MEETING NO. 3260
JOURNAL OF PROCEEDINGS
BOARD OF TRUSTEES OF THE POLICE AND FIRE RETIREMENT SYSTEM
OF THE CITY OF DETROIT
HELD THURSDAY, MAY 7, 2020
9:00 A.M.
RETIREMENT SYSTEMS’ CONFERENCE ROOM
ALLY DETROIT CENTER, 500 WOODWARD AVENUE; SUITE 3000
DETROIT, MICHIGAN  48226

TRUSTEES PRESENT

Shawn Battle Ex/Officio Trustee/Fire Prevention Chief/Mayoral Designee
Michael F. Berent Elected Trustee/Fire
Matthew Gnatek Elected Trustee/Police/Chairperson
Angela R. James Ex/Officio Retiree Trustee/Police/Mayoral Designee
Brenda Jones Ex/Officio Trustee/City Council President
Christa McLellan Ex/Officio Trustee/Treasurer
Megan S. Moslimani Ex/Officio Trustee/Corporation Counsel /Vice-Chairperson
John Naglick Jr. Ex/Officio Trustee/Finance Director
George Orzech Elected Retiree Trustee/Fire
Jeffrey Pegg Elected Trustee/Fire
Dean Pincheck Elected Trustee/Fire
John Serda Elected Trustee/Police
Ronald Thomas Elected Trustee/Police
Gregory Trozak Elected Retiree Trustee/Police
Steven Watson Ex/Officio Trustee/Deputy Budget Director/Budget Director’s Designee

TRUSTEES EXCUSED

Portia Roberson Ex/Officio/Mayors Designee

ALSO PRESENT

David Cetinski Executive Director
Kelly Tapper Assistant Executive Director
Ryan Bigelow Chief Investment Officer
Marcella Brewer Recording Secretary
Ronald King General Counsel
Dr. Oscar King III Board Lobbyist
Bruce Babiarz Public Relations Advisor
Mark Solomon Visitor
Carlos Collins Visitor

STAFF EXCUSED
Meeting is being hosted electronically due to Covid-19 per Executive Order 2020-15

CHAIRPERSON

Matthew Gnatek

A verbal Roll Call commenced at 9:05 a.m. and Chairperson Gnatek called the meeting to order.

Present at Roll Call: Battle, Berent, James, McLellan, Moslimani, Naglick, Orzech, Pegg, Pincheck, Serda, Thomas, and Trozak.

Re: Approval of May 7, 2020 Agenda

Trustee Thomas moved to approve the agenda dated Thursday, May 7, 2020. Trustee Serda supported. The motion passed unanimously.

Re: Approval of RETIREMENT Applications

Trustee Thomas moved to approve the RETIREMENT applications as listed below. Trustee Pincheck supported. The motion passed unanimously.

RETIREMENT APPLICATIONS

<table>
<thead>
<tr>
<th>NAME, TITLE, DEPARTMENT</th>
<th>RETIREMENT TYPE-PLAN</th>
<th>SERVICE CREDIT-EFFECTIVE DATE</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mathew D. Rietz - Police Officer - Police</td>
<td>Drop - New</td>
<td>14 01 00 – 05 31 20</td>
</tr>
<tr>
<td>Vicki L. Yost – Deputy Chief of Police - Police</td>
<td>Vested - New</td>
<td>18 09 08 – 06 12 20</td>
</tr>
</tbody>
</table>

RECEIPTS:

The Board acknowledged the following receipts:
Re: Approval of Disbursements

Trustee Thomas moved to approve the Disbursement as outlined below with Acknowledgement of Investment Committee expenses. Trustee James supported. The motion passed unanimously.
<table>
<thead>
<tr>
<th>Vendor Name</th>
<th>Invoice Number</th>
<th>Invoice Description</th>
<th>Amount To Pay</th>
</tr>
</thead>
<tbody>
<tr>
<td>BENEFIT STREET PARTNERS DEBT FUND IV LP</td>
<td>033020</td>
<td>Capital Call</td>
<td>1,187,983.00</td>
</tr>
<tr>
<td>BENEFIT STREET PARTNERS DEBT FUND IV LP</td>
<td>040220</td>
<td>Capital Call</td>
<td>1,761,576.00</td>
</tr>
<tr>
<td>BLACKSTONE</td>
<td>040620</td>
<td>Capital Call</td>
<td>859,721.16</td>
</tr>
<tr>
<td>CASTLE LAKE V LP</td>
<td>040820</td>
<td>Capital Call</td>
<td>815,993.00</td>
</tr>
<tr>
<td>CENTRE LANE CREDIT PARTNERS II LP</td>
<td>041520</td>
<td>Capital Call</td>
<td>130,710.00</td>
</tr>
<tr>
<td>CENTRE LANE CREDIT PARTNERS II LP</td>
<td>050620</td>
<td>Capital Call</td>
<td>359,477.00</td>
</tr>
<tr>
<td>COINVEST CREDIT PARTNERS V LP</td>
<td>042120</td>
<td>Capital Call</td>
<td>1,000,000.00</td>
</tr>
<tr>
<td>CRESCENT DIRECT LENDING LEVERED FUND II LP</td>
<td>043320</td>
<td>Capital Call</td>
<td>1,401,830.00</td>
</tr>
<tr>
<td>CRESCENT DIRECT LENDING LEVERED FUND II LP</td>
<td>041520</td>
<td>Capital Call</td>
<td>2,682,883.00</td>
</tr>
<tr>
<td>CRESCENT EUROPEAN SPECIALTY LENDING FUND</td>
<td>041720</td>
<td>Capital Call</td>
<td>952,368.00</td>
</tr>
<tr>
<td>HL GRIDIRON CAPITAL FUND IV, LP</td>
<td>050620</td>
<td>Capital Call</td>
<td>1,930,137.00</td>
</tr>
<tr>
<td>KELSO INVESTMENT ASSOCIATES X, LP</td>
<td>050120</td>
<td>Capital Call</td>
<td>64,611.00</td>
</tr>
<tr>
<td>PLATINUM EQUITY CAPITAL PARTNERS V, LP</td>
<td>033020</td>
<td>Capital Call</td>
<td>217,620.00</td>
</tr>
<tr>
<td>PLATINUM EQUITY CAPITAL PARTNERS V, LP</td>
<td>050420</td>
<td>Capital Call</td>
<td>5,073.00</td>
</tr>
<tr>
<td>PLATINUM EQUITY SMALL CAP FUND LP - HAMILTON</td>
<td>050420</td>
<td>Capital Call</td>
<td>65,159.00</td>
</tr>
<tr>
<td>RAVEN ASSET BASED OPPORTUNITY FUND IV, LP</td>
<td>050720</td>
<td>Capital Call</td>
<td>271,962.56</td>
</tr>
<tr>
<td>ROARK CAPITAL PARTNERS V, L.P - HAMILTON</td>
<td>053270</td>
<td>Capital Call</td>
<td>64,971.79</td>
</tr>
<tr>
<td>ROARK CAPITAL PARTNERS V, L.P - HAMILTON</td>
<td>050020</td>
<td>Capital Call</td>
<td>679,349.23</td>
</tr>
<tr>
<td>Talwind Capital Partners (ERISA) LP</td>
<td>050620</td>
<td>Capital Call</td>
<td>257,550.00</td>
</tr>
<tr>
<td>THL CREDIT SELECT SERIES CLO EQUITY FUND</td>
<td>040620</td>
<td>Capital Call</td>
<td>524,571.62</td>
</tr>
<tr>
<td>THOMA BRAVO</td>
<td>041420</td>
<td>Capital Call</td>
<td>669,836.00</td>
</tr>
<tr>
<td>VALSTONE OPPORTUNITY FUND VI AV I, LLC</td>
<td>033120</td>
<td>Capital Call</td>
<td>4,192,439.86</td>
</tr>
<tr>
<td>WARBURG Pincus Financial Sector, LP</td>
<td>040820INTL</td>
<td>Capital Call</td>
<td>945,000.00</td>
</tr>
<tr>
<td>Bridget Hardy</td>
<td>043020SH</td>
<td>IT Contractual Wages - April 2020</td>
<td>2,251.78</td>
</tr>
<tr>
<td>James R. Holins</td>
<td>043020JH</td>
<td>IT Contractual Wages - April 2020</td>
<td>1,574.43</td>
</tr>
<tr>
<td>Raymond R. Toth</td>
<td>043020RT</td>
<td>IT Contractual Wages - April 2020</td>
<td>7,351.66</td>
</tr>
<tr>
<td>Venkat Raitapalli / Highrow Systems, Inc.</td>
<td>043020VR</td>
<td>IT Contractual Wages - April 2020</td>
<td>5,677.34</td>
</tr>
<tr>
<td>TT International</td>
<td>202000331-114-A</td>
<td>Management Fees 1st Qtr 2020</td>
<td>107,098.19</td>
</tr>
</tbody>
</table>

**Cash Account/Payment Method Total:** 28 Documents  21,035,850.32
Investment Committee Disbursement Acknowledgements

Vendor Name | Invoice Number | Invoice Description | Amount To Pay |
-------------|----------------|---------------------|---------------|
Bodhan PLC   | 705666         | IC Legal Fees-March2020 | 16,840.50     |
RIVENOAK LAW GROUP, P.C | 033120     | IC Interim General Counsel March 2020 | 9,531.50     |

Cash Account/Payment Method Total for Investment Committee: 2 Documents 26,372.00

* Payment amount is estimated based on the effective date 5/4/2020
**Re: Approval of Refunds (Accumulated Contributions)**

Trustee Thomas moved to approve the Refunds/Accumulated Contributions list as outlined below. Trustee Pincheck supported. The motion passed unanimously.

List number 3837 - $269,126.43  
List number 3838 - $171,719.97  
List number 3839 - $67,716.35

**Re: Approval of the Frozen Defined Contribution Plan/Employee Loan Program**

Trustee Thomas moved to approve the Frozen Defined Contribution Plan/Employee Loan Program as outlined below. Trustee Berent supported. The motion passed unanimously.

List #1 - $17,684.00 – 04/23/2020  
List #2 - $16,571.00 – 04/30/2020  
List #3 - $9,786.00 – 05/07/2020

**Re: Approval of Minutes**

Trustee Jones moved to approve the Minutes of March 19, 2020. Trustee Thomas supported.

Yeas – Battle, Berent, James, Jones Moslimani, Naglick, Orzech, Serda, Thomas, Trozak, Watson and Chairperson Gnatek – 12

Nays – None

Abstain – McLellan, Pegg, Pincheck

- Trustee Watson entered the meeting at 9:10 am

**ASSISTANT EXECUTIVE DIRECTOR’S REPORT**

Assistant Executive Director, Kelly Tapper, had not formal report, but discussed the following with the Board of Trustees:

- HEROS/CARES/SECURE ACT  
- Solomon Disability Earnings Offset Appeal (memo provided)  
- Collins Disability Earnings Offset Appeal (memo provided)

Trustee Thomas moved to implement the mandatory portions of the HEROS/CARES/SECURE ACT as mandated by legislation which could be applicable to the Retirement System. Trustee Berent supported. The motion passed unanimously.
Mark Solomon and Carlos Collins both disabled members, made an appeal to the Board to have their Disability Earnings Offset deduction reduced and to be placed on a payment plan. Employees off on disability can earn a certain percentage of their pay. Anything over that percentage, per the Plan of Adjustment must be recouped through deductions in the present fiscal year. Both members would like to have their payments amounts lowered because the current deduction is taking their entire check. The Board discussed and took no action

**EXECUTIVE DIRECTOR’S REPORT**

Executive Director, David Cetlinski, had no formal report, but discussed the following with the Board of Trustees:

- Sent a memo of the reductions via furlough for the Retirement System. The staff will be participating in the Workshare Program. In this program, the staff will be required to take a day off once a week and receive payment for underemployment through the CARES ACT. The Administrative Staff will take a 5% reduction in pay. The staff will participate in the workshare program through July 31, 2020.
- Plante Moran and Procentia have agreed to take reduction in fees per the request of the Board at its meeting on April 16, 2020.
- Hybrid Annuity Loan Program- working with the Bank to get it programmed.

**CHIEF INVESTMENT OFFICER’S REPORT**

Chief Investment Officer, Ryan Bigelow, had no formal report, but discussed the following with the Board of Trustees:

- Vendor reduction in fees
- Working with Gail and Chanda on the annual PA 314 Disclosure Response
- Working on Fiscal Year in Audit
- Special IC Meeting, Wednesday, May 13, 2020 to discuss PF Litigation, Investment Items, and TALF Loan Program.

Trustee Naglick asked if the Interim Certification for the Foundation for Detroit Future will appear on the Agenda for the Investment Committee Meeting. The City needs to file a report May 15, 2020 in order to receive 18.3 Million into the system by June 30, 2020.

**PUBLIC COMMENT**

Public asked if we would continue to host meetings electronically so they can continue to call in and listen.
PUBLIC RELATIONS REPORT

- Newsletter
- Intercept pay to play article

LOBBYIST’S REPORT

- Legislative Report.
- House and Senate have a Bill to increase tax deduction for First Responders
- Bill from the Senate to extend the Worker’s Compensation for First Responders

Gabriel Roeder

Representative David Kausch, Kenneth Alberts and Judith Kermans joined the meeting at 10:15 am and presented to the Board the following:

- Vendor reduction request
  - Trustee McLellan exits the meeting for the day at 10:27 am
- Actuarial Valuation of Component I, June 30, 2019
- Actuarial Valuation of Comp II, June 30, 2019

Trustee Naglick asked if Gabriel Roeder could possibly get the Actuarial Valuations done sooner in the year so the Budget Department can use the data for forecasting.

Trustee Pegg moved to approve as submitted the Gabriel Roeder Annual Actuarial Valuation of Component I and Component II Reports as of June 30, 2019. Trustee Pincheck supported. Motion passed unanimously.

Trustee Pegg moved to approve the 1% VPIF for Component I. Trustee Thomas supported.

Yeas – Battle, Berent, Jones Orzech, Pegg, Pincheck Serda, Thomas, Trozak, and Chairperson Gnome – 10

Nays – James, Moslimani, Naglick, Watson
GENERAL COUNSEL’S REPORT

General Counsel Ronald King, in addition to his legal report, discussed the following matters with the Board:

- NiSource, Inc. – Derivative Litigation

Trustee Serda moved to ratify direction by the Board to proceed with the Derivate Case as Plaintiff against NiSource, Inc. Trustee Trozak supported. Motion passed unanimously

Yeas – Battle, Berent James, Jones Moslimani, Naglick Orzech, Pincheck Serda, Thomas, Trozak, Watson and Chairperson Gnatek – 13

Nays –, Pegg. This action brings no money into the system.

Re: Entering into Closed Session

Resolution Moved By Trustee Jones– Supported by Trustee Thomas

WHEREAS, the Retirement System is subject to the limitation of the Open Meetings Act (“OMA”) being MCL 15.261 et seq. and has adopted a resolution on October 24, 2012 relative thereto; THEREFORE BE IT

RESOLVED, that the Board entered into Closed Session for the purpose of discussing Attorney/Client privileged matters regarding the following: Discussion regarding Pending Litigation.

A Roll Call Vote was taken as follows:

Yeas – Battle, Berent, James, Jones, Moslimani, Naglick, Orzech, Pegg, Pincheck, Serda, Thomas, Trozak, Watson and Chairperson Gnatek – 14

Nays – None

Board entered into closed Session at 11:57 am

Board exited closed session at 12:47 pm.

Due to technical difficulties, the Board was unable to return to open session.

ADJOURNMENT

The meeting was adjourned due to a lack of quorum at 12:48pm as they were unable to reconnect to the open session due to technical difficulties.
The Board’s next meeting is scheduled for Thursday, May 21, 2020 at 9:00 a.m. in the Retirement Systems’ Conference Room, 500 Woodward Avenue, Suite 3000; Detroit, Michigan 48226.

RESPECTFULLY SUBMITTED,

Kelly Tapper, Assistant Executive Director