

**MEETING NUMBER 3039**

JOURNAL OF PROCEEDINGS  
BOARD OF TRUSTEES OF THE POLICE AND FIRE RETIREMENT SYSTEM  
OF THE CITY OF DETROIT  
**HELD THURSDAY, MAY 14, 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
MATTHEW GNATEK	ELECTED TRUSTEE/POLICE
ANGELA R. JAMES	EX/OFFICIO TRUSTEE/POLICE/MAYORAL DESIGNEE
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
JEFFREY PEGG	ELECTED TRUSTEE/FIRE/VICE CHAIRMAN
JOHN SERDA	ELECTED TRUSTEE/POLICE
GREGORY TROZAK	ELECTED RETIRANT TRUSTEE/POLICE
JOHN G. TUCKER	ELECTED RETIRANT TRUSTEE/FIRE

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

MARK DIAZ	ELECTED TRUSTEE/POLICE/CHAIRMAN
MICHAEL JAMISON	EX/OFFICIO TRUSTEE/DEPUTY FINANCE DIRECTOR
PORTIA ROBERSON	EX/OFFICIO TRUSTEE/ALTERNATE-HONORABLE MAYOR
PAMELA SCALES	EX/OFFICIO TRUSTEE/BUDGET DIRECTOR
TRACY THOMAS	ELECTED TRUSTEE/FIRE

ABSENT

NONE

CHAIRMAN

**MARK DIAZ**

VICE CHAIRMAN

**JEFFERY PEGG**

FOLLOWING A REQUESTED VERBAL ROLL CALL BY **VICE CHAIRMAN PEGG**, THE MEETING CONVENED AT **9:40 A.M.**

TRUSTEE **JONES** EXCUSED HERSELF AT 9:35 A.M.

FIRE DEPARTMENT ELECTED RETIRANT TRUSTEE SPECIAL ELECTION

RETIRANT **JOHN G. TUCKER**, WON SAID ELECTION AND WILL SUCCEED **MICHAEL A. SIMON** AS AN ELECTED RETIRANT TRUSTEE OF THE SYSTEM FOR THE TERM COMMENCING MAY 14, 2015 AND TERMINATING JUNE 30, 2018. **MR. TUCKER** WILL BE AFFORDED NO VOTING RIGHTS, HOWEVER, UNTIL HE HAS BEEN ADMINISTERED THE OATH OF OFFICE BY THE CITY CLERK.

MAY 14, 2015 AGENDA

BY TRUSTEE SERDA - SUPPORTED BY TRUSTEE GNATEK

**RESOLVED**, THAT TODAY'S MAY 14, 2015 AGENDA BE APPROVED AS PREPARED AND PRESENTED BY THE BOARD'S RECORDING SECRETARY:

YEAS – TRUSTEES ADAMS, GNATEK, JAMES, NAGLICK, NEARY, SERDA, TROZAK  
AND VICE CHAIRMAN PEGG – 8

NAYS – NONE

CLOSED SESSION

BY TRUSTEE GNATEK – SUPPORTED BY TRUSTEE SERDA

**WHEREAS**, THE BOARD'S MEDICAL DIRECTOR IS NOW BEFORE THE BOARD OF TRUSTEES OF THE POLICE AND FIRE RETIREMENT SYSTEM OF THE CITY OF

CLOSED SESSION - CONTINUED

DETROIT TO DISCUSS THE MEDICAL AND PSYCHIATRIC REPORTS OF INDIVIDUALS WHO HAVE APPLIED FOR DISABILITY RETIREMENT AND THE MEDICAL AND PSYCHIATRIC REPORTS OF INDIVIDUALS WHO HAVE RECEIVED RE-EXAMINATIONS, AND

**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, NAGLICK, NEARY, SERDA, TROZAK  
AND VICE CHAIRMAN PEGG – 8

NAYS – NONE

THE BOARD ENTERED INTO CLOSED SESSION AT **9:43 A.M.**

TRUSTEE **JENKINS** ENTERED THE MEETING AT 9:48 A.M., AND TRUSTEE **JONES** RETURNED AT 9:50 A.M.

OPEN SESSION

BY TRUSTEE GNATEK – SUPPORTED BY TRUSTEE JONES

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

YEAS – TRUSTEES ADAMS, GNATEK, JAMES, JENKINS, JONES, NAGLICK, NEARY,  
SERDA, TROZAK AND VICE CHAIRMAN PEGG – 10

NAYS – NONE

OPEN SESSION – CONTINUED

THE BOARD RETURNED TO OPEN SESSION AT **10:17 A.M.**

TIKE ANDERSON – PENSION NUMBER **238043**

BY TRUSTEE GNATEK – SUPPORTED BY TRUSTEE NEARY

**RESOLVED**, THAT THE BOARD ACCEPT THE REPORT AND RECOMMENDATION OF ITS MEDICAL DIRECTOR REGARDING **TIKE ANDERSON**, AND BE IT FURTHER

**RESOLVED**, THAT BASED UPON THE BOARD'S MEDICAL DIRECTOR'S RECOMMENDATION, THE BOARD HEREBY APPROVES **MR. ANDERSON'S** APPLICATION FOR DUTY DISABILITY RETIREMENT:

YEAS – TRUSTEES ADAMS, GNATEK, JAMES, JENKINS, JONES, NAGLICK, NEARY, SERDA, TROZAK AND VICE CHAIRMAN PEGG – 10

NAYS – NONE

RE-EXAMINATIONS

BY TRUSTEE GNATEK – SUPPORTED BY TRUSTEE SERDA

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

RE-EXAMINATIONS - CONTINUED

**RE-EXAMINATIONS**

NAME/PENSION NO. DEPARTMENT DISABILITY TYPE RE-EXAM NUMBER	CONTINUE ON DISABILITY RETIREMENT PAYROLLS <b>WITH</b> <b>RETIRANT RECEIVING</b> <b>NEXT RE-EXAM IN ONE</b> <b>(1) YEAR UNLESS</b> <b>OTHERWISE DIRECTED</b>	CONTINUE ON DISABILITY RETIREMENT PAYROLLS <b>WITH NO</b> <b>FURTHER RE-EXAMS</b> <b>BEING NECESSARY FOR</b> <b>RETIRANT</b>	CONTINUE ON DISABILITY RETIREMENT PAYROLLS <b>WITH RETIRANT</b> <b>RECEIVING</b> <b>NEXT RE-EXAM</b> <b>AT MEDICAL DIRECTOR'S</b> <b>OFFICE IN ONE (1) YEAR</b> <b>UNLESS OTHERWISE</b> <b>DIRECTED</b>
<b>DARRYL BROWN - 237019 - FIRE - DUTY - 2ND</b>		X	
<b>DONALD FERENSIC - 226151 - FIRE - DUTY - 1ST</b>	X		
<b>CLIVE JOHNSON - 237595 - FIRE - DUTY - 1ST</b>	X		
<b>MATTHEW MADAY - 237267 - FIRE - DUTY - 1ST</b>	X		
<b>JOSEPH MAHAFFY - 237020 - FIRE - DUTY - 4TH</b>	X		
<b>MERRI MCGREGOR - 234987 - POLICE - DUTY - 1ST</b>	X		
<b>DARYL PEAKE - 214397 - FIRE - DUTY - 6<sup>TH</sup> - RETURN TO WORK REQUEST</b>		<b>DENY REQUEST TO RETURN TO WORK, AS HE ATTAINED 25 YEARS OF SERVICE ON 2/12/15; NO FURTHER RE-EXAMS BEING NECESSARY</b>	
<b>JOHN PETTIT - 236749 - POLICE - DUTY - 4TH</b>		X	
<b>TANYA SHAW - 235303 - POLICE - DUTY - 4TH</b>	X		
<b>CASIN TURNER - 236665 - POLICE - DUTY - 5TH</b>		X	

YEAS – TRUSTEES ADAMS, GNATEK, JAMES, JENKINS, JONES, NAGLICK, NEARY,  
 SERDA, TROZAK AND VICE CHAIRMAN PEGG – 10

NAYS – NONE

DROP APPLICATIONS

BY TRUSTEE SERDA – SUPPORTED BY TRUSTEE JENKINS

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

DROP APPLICATIONS

NAME, TITLE, DEPARTMENT: ALBERT R. ANDREWS, JR. – OFFICER - POLICE  
RETIREMENT TYPE, PLAN: DROP - NEW  
SER. CR., EFF. DATE: 19 00 19 – 06 12 15

NAME, TITLE, DEPARTMENT: JOSEPH J. BIGGERS – OFFICER - POLICE  
RETIREMENT TYPE, PLAN: 19 09 12 – 09 19 14

NAME, TITLE, DEPARTMENT: ERIC J. O'NEAL – OFFICER - POLICE  
RETIREMENT TYPE, PLAN: DROP - NEW  
SER. CR., EFF. DATE: 19 00 19 – 06 12 15

NAME, TITLE, DEPARTMENT: GAYLON L. PORTER – OFFICER - POLICE  
RETIREMENT TYPE, PLAN: DROP - NEW  
SER. CR., EFF. DATE: 19 05 14 – 04 06 15

NAME, TITLE, DEPARTMENT: KENNETH THOMAS – SERGEANT - POLICE  
RETIREMENT TYPE, PLAN: DROP - NEW  
SER. CR., EFF. DATE: 26 11 02 – 04 30 15

NAME, TITLE, DEPARTMENT: DARRYL J. BYRGE – INVESTIGATOR - POLICE  
RETIREMENT TYPE, PLAN: DROP - NEW  
SER. CR., EFF. DATE: 23 02 03 – 04 24 15

NAME, TITLE, DEPARTMENT: KENNETH R. CRAWFORD – OFFICER - POLICE  
RETIREMENT TYPE, PLAN: DROP - NEW  
SER. CR., EFF. DATE: 22 00 19 – 06 12 15

YEAS – TRUSTEES ADAMS, GNATEK, JAMES, JENKINS, JONES, NAGLICK, NEARY,  
SERDA, TROZAK AND VICE CHAIRMAN PEGG – 10

NAYS – NONE

RETIREMENT APPLICATIONS

BY TRUSTEE TROZAK – SUPPORTED BY TRUSTEE GNATEK

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

RETIREMENT APPLICATIONS

NAME, TITLE, DEPARTMENT: ROSAURA DOMINQUEZ – OFFICER - POLICE  
RETIREMENT TYPE, PLAN: EARLY RETIREMENT - NEW  
SER. CR., EFF. DATE: 16 01 00 – 11 13 13

NAME, TITLE, DEPARTMENT: CHRISTOS KYRIAKIDES – OFFICER - POLICE  
RETIREMENT TYPE, PLAN: SERVICE - NEW  
SER. CR., EFF. DATE: 10 02 15 – 05 01 15

YEAS – TRUSTEES ADAMS, GNATEK, JAMES, JENKINS, JONES, NAGLICK, NEARY,  
SERDA, TROZAK AND VICE CHAIRMAN PEGG – 10

NAYS – NONE

CONFIRMATIONS

BY TRUSTEE GNATEK – SUPPORTED BY TRUSTEE TROZAK

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

CONFIRMATIONS - CONTINUED

The Police & Fire Retirement System of the City of Detroit			
Weekly Receipts & Disbursements			
4/27/15-5/8/15			
Meeting #3039			
May 14, 2015			
REMITTER / PAYEE NAME	WIRE DATE	DESCRIPTION	AMOUNT
<b>RECEIPTS-BNY</b>			
Valstone Opportunity Fund IV	05/01/15	Distribution	2,534,074.36
City of Detroit	05/01/15	Weekly Mandatory Employee Contribution	222,749.59
RREEF American REIT II	04/30/15	Distribution	179,596.55
First Independence Bank	05/08/15	Loan Deductions	134,329.25
City of Detroit	05/08/15	Weekly Mandatory Employee Contribution	78,456.51
First Independence Bank	04/28/15	Loan Deductions	39,264.85
Alex Brown-Lafer Building	04/27/15	Distribution	16,916.09
Alex Brown-Beethoven Apartments	04/27/15	Distribution	11,577.24
City of Detroit	05/01/15	Weekly Annuity Contribution	4,567.83
City of Detroit	05/08/15	Weekly Annuity Contribution	834.08
<b>TOTAL RECEIPTS</b>			<b>\$ 3,222,366.35</b>
<b>DISBURSEMENTS-BNY</b>			
Retired Payroll	04/30/15	Direct Deposit for Retirees	21,715,679.33
Retired Payroll	04/30/15	Checks for Retirees	2,163,399.51
Annuity Refunds	05/06/15	Refund List #3580	807,958.97
Annuity Refunds	05/06/15	Refund List #3581	651,163.34
Checkwrite	05/01/15	Legal, Administrative & Misc. Expenses	543,311.59
Checkwrite	05/01/15	Legal, Administrative & Misc. Expenses	324,095.10
IT International	05/06/15	Management Fee: 1Q15	153,189.34
Contractual Staff	05/01/15	Staff Wages - 04/15	44,587.20
Loan Program	05/01/15	Loan Funding: Meeting No. 3036	32,071.00
Loan Program	05/01/15	Loan Funding: Meeting No. 3037	25,376.00
<b>TOTAL DISBURSEMENTS</b>			<b>\$ 26,460,831.38</b>

YEAS – TRUSTEES ADAMS, GNATEK, JAMES, JENKINS, JONES, NAGLICK, NEARY, SERDA, TROZAK AND VICE CHAIRMAN PEGG – 10

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



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

**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 GENERAL COUNSEL/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 MAY 7, 2015

PAYEE	DATE	INVOICE NO	DESCRIPTION	AMOUNT
<b>MANAGEMENT FEES:</b>				
CBRE CLARION SECURITIES	4/27/2015	042715	Management Fees: 1st Qtr. '15	\$138,787.00
GUGGENHEIM PARTNERS	4/24/2015	042415	Management Fees: 1st Qtr. '15	\$78,677.40
HARVEST FUND ADVISORS LLC	4/24/2015	042415	Management Fees: 1st Qtr. '15	\$164,716.02
JOHNSTON ASSET MANAGEMENT	4/30/2015	DETPFRE888590315	Management Fees: 1st Qtr. '15	\$104,723.09
MORGAN STANLEY INVESTMENT MANAGEMEN	1/29/2015	20141231-7785-A	Management Fees: 4th Qtr. '14	\$164,807.26
SEIZERT CAPITAL PARTNERS	4/21/2015	042115	Management Fees: 1st Qtr. '15	\$35,727.00
Subtotal				<u>\$687,437.77</u>
<b>LEGAL FEES:</b>				
CLARK HILL, PLC	3/18/2015	586452	PITG Gaming LLC through 2/28/15	\$1,185.75
CLARK HILL, PLC	4/22/2015	593120	DROP Program through 3/31/15	\$618.80
CLARK HILL, PLC	4/18/2015	592986	Onyx Capital Litigation through 3/31/15	\$9,690.00
CLARK HILL, PLC	4/22/2015	592987	PITG Gaming LLC through 3/31/15	\$1,067.18
CLARK HILL, PLC	4/29/2015	594252	The Life Assurance Fund through 3/31/15	\$2,490.08
CLARK HILL, PLC	3/18/2015	586446	EDS through 2/28/15	\$2,556.80
CLARK HILL, PLC	3/18/2015	586447	Beier Howlett, P.C. through 2/28/15	\$1,195.10
CLARK HILL, PLC	3/18/2015	586448	Invescor Litigation through 2/28/15	\$1,401.65
CLARK HILL, PLC	4/22/2015	593117	FOIA through 3/31/15	\$2,481.15
CLARK HILL, PLC	3/18/2015	586451	The Life Assurance Fund through 2/28/15	\$3,190.56
CLARK HILL, PLC	3/18/2015	586453	Onyx Capital Litigation through 2/28/15	\$10,064.64
CLARK HILL, PLC	3/18/2015	586455	Alamerica Bank through 2/28/15	\$6,113.51
CLARK HILL, PLC	3/18/2015	588430	Chapter 9 Implementation through 2/28/15	\$26,279.23
CLARK HILL, PLC	3/18/2015	588447	RSCD Bankruptcy Litigation through 2/28/15	\$15,709.48
CLARK HILL, PLC	3/19/2015	588515	Miscellaneous/Meetings through 2/28/15	\$23,116.17
CLARK HILL, PLC	4/20/2015	591695	Lyondell through 3/31/15	\$344.25
CLARK HILL, PLC	4/22/2015	592981	TradeWinds Airlines through 3/31/15	\$306.00
CLARK HILL, PLC	4/15/2015	592982	MGRA Litigation through 3/31/15	\$63.75
CLARK HILL, PLC	4/22/2015	592983	Invescor Litigation through 3/31/15	\$3,181.10
CLARK HILL, PLC	4/22/2015	592984	Alamerica Bank through 3/31/15	\$8,358.77

**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 MAY 7, 2015**

<b>PAYEE</b>	<b>DATE</b>	<b>INVOICE NO</b>	<b>DESCRIPTION</b>	<b>AMOUNT</b>
CLARK HILL, PLC	3/18/2015	586450	Lyondell through 2/28/15	\$409.25
COUZENS, LANSKY, FEALK, ELLIS P.C.	5/4/2015	90079	Book Cadillac through 5/1/15	\$5,185.90
GEORGE PECK & ASSOCIATES	12/7/2014	120714	Counsel for Rick Huddleston through 11/30/14	\$644.00
GEORGE PECK & ASSOCIATES	11/3/2014	110314	Counsel for Rick Huddleston through 10/31/14	\$6,266.90
GEORGE PECK & ASSOCIATES	10/27/2014	102714	Counsel for Rick Huddleston through 9/30/14	\$1,610.00
KLAUSNER & KAUFMAN	5/6/2015	16759	PFPS Legal Services through 4/30/15	\$945.00
Subtotal				\$134,475.02
<b>ADMINISTRATIVE EXPENSES:</b>				
ADP, INC	4/24/2015	453530256	Check Printing Services	\$112.37
ALEX BROWN REALTY	5/4/2015	05042015	DTIF Loan Servicing Fees for April 2015	\$1,347.71
ALLEGRA	4/30/2015	84944	Office Supplies	\$170.63
BAB ASSOCIATES, LLC	5/5/2015	20150517	Media Consultant: April 2015	\$3,461.55
DIRECTV	4/24/2015	25660007147	Service Charges	\$20.00
FEDEX	4/29/2015	501591667	FedEx Mailings	\$53.88
HARLAND TECHNOLOGY SERVICE	4/21/2015	13674314	Printing Supplies	\$1,415.50
IT STAFF WAGES	4/30/2015		IT Staff Wages for April 2015	\$52,437.57
KELLEY CAWTHORNE	5/1/2015	6293	Lobbyist Services for April 2015	\$7,500.00
MATTHEW GNATEK	4/16/2015	041615	Trustee Parking Reimbursement: 10/23/14 & 4/16/15	\$40.00
MICHAEL SIMON	4/30/2015	043015	Trustee Parking Reimbursement: 7/24/14 - 4/30/15	\$190.00
OFFICE DEPOT	4/27/2015	767552886001	Office Supplies	\$220.57
OFFICE DEPOT	4/28/2015	767552887001	Office Supplies	\$15.96
PLANTE & MORAN	4/14/2015	1235343	Annual Audit Services FY 13-14 (addl census work, GASB 67 Implementation, et	\$29,100.00
QUILL CORPORATION	4/23/2015	3606346	Office Supplies	\$69.20
QUILL CORPORATION	4/24/2015	3626665	Office Supplies	\$11.23
Subtotal				\$96,166.17

**THE POLICE AND FIRE RETIREMENT SYSTEM OF THE CITY OF DETROIT  
 LIST OF DISBURSEMENTS FOR BOARD APPROVAL  
 FOR MAY 7, 2015**

<b>PAYEE</b>	<b>DATE</b>	<b>INVOICE NO</b>	<b>DESCRIPTION</b>	<b>AMOUNT</b>
<b>Total Disbursements for Board Approval</b>				<b>\$916,078.96</b>

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

YEAS – TRUSTEES ADAMS, GNATEK, JAMES, JENKINS, JONES, NAGLICK, NEARY, SERDA, TROZAK AND VICE CHAIRMAN PEGG – 10

NAYS – NONE

REFUNDS OF ACCUMULATED CONTRIBUTIONS

BY TRUSTEE NEARY – SUPPORTED BY TRUSTEE SERDA

**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 NUMBERS **3582 (\$319,277.53)** AND **3583 (\$70,180.00)** INCLUDING INTEREST, BE REFUNDED PENDING AUDIT BY RETIREMENT SYSTEM ACCOUNTING STAFF:

YEAS – TRUSTEES ADAMS, GNATEK, JAMES, JENKINS, JONES, NAGLICK, NEARY, SERDA, TROZAK AND VICE CHAIRMAN PEGG – 10

NAYS – NONE

1974 DEFINED CONTRIBUTION PLAN (EMPLOYEE LOAN PROGRAM)

BY TRUSTEE NEARY – SUPPORTED BY TRUSTEE TROZAK

**RESOLVED**, THAT THE **1974** DEFINED CONTRIBUTION PLAN LOAN REQUEST LISTS SUBMITTED THIS DATE BE APPROVED AND THE AMOUNTS OF **\$82,663.00** AND **\$42,228.00** BE DISBURSED PENDING AUDIT BY RETIREMENT SYSTEM ACCOUNTING STAFF:

YEAS – TRUSTEES ADAMS, GNATEK, JAMES, JENKINS, JONES, NAGLICK, NEARY, SERDA, TROZAK AND VICE CHAIRMAN PEGG – 10

NAYS – NONE

MINUTES OF APRIL 2, 2015

BY TRUSTEE NEARY – SUPPORTED BY TRUSTEE GNATEK

**RESOLVED**, THAT THE MINUTES OF THE MEETING HELD **THURSDAY, APRIL 2, 2015** BE APPROVED AS RECORDED AND SUBMITTED BY THE BOARD'S RECORDING SECRETARY:

YEAS – TRUSTEES ADAMS, GNATEK, JAMES, JENKINS, JONES, NAGLICK, NEARY, SERDA AND VICE CHAIRMAN PEGG – 9

NAYS – NONE

ABSTENTIONS – TRUSTEE TROZAK – 1

ASSISTANT EXECUTIVE DIRECTOR'S REPORTS

ASSISTANT EXECUTIVE DIRECTOR **DAVID CETLINKSI** ASKED THE BOARD TO ACCEPT THE AMERICAN ARBITRATION ASSOCIATION'S FIRE DEPARTMENT RETIRANT TRUSTEE SPECIAL ELECTION RESULTS (DATED MAY 12, 2015) REGARDING **JOHN G. TUCKER**

FIRE DEPARTMENT ELECTED RETIRANT TRUSTEE SPECIAL ELECTION

BY TRUSTEE NEARY – SUPPORTED BY TRUSTEE JAMES

**Resolved**, That a **May 12, 2015** communication from Janice Holdinski, Vice President of the American Arbitration Association, indicating that **John G. Tucker** is declared to be duly elected to the office of Fire Department Elected Retirant Trustee of the Police and Fire Retirement System of the City of Detroit for the term commencing **May 14, 2015** and terminating **June 30, 2018** be made a matter of record and arrangements be made for **Mr. Tucker** to be administered the Oath of Office by the City Clerk:

FIRE DEPARTMENT ELECTED RETIRANT TRUSTEE SPECIAL ELECTION -  
CONTINUED

YEAS – TRUSTEES ADAMS, GNATEK, JAMES, JENKINS, JONES, NAGLICK, NEARY,  
SERDA, TROZAK AND VICE CHAIRMAN PEGG – 10

NAYS – NONE

TRUSTEE **JENKINS** EXCUSED HIMSELF AT 10:25 A.M.

RECESS

THE BOARD RECESSED FROM 10:30 A.M. UNTIL 10:35 A.M.

DIRECTED BROKERAGE

THE BOARD HELD A LENGTHY DISCUSSION REGARDING DIRECTED BROKERAGE,  
AND TRUSTEE JONES INFORMED THE BOARD THAT THE POLICE AND FIRE  
INVESTMENT COMMITTEE, FAVORING BEST EXECUTION, VOTED TO DISCONTINUE  
DIRECTED BROKERAGE.

TRUSTEES JAMES AND JONES THEN REQUESTED THAT THE BOARD'S CHIEF  
INVESTMENT OFFICER, RYAN C. BIGELOW, CREATE A NEW PROGRAM FOR  
MINORITY, WOMEN AND LOCAL BROKERS FOR CONSIDERATION TO REPLACE THE  
HISTORICAL BROKERS OF RECORD PROGRAM THAT HAD BECOME OUTDATED  
AND WAS ELIMINATED BY THE NEW INVESTMENT POLICY.

THIS MATTER WILL BE DISCUSSED FURTHER AT THE BOARD'S NEXT MEETING.

TRUSTEE **JENKINS** RETURNED TO THE MEETING AT 10:58 A.M.

GABRIEL, ROEDER, SMITH & COMPANY

**KENNETH G. ALBERTS** AND ASSOCIATE **DAVID T. KAUSCH** PRESENTED THE  
BOARD WITH A COPY OF THE GOVERNMENTAL ACCOUNTING STANDARDS BOARD  
(GASB) STATEMENT NO. 67 FINANCIAL REPORTING FOR PENSION PLANS REPORT  
AND PROCEEDED TO DISCUSS THE SYSTEM'S EXECUTIVE SUMMARY AS OF JUNE  
30, 2014, FINANCIAL STATEMENTS, REQUIRED SUPPLEMENTARY DATA, FINANCIAL  
STATEMENT NOTES, BENEFITS, ACTUARIAL COST METHOD AND ASSUMPTIONS,

GABRIEL, ROEDER, SMITH & COMPANY - CONTINUED

AND SINGLE DISCOUNT RATE CALCULATIONS.

TRUSTEE **JONES** EXCUSED HERSELF DURING GABRIEL, ROEDER'S PRESENTATION.

EXECUTIVE DIRECTOR'S REPORTS

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

PUBLIC RELATIONS ADVISOR'S REPORTS

PUBLIC RELATIONS ADVISOR **BRUCE BABIARZ** PROVIDED THE BOARD WITH A STATUS UPDATE, RE: CITY OF DETROIT POST CHAPTER 9 BANKRUPTCY.

LOBBYIST'S REPORTS

LOBBYIST **OSCAR W. KING, III** PROVIDED THE BOARD WITH A MICHIGAN LEGISLATIVE UPDATE.

INVESTMENT OFFICER'S REPORTS

INVESTMENT OFFICER **RYAN C. BIGELOW** WILL PROVIDE THE BOARD WITH A COPY OF THE N.W.B.E. BROKER POLICY AND A COPY OF THE GENERAL RETIREMENT SYSTEM'S INVESTMENT POLICY REGARDING DIRECTED BROKERAGE.

INTERIM GENERAL COUNSEL'S REPORTS

INTERIM GENERAL COUNSEL **RONALD A. KING** ASKED THE BOARD TO ENTER INTO CLOSED SESSION TO DISCUSS ATTORNEY/CLIENT PRIVILEGED MATTERS.

CLOSED SESSION

BY TRUSTEE SERDA – SUPPORTED BY TRUSTEE NAGLICK

**RESOLVED**, THAT THE BOARD ENTER INTO CLOSED SESSION FOR THE PURPOSE OF DISCUSSING AN ATTORNEY/CLIENT PRIVILEGED MATTER:

A ROLL CALL VOTE WAS TAKEN AS FOLLOWS:

YEAS – TRUSTEES ADAMS, GNATEK, JAMES, JENKINS, NAGLICK, NEARY, SERDA, TROZAK AND VICE CHAIRMAN PEGG – 9

NAYS – NONE

THE BOARD ENTERED INTO CLOSED SESSION AT **1:30 P.M.**

OPEN SESSION

BY TRUSTEE JAMES – SUPPORTED BY TRUSTEE SERDA

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

YEAS – TRUSTEES ADAMS, GNATEK, JAMES, JENKINS, NAGLICK, NEARY, SERDA, TROZAK AND VICE CHAIRMAN PEGG – 9

NAYS – NONE

THE BOARD RETURNED TO OPEN SESSION AT **2:38 P.M.**

INTERIM COUNSEL **KING** ALSO DISCUSSED CHAPTER 9 IMPLEMENTATION; USA VERSUS BEASLEY, ET AL; PFRS, ET AL, VERSUS ALAMERICA BANK, ET AL; AND AN APRIL 16, 2015 FOIA REQUEST FROM KYLE WELCH.

COMMITTEE REPORTS

TRUSTEE **SERDA** INFORMED THE BOARD THAT THE LEGAL REVIEW COMMITTEE MET ON MAY 7, 2015 AND DISCUSSED THE BOARD'S GENERAL COUNSEL RFP WITH **ROBERT KLAUSNER** VIA PHONE CONFERENCE. **MR. KLAUSNER** WILL SPEAK TO

COMMITTEE REPORTS - CONTINUED

THE BOARD REGARDING THIS MATTER DURING THE BOARD'S MAY 28, 2015 MEETING; AND THE LEGAL REVIEW COMMITTEE WILL MEET AGAIN ON MAY 26, 2015.

PUBLIC FORUM

AT **2:42 P.M.**, **VICE CHAIRMAN PEGG** DECLARED THE MEETING IN OPEN FORUM FOR GENERAL DISCUSSION BY THE PUBLIC ATTENDING THE MEETING.

ADJOURNMENT

THERE BEING NO FURTHER BUSINESS BEFORE THE BOARD, **VICE CHAIRMAN PEGG** ADJOURNED THE MEETING AT **2:45 P.M.** UNTIL **THURSDAY, MAY 28, 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