOYEE, AND

**WHEREAS**, PARTICIPANT'S DATE OF BIRTH IS FEBRUARY 7, 1968 AND, TO DATE, PARTICIPANT HAS ATTAINED 22 YEARS OF SERVICE CREDIT, AND

**WHEREAS**, ALTERNATE PAYEE, TERESA D. MOORER-COX, IS ENTITLED TO CLAIM A PORTION OF PARTICIPANT'S DEFINED BENEFIT PLAN UPON PARTICIPANT VESTING FOR SERVICE RETIREMENT OR SEEKING TO PURSUE A REDUCED RETIREMENT BENEFIT, AND SUBJECT TO ALTERNATE PAYEE FILING AN APPLICATION FOR SAME, AND

**WHEREAS**, ALTERNATE PAYEE IS ENTITLED TO CLAIM SIXTY-TWO THOUSAND THIRTY-SIX AND 53/100 DOLLARS (\$62,036.53) OF PARTICIPANT'S DEFINED CONTRIBUTION BENEFIT PLAN ACCUMULATED AS OF NOVEMBER 1, 2009 AS AWARDED IN THE EDRO, AND

PENSION NUMBER OF RODNEY E. COX: **232860**  
PARTICIPANT: RODNEY E. COX  
ALTERNATE PAYEE: TERESA D. MOORER-COX  
RODNEY E. COX VERSUS TERESA D. MOORER-COX  
CASE NO.: 09-105-DM  
MACOMB COUNTY CIRCUIT FOR THE STATE OF MICHIGAN  
(MT. CLEMENS, MICHIGAN) - CONTINUED

**WHEREAS**, THE COURT ORDER PROVIDES FOR THE PARTIES TO SHARE THE COST OF THE ACTUARY'S FEES, AND

**WHEREAS**, SAID MATTER HAS BEEN DISCUSSED WITH INTERIM GENERAL COUNSEL WHO HAS OPINED THAT THE APPLICABLE TERMS OF SAID COURT ORDER ARE CONSISTENT WITH THE PROVISIONS OF THE RETIREMENT SYSTEM AND APPLICABLE LAW, INCLUDING PUBLIC ACT 46 OF 1991 (MCLA 38.1701), AS APPLICABLE, THEREFORE BE IT

**RESOLVED**, THAT THE BOARD ACKNOWLEDGE RECEIPT OF SAID COURT ORDER AND PAY PENSION BENEFITS CONSISTENT WITH SAID COURT ORDER, 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 IMMEDIATELY ATTACHED AS THE TOP SHEET OF THE PENSION FILE, AND OTHER APPROPRIATE RECORDS BE RETAINED BY THE RETIREMENT SYSTEM RELATIVE TO THIS MATTER, AND BE IT FURTHER

**RESOLVED**, THAT A COPY OF THIS RESOLUTION BE FORWARDED TO JOHN C. TALPOS, COUNSEL FOR ALTERNATE PAYEE, TERESA D. MOORER-COX; ESSE T. GADOUA, COUNSEL FOR PARTICIPANT, RODNEY E. COX; THE BOARD'S ACTUARY, GABRIEL, ROEDER, SMITH AND COMPANY; AND RETIREMENT SYSTEM STAFF MEMBER YVONNE MOORE:

YEAS – TRUSTEES ADAMS, GNATEK, JAMES, JAMISON, JONES, NAGLICK, PEGG,  
ROBERSON, SERDA, SINAGRA AND CHAIRMAN DIAZ – 11

NAYS – NONE

**RESOLUTION REGARDING VICTIM IMPACT STATEMENT WITH RESPECT TO UNITED STATES  
V. JEFFREY BEASLEY, ET. AL.**

BY TRUSTEE GNATEK – SUPPORTED BY TRUSTEE PEGG

**WHEREAS**, on April 2, 2015, the Board received correspondence from the U.S. Department of Justice dated March 20, 2015 regarding the sentencing of Jeffrey Beasley, Paul Stewart, Ronald Zajac, Roy Dixon, Chauncey Mayfield and George Stanton, and

**WHEREAS**, the March 20, 2015 correspondence invited the Board and, possibly, plan participants to complete a Victim Impact Statement and/or make a statement at the sentencing of the various defendants, and

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

**RESOLVED**, that the Board desires to 1) complete a Victim Impact Statement; 2) make a statement at the defendants' sentencing; and 3) make the March 20, 2015 correspondence available to plan participants, and be it further

**RESOLVED**, that Board directs Interim General Counsel to prepare a draft Victim Impact Statement and take steps necessary to otherwise respond to the March 20, 2015 correspondence and further directs that a copy of the March 20, 2015 correspondence be posted on the PFRS' website, and be it further

**RESOLVED**, the Board's Chairman will coordinate with Interim General Counsel to make an appropriate statement at the sentencing of the defendants consistent with the March 20, 2015 correspondence:

YEAS – TRUSTEES ADAMS, GNATEK, JAMES, JAMISON, JONES, NAGLICK, PEGG,  
ROBERSON, SERDA, SINAGRA AND CHAIRMAN DIAZ – 11

NAYS – NONE

COUNSEL **KING** THEN ASKED THE BOARD TO ENTER INTO CLOSED SESSION TO DISCUSS TWO (2) ATTORNEY/CLIENT PRIVILEGED MATTERS.

CLOSED SESSION

BY TRUSTEE GNATEK – SUPPORTED BY TRUSTEE SERDA

**RESOLVED**, THAT THE BOARD ENTER INTO CLOSED SESSION FOR THE PURPOSE OF DISCUSSING TWO (2) ATTORNEY/CLIENT PRIVILEGED MATTERS:

A ROLL CALL VOTE WAS TAKEN AS FOLLOWS:

YEAS – TRUSTEES ADAMS, GNATEK, JAMES, JAMISON, JONES, NAGLICK, PEGG, ROBERSON, SERDA, SINAGRA AND CHAIRMAN DIAZ – 11

NAYS – NONE

THE BOARD ENTERED INTO CLOSED SESSION AT **10:01 A.M.**

INVESTMENT OFFICER **RYAN C. BIGELOW** ENTERED THE MEETING AT 10:03 A.M.

OPEN SESSION

BY TRUSTEE GNATEK – SUPPORTED BY TRUSTEE PEGG

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

YEAS – TRUSTEES ADAMS, GNATEK, JAMES, JAMISON, JONES, NAGLICK, PEGG, ROBERSON, SERDA, SINAGRA AND CHAIRMAN DIAZ – 11

NAYS – NONE

THE BOARD RETURNED TO OPEN SESSION AT **10:12 A.M.**

INTERIM GENERAL COUNSEL'S REPORTS - CONTINUED

COUNSEL **KING** DISCUSSED HIS MARCH 20, 2015 RESPONSE THE FEBRUARY 25, 2015 FOIA REQUEST OF **CARLITO YOUNG** (RE: REQUEST FOR PFRS INVESTMENT COMMITTEE DOCUMENTS); AND HIS MARCH 27, 2015 RESPONSE TO THE MARCH 3, 2015 FOIA REQUEST OF **ERIC LADASZ** (RE: REQUEST FOR MEETING MINUTES, AGENDAS, LEGAL BILLINGS AND OTHER PFRS RECORDS).

GOLDMAN SACHS MORTGAGE-BACKED PASS-THROUGH CERTIFICATE LITIGATION  
BY TRUSTEE GNATEK – SUPPORTED BY TRUSTEE PEGG

**WHEREAS**, THE BOARD, THIS DATE, REVIEWED A LETTER FROM DENIS F. SHEILS, ESQUIRE OF KOHN, SWIFT & GRAF, P.C., SPECIAL COUNSEL, REGARDING SETTLEMENT DISCUSSIONS, AND

**WHEREAS**, SPECIAL COUNSEL KOHN, SWIFT & GRAF, P.C., PER DENIS SHEILS, HAS RECOMMENDED THAT PFRS ENGAGE IN SETTLEMENT DISCUSSIONS, AND

**WHEREAS**, THE BOARD'S INTERIM GENERAL COUNSEL HAS JOINED IN THE RECOMMENDATION OF SPECIAL COUNSEL, AND

**WHEREAS**, THE BOARD HAS DISCUSSED THIS MATTER THIS DATE, THEREFORE BE IT

**RESOLVED**, THAT THE BOARD DIRECTS SPECIAL COUNSEL TO TAKE APPROPRIATE ACTION TO NEGOTIATE A SETTLEMENT, AND BE IT FURTHER

**RESOLVED**, THAT A COPY OF THIS RESOLUTION BE FORWARDED TO SPECIAL COUNSEL KOHN, SWIFT & GRAF, P.C.; AND THE ACCOUNTING DIVISION OF THE PFRS:

YEAS – TRUSTEES ADAMS, GNATEK, JAMES, JAMISON, JONES, NAGLICK, PEGG,  
ROBERSON, SERDA, SINAGRA AND CHAIRMAN DIAZ – 11

NAYS – NONE

TRUSTEE **SCALES** ENTERED THE MEETING AT 10:16 A.M.



**RESOLUTION REGARDING THE CREATION OF A FOUNDATION TO ASSIST PLAN PARTICIPANTS ADVERSELY IMPACTED BY THE CITY OF DETROIT'S CHAPTER 9 BANKRUPTCY**

BY TRUSTEE JONES – SUPPORTED BY TRUSTEE PEGG

**WHEREAS**, on April 2, 2015, the Board received a report from Honorable City Council President Brenda Jones explaining a desire to establish a foundation to provide support for those plan participants adversely impacted by the results of the City of Detroit's Chapter 9 bankruptcy proceedings and subsequent implementation of the 8<sup>th</sup> Amended Plan for the Adjustment of Debts of the City of Detroit (effective December 10, 2014), and

**WHEREAS**, the Board agreed that establishing such a foundation may be in the best interests of the PFRS and its participants, and

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

**RESOLVED**, that the Board desires to 1) investigate and research the viability of creating a foundation to assist plan participants adversely impacted by the City of Detroit's Chapter 9 bankruptcy; and 2) investigate and research the possibility of determining the manner and legality of whether City of Detroit employees and the general public are able to make contributions to such a foundation, and be it further

**RESOLVED**, that Board directs PFRS staff and Interim General Counsel, if necessary and appropriate, to perform the investigation and research necessary to carry out the desires of the Board as indicated above:

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

NAYS – NONE

**RESOLUTION REGARDING THE POSSIBLE AMENDMENT OF LOCAL/STATE INCOME TAX FORMS TO ALLOW CONTRIBUTION TO PROPOSED FOUNDATION TO ASSIST PLAN PARTICIPANTS ADVERSELY IMPACTED BY THE CITY OF DETROIT'S CHAPTER 9 BANKRUPTCY**

BY TRUSTEE JONES – SUPPORTED BY TRUSTEE ROBERSON

**WHEREAS**, on April 2, 2015, the Board received a report from City Council President Brenda Jones explaining a desire to establish a foundation to provide support for those plan participants adversely impacted by the results of the City of Detroit's Chapter 9 bankruptcy proceedings and subsequent implementation of the 8<sup>th</sup> Amended Plan for the Adjustment of Debts of the City of Detroit (effective December 10, 2014), and

**WHEREAS**, the Board agreed that establishing such a foundation may be in the best interests of the PFRS and its participants, and

**WHEREAS**, the Board further discussed the possibility of amending local and/or state income tax forms to allow for an election to direct a contribution to support the proposed foundation, and

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

**RESOLVED**, that the Board investigate and research the possibility/process for amending local and/or state income tax forms to allow for a deduction to support the proposed foundation to assist plan participants adversely impacted by the City of Detroit's Chapter 9 bankruptcy and be it further

**RESOLVED**, that Board directs PFRS staff and Interim General Counsel, if necessary and appropriate, to perform the investigation and research necessary to carry out the desires of the Board as indicated above:

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

NAYS – NONE

RECESS

THE BOARD RECESSED FROM 10:25 A.M. UNTIL 10:33 A.M.

WILSHIRE CONSULTING

**J. M. RUSCETTI** AND **DAVID LINBERG** DISCUSSED CAPITAL MARKETS, AND INVESTMENT PERFORMANCE (QUARTER ENDED DECEMBER 31, 2014) AT LENGTH.

WILSHIRE CONSULTING - CONTINUED

TRUSTEE **NAGLICK** EXCUSED HIMSELF DURING WILSHIRE'S PRESENTATION (AT 11:55 A.M.).

THE BOARD EXCUSED MESSRS. **RUSCETTI** AND **LINBERG** AT 12:05 P.M. AND RECESSED FOR LUNCH UNTIL 12:30 P.M.

KELLEY CAWTHORNE/BAB ASSOCIATES

THE BOARD DISCUSSED THE CONTRACTS OF KELLEY CAWTHORNE (THE BOARD'S LOBBYIST) AND BAB ASSOCIATES (THE BOARD'S PUBLIC RELATIONS ADVISOR).

INTERIM GENERAL COUNSEL **RONALD A. KING** EXCUSED HIMSELF AT 12:40 P.M.; AND TRUSTEE **JONES** EXCUSED HERSELF AT 12:50 P.M.

KELLEY CAWTHORNE

**DAVID GREGORY, BRETT HENDERSON** AND **OSCAR W. KING, III** DISCUSSED, AT LENGTH, THE SCOPE OF SERVICES KELLEY CAWTHORNE PROVIDES TO THE BOARD AS THE BOARD'S LANSING LOBBYIST.

TRUSTEE **ROBERSON** EXCUSED HERSELF AT 1:05 P.M.; AND TRUSTEE **SCALES** EXCUSED HERSELF AT 1:06 P.M.

THE BOARD EXCUSED MESSRS. **GREGORY, HENDERSON** AND **KING** AT 1:13 P.M.

LEGAL REVIEW COMMITTEE REPORT

TRUSTEE **SERDA** INFORMED THE BOARD THAT **ROBERT KLAUSNER** IS IN THE FINAL STAGE OF REVIEWING AND VETTING THE SEVEN RESPONDENTS TO THE BOARD'S GENERAL COUNSEL RFP AND SHOULD PROVIDE THE BOARD WITH HIS WRITTEN RECOMMENDATION IN ABOUT 30 DAYS.

THANKING TRUSTEE SINAGRA

THE BOARD EXTENDED ITS SINCERE APPRECIATION AND HEARTFELT THANKS TO **LOUIS M. SINAGRA** FOR HIS **FAITHFUL** AND **DEVOTED INTEREST** AND **SERVICE** TO THE BOARD OF TRUSTEES AND RETIREES OF THE SYSTEM DURING HIS TENURE AS A RETIRANT TRUSTEE FROM **JULY 26, 2012** TO **DATE**.

PUBLIC FORUM

AT **1:17 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 **1:17 P.M.** UNTIL **THURSDAY, APRIL 16, 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 (SUITE 3000), DETROIT, MICHIGAN 48226.

RESPECTFULLY SUBMITTED,



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DAVID CETLINSKI, ASSISTANT EXECUTIVE DIRECTOR