



MINUTES
Meeting No. 056
Police and Fire Retirement System Investment Committee
February 22, 2021

A meeting of the Investment Committee of the Police and Fire Retirement System of the City of Detroit was held on **Monday, February 22, 2021**. In conformance with public health orders from the Director of the Michigan Department of Health and Human Services, the meeting was held electronically, and members of the Committee and the public participated by telephonic and electronic means. Joseph Bogdahn, Chairperson, called the meeting to order at 10:05 a.m.

A quorum was present.

ROLL CALL:

Attendance was taken by the Committee's Recording Secretary with the following Committee Members present Joseph Bogdahn (*Chairperson*) (*Winter Haven, Polk County, FL*), Matthew Gnatek (*Detroit, Wayne County, MI*) Orim Graves (*Philadelphia, Philadelphia County, PA*), Jerry Mingione (*Philadelphia, Philadelphia County, PA*), George Orzech (*West Bloomfield, Oakland County, MI*), Jeff Pegg (*Clinton Township, Macomb County, MI*), Robert Skandalaris (*Bloomfield Hills, Oakland County, MI*), Gregory Trozak (*Macomb Township, Macomb County, MI*), and Woodrow Tyler (*Dexter Township, Washtenaw County, MI*).

Staff Present: Ryan Bigelow (*Chief Investment Officer*), David Cetlinski (*Executive Director*), Kelly Tapper (*Assistant Executive Director*), and Valerie Brader (*General Counsel – Rivenoak Law Group, P.C.*).

Committee Members Excused: None

Staff Excused: None

Approval of Minutes

Motion #01: Robert Skandalaris moved to approve the Minutes of Meeting No. **054**, held on **Monday, December 7, 2020, as amended**. Woodrow Tyler supported. The motion passed unanimously.

Approval of Minutes

Motion #02: Orim Graves moved to approve the Minutes of Meeting No. **055**, held on **Tuesday, January 19, 2021**. Woodrow Tyler supported. The motion passed unanimously.

Approval of Agenda

Motion #03: Jeff Pegg moved to approve the agenda dated **Monday, February 22, 2021**. George Orzech supported. The motion passed unanimously.

Reporting – Audit/Actuarial

CIO Report

- Annual Report

Motion #04: Jeff Pegg moved to approve the Annual Report. Robert Skandalaris supported. The motion passed unanimously

- CEM Benchmarking

The Committee advised CIO to use the 2019 data for the CEM Benchmarking study.

Investment Consultant - Wilshire

Representatives David Lindberg, Calvin Born and Joanna Bewick discussed the following with the Committee:

Asset Allocation

- December 2020 Asset Class Assumptions
- 2020 Economic and Market Divergence
- Economic Growth
- U.S. Equity Market
- Annual Returns

- Non U.S. Equity Market
- U.S. Fixed Income
- High Yield Bond Market
- Real Assets

Actual Allocation vs Policy Allocation

- U.S. Equity

Composite Performance Summary

- Plan Sponsor Peer Group Analysis
- Plan Sponsor Peer Group Multi Statistics

Total Fund Attribution

- Asset Allocation and Performance
- Plan Sponsor Scattergram

Quarter 4 Performance

- Diversification Challenges
- Looking Forward
- Current Policy
- Illustration of Risk – Examples
- Economic Factor Exposures
- Distribution of Returns – (1 year)
- Distribution of Returns – (3 years)
- Drawdown Potential and Liquidity Considerations

Presentation materials were provided

Real Estate – ORG

Representatives Ed Swartz and Thor Eriksen discussed the following with the Committee:

Investment Policy Review

- Real Estate Return Objective
- Preliminary Implementation Plan
- Real Estate Portfolio by Net Asset Value

Presentation materials were provided

Investment Committee Topics – North Pier Fiduciary Management

Representatives Gregory Metzger, Jim Scheinberg, and Charles Everett discussed the following with the Committee:

- OCIO Education
- Committee Members Interview

Legal Report

- Ethics Policy

Jeff Pegg requested that this item be tabled for discussion at a later meeting to allow additional time for review. The item was tabled.

- RFP – Financial Services Contract

After a report on the three respondents and the memo from counsel giving the range of costs, George Orzech requested that prior to a decision, a question and answer session with the respondents be held. The group agreed to hold a special meeting for that purpose.

Public Comment

None

ADJOURNMENT

Jeff Pegg moved to adjourn meeting #56. Robert Skandalaris supported.

There being no further business before the Investment Committee, the meeting was adjourned at 1:18 p.m. The Investment Committee’s next regular meeting was scheduled for **Monday, April 12, 2020**, at 10:00 a.m., with an additional meeting to allow the question and answer session to be scheduled in the interim.

RESPECTFULLY SUBMITTED,

**VALERIE BRADER
GENERAL COUNSEL**

Recording Secretary: Marcella Brewer