

MEETING NO. 3264
JOURNAL OF PROCEEDINGS
BOARD OF TRUSTEES OF THE POLICE AND FIRE RETIREMENT SYSTEM
OF THE CITY OF DETROIT
HELD THURSDAY, JULY 16, 2020

9:00 A.M.
RETIREMENT SYSTEMS' CONFERENCE ROOM
ALLY DETROIT CENTER, 500 WOODWARD AVENUE; SUITE 3000
DETROIT, MICHIGAN 48226

TRUSTEES PRESENT

| | |
|--------------------|--|
| Michael F. Berent | Elected Trustee/Fire |
| Shawn Battle | Ex/Officio Trustee/Fire Prevention Chief/Mayoral Designee |
| 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/Mayor's Designee |
|-----------------|-----------------------------|

ALSO PRESENT

| | |
|--------------------|------------------------------|
| David Cetlinski | Executive Director |
| Kelly Tapper | Assistant Executive Director |
| Ryan Bigelow | Chief Investment Officer |
| Marcella Brewer | Recording Secretary |
| Bruce Babiarz | Public Relations Advisor |
| Dr. Oscar King III | Board Lobbyist |

STAFF EXCUSED

| | |
|-------------|-----------------|
| Ronald King | General Counsel |
|-------------|-----------------|

POLICE AND FIRE RETIREMENT SYSTEM OF THE CITY OF DETROIT
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Meeting is being hosted electronically due to Covid-19 per Executive Order 2020-75

CHAIRPERSON

Michael Berent

A verbal Roll Call commenced at 9:11 a.m. and Chairperson Berent called the meeting to order.

Present at Roll Call: Battle, Gnatek, James, McLellan, Moslimani, Naglick, Orzech, Pincheck, Serda, Trozak and Watson.

Re: Approval of July16, 2020 Agenda

Trustee Gnatek moved to approve the agenda dated Thursday, July 16, 2020. Trustee Trozak supported. The motion passed unanimously.

Re: Approval of RETIREMENT Applications

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

| | |
|-------------------------------|--|
| NAME, TITLE, DEPARTMENT | Michael A. Boyle – Police Lieutenant - Police |
| RETIREMENT TYPE-PLAN | Drop - New |
| SERVICE CREDIT-EFFECTIVE DATE | 19 00 18 – 06 23 20 |
| NAME, TITLE, DEPARTMENT | Michael A. Boyle – Police Lieutenant - Police |
| RETIREMENT TYPE-PLAN | Hybrid - Drop |
| SERVICE CREDIT-EFFECTIVE DATE | 06 00 00 – 06 23 20 |
| NAME, TITLE, DEPARTMENT | Dale C. Bradley – Fire DP Comm Rel Crd - Fire |
| RETIREMENT TYPE-PLAN | Drop - New |
| SERVICE CREDIT-EFFECTIVE DATE | 19 00 26 – 06 15 20 |
| NAME, TITLE, DEPARTMENT | Dajuan L. Hughes – Police Officer - Police |
| RETIREMENT TYPE-PLAN | Drop - New |
| SERVICE CREDIT-EFFECTIVE DATE | 14 02 07 – 04 24 20 |
| NAME, TITLE, DEPARTMENT | Kevin J. Kelly – Fire Engine Oper - Fire |
| RETIREMENT TYPE-PLAN | Drop - New |
| SERVICE CREDIT-EFFECTIVE DATE | 19 10 23 – 07 09 20 |

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NAME, TITLE, DEPARTMENT Kevin J. Kelly – Fire Engine Oper - Fire
 RETIREMENT TYPE-PLAN Hybrid - Drop
 SERVICE CREDIT-EFFECTIVE DATE 06 00 00 – 07 09 20

NAME, TITLE, DEPARTMENT Shawntrice M. Tatum – Police Officer -
 Police
 RETIREMENT TYPE-PLAN Drop - New
 SERVICE CREDIT-EFFECTIVE DATE 14 02 07 – 06 09 20

RECEIPTS:

The Board acknowledged the following receipts:

Cash Receipts Cash Account: HYBLIQRES
 Company: RSCD-PFRS Start Date: 6/11/2020
 End Date: 7/10/2020

| Doc. Date | Module | Tran. Type | Doc. Nbr. | Description | R/C | Receipt |
|-----------|--------|------------|-----------|---|-----|------------|
| 7/1/2020 | GL | 011891 | | After tax annuity contributions 7-2-20 | | 11,943.33 |
| 6/18/2020 | CA | Cash Entry | 001800 | Pre tax pension contributions 6-5-20 (Rec'd 6-18) | R/C | 99,417.66 |
| 6/19/2020 | CA | Cash Entry | 001801 | Pre tax pension contributions 6-19-20 | R/C | 8,133.58 |
| 6/23/2020 | CA | Cash Entry | 001806 | Pre tax pension contributions 6-19-20 (Received Wire 6-23-20) | R/C | 384,420.88 |
| 7/1/2020 | CA | Cash Entry | 001815 | Pre tax pension contributions 7-2-20 (Received Wire 7-1-20) | R/C | 284,734.60 |
| 7/2/2020 | CA | Cash Entry | 001816 | Pre tax pension contributions 7-2-20 | R/C | 107,259.00 |
| 7/7/2020 | CA | Cash Entry | 001818 | Pre tax pension contributions 7-2-20 (Rec'd 7-7-20) | R/C | 21.04 |
| | | | | | | 895,930.09 |

Cash Receipts Cash Account: LIQUID RES
 Company: RSCD-PFRS Start Date: 6/11/2020
 End Date: 7/10/2020

| Doc. Date | Module | Tran. Type | Doc. Nbr. | Description | R/C | Receipt |
|-----------|--------|------------|-----------|---|-----|---------------|
| 6/26/2020 | CA | Cash Entry | 001809 | Loan Deductions 6-12-20 (\$1,856.07) | R/C | 1,856.07 |
| 6/26/2020 | CA | Cash Entry | 001810 | Loan Deductions 6-19-20 (\$92,763.80) | R/C | 92,763.80 |
| 6/29/2020 | AR | Payment | 000023 | Annual POA Payment Due from The Foundation for Detroit's Future - Due 6/30/20 | R/C | 18,300,000.00 |
| 6/30/2020 | CA | Cash Entry | 001817 | Loan Deductions 6-26-20 (\$2,132.62) | R/C | 2,132.62 |
| 7/10/2020 | CA | Cash Entry | | Loan Deductions 7-3-20 (\$93,185.03) | R/C | 93,185.03 |
| | | | | | | 18,489,937.52 |

Total Receipts 19,385,867.61

Re: Approval of Disbursements

Trustee Gnatek moved to approve the Disbursement as outlined below with Acknowledgement of Investment Committee expenses. Trustee Trozak supported. The motion passed unanimously.

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 Date: 7/13/2020 9:32 AM

Disbursement Report

| Account | Payment Method | Currency | | |
|--|----------------|--|---------------------|---------------------|
| LIQUID RES | WIRE | US | | |
| Vendor Name | Invoice Number | Invoice Description | Amount To Pay | |
| AMERICAN SECURITIES PARTNERS VIII, LP - HAMILTON | 1070120 | Capital Call | 81,859.00 | |
| AVENUE ASIA SPECIAL SITUATIONS FUND V LP | 071720 | Capital Call | 894,504.00 | |
| HL - Platinum Equity Capital Partners IV, LP | 071520 Cayman | Capital Call | 71,538.00 | |
| MESIROW FINANCIAL REAL ESTATE VALUE FUND III | 071520 | Capital Call | 196,421.64 | |
| PLATINUM EQUITY SMALL CAP FUND LP - HAMILTON | 062420 | Capital Call | 1,795,500.00 | |
| THL CREDIT SELECT SERIES CLO EQUITY FUND | 070220 | Capital Call | 579,425.71 | |
| VISTA EQUITY PARTNERS FUND VII, L.P | 070820 | Capital Call | 709,633.00 | |
| VISTA EQUITY PARTNERS FUND VII, L.P | 071320 | Capital Call | 62,722.00 | |
| WARBURG PINCUS FINANCIAL SECTOR, LP | 071620 | Capital Call | 1,721,250.00 | |
| Bridgett Hardy | 063020BH | IT Contractual Wages - June 2020 | 2,698.09 | |
| James R. Hollins | 063020JH | IT Contractual Wages - June 2020 | 3,484.42 | |
| Raymond R. Tchou | 063020RT | IT Contractual Wages - June 2020 | 6,514.90 | |
| Venkat Rallapalli / Highbrow Systems, Inc. | 063020VR | IT Contractual Wages - June 2020 | 7,732.51 | |
| Cash Account/Payment Method Total: | | | 13 Documents | 6,133,283.27 |
| HUNT VEND | ACH | US | | |
| Vendor Name | Invoice Number | Invoice Description | Amount To Pay | |
| 500 WEBWARD LLC | 113349 | July 2020 Rent | 26,722.97 | |
| 500 WEBWARD LLC | 1086797 | Electrical Billing:5/28/20-6/29/20 #16055044 | 1,424.89 | |
| 500 WEBWARD LLC | 1086798 | Electrical Billing:5/28/20-6/29/20 #16055070 | 1,715.67 | |
| 8x8 INC. | 2704582 | Phone System Services | 2,136.19 | |
| ADP, INC | 559148479 | Check Printing Services | 102.45 | |
| ADP, INC | 559149078 | Check Printing Services | 553.25 | |
| ASYSO | 2020N026322 | AMT Software License Renewal 8/1/20-7/31/21 | 17,491.66 | |
| CLARK HILL, PLC | 997094 | General Counsel Services for June 2020 | 26,250.00 | |
| CLARK HILL, PLC | 997095 | Zawislak for June 2020 | 1,040.40 | |
| CLARK HILL, PLC | 997096 | Raby for June 2020 | 336.60 | |
| Cogent Communications, Inc. | 070120 | Internet Service | 525.00 | |

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| COUZENS, LANSKY, FEALK, ELLIS P.C. | 133595 | Legal Fees thru 6/3/20 | 19,269.50 |
| CREATIVE BREAKTHROUGHS INC (CBI) | INV3690 | Software Maintenance | 140.00 |
| CRESTWOOD ASSOCIATES L.L.C. | INV059812 | Acumatica Training & Implementation | 50.00 |
| FRANK RUSSELL COMPANY | 1652027784 | Russell Indexes Standard 4/1/20-6/30/20 | 125.00 |
| GABRIEL, ROEDER, SMITH & CO | 455660 | Actuarial Services for June 2020 | 9,900.00 |
| GLOBAL GOVERNANCE ADVISORS LLC | 962 | June Deliverables | 1,030.49 |
| LOOMIS, SAYLES & COMPANY, L.P. | 209730 | Management Fees 2nd Qtr '20 | 65,772.19 |
| MONEY-MEDIA, INC. | FF-304071 | Fundfire License Renewal: 6/15/20-6/15/21 | 830.00 |
| Office of the Chief Financial Officer | 1417721 | Wages&Benefits CoD Employees FY19-20 4th Qtr | 353,573.13 |
| PAYDEN & RYGEL | 1612-M520 | Management Fees - May 2020 | 7,288.00 |
| PLANTE & MORAN | 1866559 | GASB 68 Audit for 6/30/19 & Financial Statement A | 5,925.00 |
| Premier Parking (fka Ultimate Parking) | 205205 | Parking- July 2020 | 132.00 |
| Premier Parking (fka Ultimate Parking) | 205726 | Parking - July 2020 | 1,666.50 |
| PROCENTIA, INC. | 2365 | Procentia Implementation | 32,412.82 |
| QUILL CORPORATION | 8037669 | Office Supplies | 215.99 |
| UHY Advisors MI, Inc. | 1354336B | Professional IT Services for June 2020 | 44,673.75 |
| Cash Account/Payment Method Total: | | 27 Documents | 621,303.45 |

| HUNT VEND | CHECK | US | | |
|---|----------------|---|---------------|--|
| Vendor Name | Invoice Number | Invoice Description | Amount To Pay | |
| ALLEGRA | 73417012 | Office Supplies | 659.04 | |
| ASCENSION MICHIGAN AT WORK(fka Providence Occ | 388785 | Disability Initial Exam Fee | 550.00 | |
| ASCENSION MICHIGAN AT WORK(fka Providence Occ | 392933 | Disability Initial Exam Fee | 550.00 | |
| ASCENSION MICHIGAN AT WORK(fka Providence Occ | 392934 | Disability Re-Exam Fee | 275.00 | |
| BAB ASSOCIATES, LLC | 2020-051 | Public Relations Services for June 2020 | 2,250.00 | |
| CINTAS CORPORATION-300 | 4055355326 | Floor Mats | 130.65 | |
| COMCAST | 061720 | High Speed Internet | 196.79 | |
| DAVID CETLINSKI | 063020 | 2nd Quarter Phone Stipend | 90.00 | |
| Dean Pincheck | 063020 | 2nd Quarter Phone Stipend | 90.00 | |
| DIRECTV | 37545403377 | Service Charges 6/23/20 | 2.13 | |
| First CHOICE Coffee Services | 697261 | Equipment Rental | 30.00 | |
| First CHOICE Coffee Services | 697121 | Coffee Supplies | 211.03 | |
| George Orzech | 063020 | Trustee Stipend | 856.44 | |
| George Orzech | 063020. | 2nd Quarter Phone Stipend | 90.00 | |
| GREGORY TROZAK | 063020 | Trustee Stipend | 856.44 | |
| GREGORY TROZAK | 063020. | 2nd Quarter Phone Stipend | 90.00 | |

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| IRON MOUNTAIN | 182711 | Data Domain Service | 1,252.56 |
| IRON MOUNTAIN | 202162832 | Storage CDs | 1,054.22 |
| Iron Mountain Records Management | CRTJ908 | Records Storage | 1,905.07 |
| JACOB & WEINGARTEN, P.C | 32899 | Mediation Services through 5/31/20 | 12,614.29 |
| JEFF PEGG | 063020 | 2nd Quarter Phone Stipend | 90.00 |
| John Serda | 063020 | 2nd Quarter Phone Stipend | 90.00 |
| KELLEY CAWTHORNE | 11460 | Lobbyist Services for July 2020 | 6,750.00 |
| MAD DOG PROFESSIONAL SERVICES | Detroit 122030 | Derrick Hunter 6/1/20-6/30/20 | 3,636.00 |
| RACINE & ASSOCIATES | 12745 | DPF v. Paramount 5/1/20-5/31/20 | 2,752.80 |
| RACINE & ASSOCIATES | 12752 | DPF v. Paramount 6/1/20-6/30/20 | 1,057.40 |
| RONALD THOMAS | 063020 | 2nd Quarter Phone Stipend | 90.00 |
| SHRED-IT USA | 8129950089 | Shredding Service Charges | 49.73 |
| TRANSUNION RISK & ALT DATA SOLUTIONS INC (TL: 3712221-202006-1 | | TLOxp Research Services | 25.00 |
| United States Postal Service | 061820 | Prepayment for Neopost Postage Funds | 4,000.00 |
| VERIZON WIRELESS | 9855974995 | Wireless Billing 5/5/20-6/4/20 | 827.78 |
| WELLS FARGO VENDOR FINANCIAL SVCS, LLC | 103715115 | Printer Maintenance | 135.56 |
| XEROX | 010426055 | Printer Maintenance | 13.11 |
| Cash Account/Payment Method Total: | | 33 Documents | 43,271.04 |

Investment Committee Disbursement Acknowledgements

| HUNT VEND | ACH | US | | |
|---|-----|----|-----------------------|--|
| Vendor Name | | | Invoice Number | Invoice Description |
| RIVENOAK LAW GROUP, P.C | | | 12213 | IC Interim General Counsel/Retainer Fee June 202 |
| Cash Account/Payment Method Total: | | | 1 Document | 10,068.50 |

* Payment amount is estimated based on the effective date 7/13/2020

Re: Approval of Refunds (Accumulated Contributions)

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

- List number 3846 - \$149,909.12
- List number 3847 - \$100,427.12
- List number 3848 - \$630,579.33
- List number 3849 - \$565,852.94

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

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

- List #1 - \$26,983.00 – 07/02/2020
- List #2 - \$19,475.00 – 07/09/2020
- List #3 - \$30,945.00 – 07/16/2020

Re: Approval of Minutes

Trustee Gnatek moved to approve the Minutes of June 04, 2020. Trustee Pincheck supported. The motion passed unanimously.

ASSISTANT EXECUTIVE DIRECTOR’S REPORT

Assistant Executive Director, Kelly Tapper, discussed the following with the Board of Trustees:

- VOYA Rate and Fee Changes
- Robert Turner Medical Discussion

- **Trustee Thomas joined the meeting at 9:15 a.m.**
- **Trustee Jones joined the meeting at 9:21 a.m.**

Re: VOYA Rate and Fee Changes: The current DROP Rate increased from 1.68% to 1.74%. The rate increased due to a reduction in fees. The fees went from .54% to .48%.

Re: Robert Turner Medical: Member currently due for a re-exam and is concerned about going to the hospital for treatment due to COVID19. The Board suggested that this item be tabled and discussed at the next meeting in August to get a legal opinion and process created.

The Pension Funding Policy Presentation by the City is currently scheduled for August 20, 2020 at 10:00 a.m.

EXECUTIVE DIRECTOR’S REPORT

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

- Slowly opening the office to staff and the public. The staff will start taking appointments on July 20, 2020. Each appointment will be scheduled approximately one every 30 minutes.
- COLA will be on the August 1, 2020 check. Hybrid will receive 1% and the Legacy will receive 1.0125%. The old plan, Police will receive a raise, but Fire will not as Fire has not settled their contract.

The Board was advised that the Police and Fire Retirement System Investment Committee is seeking confirmation of two candidates the IC nominated to replace resigning independent members as required by the Plan of Adjustment and the operative documents. Trustee Orzech moved to approve the two recommended candidates, Orim Graves and Jerry Mingione, to replace McCullough Williams and Robert Smith as independent members of the PFRS IC. Trustee Gnatek supported. The motion passed unanimously.

Trustee Berent inquired about the Hybrid Annuity Loan. The process should be completed by the end of July. Notices will be sent when complete.

CHIEF INVESTMENT OFFICER’S REPORT

Chief Investment Officer, Ryan Bigelow, discussed the following with the Board of Trustees:

- 3 Million dollar Life Insurance Payout
- Wilshire tentative to appear in August
- **Trustee Pegg joined the meeting at 9:43 a.m.**

PUBLIC COMMENT

- **Kathleen Colin, President of NASP of Detroit** addressed the Board on the Annual Golf Outing to raise funds for scholarships for Detroit Metro Youth. The Virtual Fundraiser will run through August 25, 2020. The applications for the scholarships are available through August 1, 2020.

PUBLIC RELATIONS REPORT

- News Media Report regarding Walmart and Tesla Securities Litigation
- Crain’s Article regarding Police Retirements- would like to interview Ron Thomas, Matthew Gnatek and John Serda.

LOBBYIST’S REPORT

- Legislation is in recess
- Mental Health Training
- Legislation Budget

GENERAL COUNSEL’S REPORT

None

NEW BUSINESS/OLD BUSINESS

None

COMMITTEE REPORT

Trustee Pegg recommended that the Finance Committee should meet after the budget Presentation by the City on August 20, 2020.

Trustee Moslimani recommended that the Policy Committee should schedule a meeting.

ADJOURNMENT

Trustee Gnatek moved to adjourn meeting #3264; Trustee Thomas supported.

Chairperson Berent adjourned the meeting at 10:29 A.M. The Board's next meeting is scheduled for Thursday, August 06, 2020 at 9:00 a.m. in the Retirement Systems' Conference Room, 500 Woodward Avenue, Suite 3000; Detroit, Michigan 48226.

RESPECTFULLY SUBMITTED,

A handwritten signature in cursive script, appearing to read "Kelly Tapper".

Kelly Tapper, Assistant Executive Director