

MEETING NO. 3294
JOURNAL OF PROCEEDINGS
BOARD OF TRUSTEES OF THE POLICE AND FIRE RETIREMENT SYSTEM
OF THE CITY OF DETROIT
HELD THURSDAY, OCTOBER 21, 2021

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

TRUSTEES PRESENT

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

TRUSTEES EXCUSED

None

ALSO PRESENT

David Cetlinski	Executive Director
Kelly Tapper	Assistant Executive Director
Ronald King	General Counsel
Marcella Brewer	Recording Secretary
Dr. Oscar King III	Board Lobbyist
Bruce Babiarz	Public Relations Advisor

STAFF EXCUSED

Ryan Bigelow	Chief Investment Officer
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POLICE AND FIRE RETIREMENT SYSTEM OF THE CITY OF DETROIT
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“Declaration of Continued Emergency Due to Covid-19 To Allow Public Meetings of Governmental Bodies To Be Held Remotely Under Public Act 228 of 2020 Extended From September 1, 2021 to December 31, 2021.”- Detroit, MI.

CHAIRPERSON

Ronald Thomas

A verbal Roll Call commenced at 9:07 a.m. and Chairperson Thomas called the meeting to order.

Present at Roll Call: Baker (Detroit, MI), Battle (Detroit, MI), Berent (Detroit, MI), Gnatek (Dearborn Heights, MI), James (Detroit, MI), McLellan (Livonia, MI), Naglick (Detroit, MI), Orzech (Oakland County, MI), Pincheck (Detroit, MI), Trozak (Macomb County, MI), Watson (Detroit, MI) and Thomas – Chairperson (Detroit, MI)

Re: Approval of October 21, 2021 Agenda

Trustee Berent moved to approve the agenda dated Thursday, October 21, 2021. Trustee Pincheck supported. The motion passed unanimously.

Re: Approval of RETIREMENT Applications

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

NAME, TITLE, DEPARTMENT	Michael N. Brown-El – Fire Fighter - Fire
RETIREMENT TYPE-PLAN	Conversion from Duty Disability - New
SERVICE CREDIT-EFFECTIVE DATE	25 00 00 – 10 09 20

NAME, TITLE, DEPARTMENT	Eric M. Decker – Captain – NU POL UNI - Police
RETIREMENT TYPE-PLAN	Drop - New
SERVICE CREDIT-EFFECTIVE DATE	18 00 07 – 09 24 21

NAME, TITLE, DEPARTMENT	Eric M. Decker – Police Comm – PCOA – Police
RETIREMENT TYPE-PLAN	Hybrid - Drop
SERVICE CREDIT-EFFECTIVE DATE	07 03 00 – 09 24 21

NAME, TITLE, DEPARTMENT	Courtney R. Jordan – Police Officer - Police
RETIREMENT TYPE-PLAN	Drop - New
SERVICE CREDIT-EFFECTIVE DATE	14 07 16 – 09 28 21

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NAME, TITLE, DEPARTMENT Rodney N. Sizemore – Police Lieutenant -
 Police
 RETIREMENT TYPE-PLAN Hybrid - Drop
 SERVICE CREDIT-EFFECTIVE DATE 07 03 00 – 09 30 21

➤ **Trustee Mallett joined the meeting at 9:09 am (Detroit, MI)**

RECEIPTS:

The Board acknowledged the following receipts:

Cash Receipts	Cash Account: HYBLIQRES
Company: RSCD-PFRS	Start Date: 10/2/2021
	End Date: 10/15/2021

Doc. Date	Module	Tran. Type	Doc. Nbr.	Description	R/C	Receipt
9/14/2021	GL	015320		After Tax Annuity Contributions 9-10-21 (Rec'd 9/14)		14,999.04
9/23/2021	GL	015402		After Tax Annuity Contributions 9-24-21 (Rec'd 9/23)		16,114.83
10/8/2021	GL	015478		After Tax Annuity Contributions 10-8-21		14,719.30
10/8/2021	GL	015477		Pretax Pension Contributions 10-8-21		9,538.69
10/8/2021	CA	Cash Entry	002170	Pretax Pension Contributions 10-8-21	R/C	310,794.21
10/8/2021	CA	Cash Entry	002171	Pretax Pension Contributions 10-8-21	R/C	26,787.91
10/8/2021	CA	Cash Entry	002172	Pretax Pension Contributions 10-8-21	R/C	116,053.92
10/15/2021	CA	Cash Entry		Pretax Pension Contributions	-/C	2,749.17
						511,757.07

Cash Receipts	Cash Account: LIQUID RES
Company: RSCD-PFRS	Start Date: 10/2/2021
	End Date: 10/15/2021

Doc. Date	Module	Tran. Type	Doc. Nbr.	Description	R/C	Receipt
10/4/2021	CA	Cash Entry	002168	Loan Deductions 10-1-21 (\$6,853.96) (Rec'd 10/4)	R/C	6,853.96
						6,853.96
Total Receipts						518,611.03

Re: Approval of Disbursements

Trustee Berent moved to approve the Disbursement as outlined below including Acknowledgement of Investment Committee expenses. Trustee Pincheck supported. The motion passed unanimously.

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 Date: 10/18/2021 9:41 AM

Disbursement Report

Account	Payment Method	Currency		
LIQUID RES	WIRE	US		
Vendor Name	Invoice Number	Invoice Description	Amount To Pay	
ABR CHESAPEAKE INVESTORS VI-B, LP	100521	Capital Call	2,627,671.00	
AMERICAN SECURITIES PARTNERS VIII, LP	100521	Capital Call	703,864.00	
CHURCHILL MIDDLE MKT SR. LN FD III (USTE)	100721	Capital Call	408,966.26	
COMVEST CREDIT PARTNERS V LP	101521	Capital Call	780,179.00	
HL ASCRIBE OPPORTUNITIES FUND IV, L.P	100721	Capital Call	1,013,637.00	
PLATINUM EQUITY CAPITAL PARTNERS V, LP	101421	Capital Call	331,313.00	
PLATINUM EQUITY CAPITAL PARTNERS V, LP	101521	Capital Call	720,000.00	
WARBURG PINCUS FINANCIAL SECTOR II, L.P	101321	Capital Call	245,000.00	
WARBURG PINCUS FINANCIAL SECTOR II, L.P	101321 (E&P)-1	Capital Call	175,000.00	
Cash Account/Payment Method Total:			9 Documents	7,005,630.26
HUNT VEND	ACH	US		
Vendor Name	Invoice Number	Invoice Description	Amount To Pay	
500 WEBWARD LLC	1214088	Electrical Billing: 8/30/21-9/29/21 #16055070	761.77	
500 WEBWARD LLC	1214087	Electrical Billing: 8/30/21-9/29/21 #16055044	820.07	
8x8 INC.	3173990	Phone System Services	1,465.36	
CINTAS CORPORATION-300	4097367931	Floor Mats	144.05	
CLARK HILL, PLC	1136549	General Counsel Services for September 2021	26,250.00	
CLARK HILL, PLC	1137540	Gregory Davis for September 2021	796.25	
Cogent Communications, Inc.	100121	Internet Service	650.00	
FEDEX	7-523-96605	Mailing	30.13	
FEDEX	7-530-78059	Mailing	102.47	
GABRIEL, ROEDER, SMITH & CO	464906	Actuarial Services for September 2021	10,458.00	
GABRIEL, ROEDER, SMITH & CO	465365	EDRO Calculations for E.L. Pepper	1,500.00	
GABRIEL, ROEDER, SMITH & CO	465562	EDRO Calculations for Pastella Williams	1,200.00	
HARDMAN JOHNSTON GLOBAL ADVISORS	DETPFRE888590921	Management Fees 3rd Qtr '21	108,048.08	
HARVEST FUND ADVISORS LLC	Detroit P&F 2021 Q3	Management Fees 3rd Qtr '21	113,556.68	
IRON MOUNTAIN	202416221	Storage CDs	1,300.40	
LOOMIS, SAYLES & COMPANY, L.P.	219709	Management Fees 3rd Qtr '21	60,889.75	
NORTHSTAR LIFE SERVICES	INV-0676	Servicing Fee	439.56	

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PAYDEN & RYGEL	1612-M921	Management Fees - September 2021	7,960.00
RACINE & ASSOCIATES	12958	DPF v. Paramount 9/1/21-9/30/21	738.93
RHUMBLINE ADVISERS	g13mpfrsd2021Q3	MSCIEAFE-P Management Fees 3rd Qtr '21	3,768.00
SALIENT CAPITAL ADVISORS, LLC	3Q21	Management Fees 3rd Qtr '21	100,730.03
SMITH GRAHAM	3Q21	Management Fees 3rd Qtr '21	20,863.00
UHY Advisors MI, Inc.	TS-2021-0114	Professional IT Services for September 2021	43,800.00
Cash Account/Payment Method Total:		23 Documents	506,272.53

HUNT VEND	CHECK	US		
Vendor Name	Invoice Number	Invoice Description	Amount To Pay	
ASCENSION MICHIGAN AT WORK	442474	Disability Re-Exam Fee	300.00	
ASCENSION MICHIGAN AT WORK	442476	Disability Re-Exam Fee	300.00	
ASCENSION MICHIGAN AT WORK	442477	Disability Re-Exam Fee	300.00	
ASCENSION MICHIGAN AT WORK	442478	Disability Re-Exam Fee	300.00	
ASCENSION MICHIGAN AT WORK	442479	Disability Re-Exam Fee	300.00	
CRAIN'S DETROIT BUSINESS	D2646336	Group Membership 12/6/21-11/28/22	540.00	
CRAIN'S DETROIT BUSINESS	D2650394	New Member D. Cetlinski Membership 10/18/21-11/28/22	76.59	
EASY VERIFICATION INC	21-62136	Member Verification Requests	64.00	
First CHOICE Coffee Services	792433	Equipment Rental	30.00	
First CHOICE Coffee Services	798532	Equipment Rental	30.00	
First CHOICE Coffee Services	801728	Coffee Supplies	101.83	
NCPERS	12424	Membership Renewal thru 12/31/2022	900.00	
TRANSUNION RISK & ALT DATA SOLUTIONS INC	3712221-202109-1	TLOxp Research Services (Account ID #3712221)	37.50	
VERIZON WIRELESS	9889903059	Wireless Billing 9/5/21-10/4/21	743.18	
WELLS FARGO VENDOR FINANCIAL SVCS, LLC	105451085	Printer Maintenance	129.11	
Cash Account/Payment Method Total:		15 Documents	4,152.21	

Investment Committee Disbursement Acknowledgements

HUNT VEND	ACH	US		
Vendor Name	Invoice Number	Invoice Description	Amount To Pay	
RIVENOAK LAW GROUP, P.C	12666	IC Interim General Counsel August 2021	4,621.00	
STOUT RISIUS ROSS, INC (SRR)	CINV-019322	Professional Services re: Investment Committee v. City of	80,000.00	
Cash Account/Payment Method Total:		2 Documents	84,621.00	

* Payment amount is estimated based on the effective date 10/18/2021

Re: Approval of Refunds (Accumulated Contributions)

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

List number – 3914 - \$257,535.22
List number – 3915 - \$391,747.76

Re: Approval of the Defined Contribution Plan/Employee Loan Programs

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

List #1 - \$19,455.00 – 10/14/2021
List #2 - \$35,606.00 – 10/21/2021

- Trustee Serda joined the meeting at 9:10 (Detroit, MI)

Re: Approval of Minutes

Trustee Berent moved to approve the Minutes of September 16, 2021. Trustee Pincheck supported. The motion passed. Trustee Orzech abstain.

ASSISTANT EXECUTIVE DIRECTOR'S REPORT

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

- GASB 68 Report
- International Foundation for Employee Benefit Plans Conference
- DROP Insurance Code Report Request
- September 29, 201 Audit Update

Re: International Foundation for Employee Benefit Plans Conference

Assistant Executive Director Kelly Tapper provided an update from the IFEBP Conference. The materials from the conference will be uploaded into the portal.

Re: DROP Insurance Code Report Request

Trustee Berent acknowledged the amendment to include in the report to the DPOA, to include DPLSA and DPCOA.

EXECUTIVE DIRECTOR'S REPORT

Executive Director, David Cetlinski, had no formal report but discussed the following with the Board.

- Audit Update
- Trustee Pegg joined the meeting at 9:17 am (Denver, CO)

Public Comment

- None

PUBLIC RELATIONS REPORT

LOBBYIST'S REPORT

- Legislative Log

- Trustee Jones joined the meeting at 10:16 am (Detroit, MI)

GENERAL COUNSEL’S REPORT

General Counsel Ronald King, as part of his legal report, discussed the following matters with the Board:

- Investment Committee Meeting Update
- PFRS v Paramount Limited L.L.C
- Gregory Davis v PFRS Update

Re: 20 Year Funding Policy

Trustee Berent moved to acknowledge and affirm the resolution from the PFRS Investment Committee regarding the adoption of the 20-year Funding Policy dated October 18, 2021, without the opposition of the Investment Committee. Trustee Gnatek supported.

After discussion, Trustee Berent moved to table the motion of adopting the 20-year Funding Policy until the meeting on November 18, 2021. Trustee Pegg supported. The motion passed.

Yeas: Baker, Battle, Gnatek, James, Jones, McLellan, Naglick, Orzech, Pegg, Pincheck, Serda, Trozak, Watson – 13

Nays: Berent, Mallett, and Chairperson Thomas – 3

The Board requested SRR to present its findings in its report made to the Investment Committee at its November 4, 2021 meeting if possible. The Board also offered an opportunity to the Mayor and/or his representative to make a presentation regarding the SRR report and the funding policy at its November 18, 2021 meeting.

Re: PFRS v Paramount Limited L.L.C

Trustee Pegg moved to allow Ms. Racine to extend the judgements with the courts as recommended in her report. Trustee Mallett supported. The motion passed unanimously.

Trustee Pegg asked if an update could be given at the next meeting on the Securities Litigation.

PRESENTATION – T. Rowe Price

Representatives Tony Luna and Kyle Lagratta of T. Rowe Price discussed the following with the Board of Trustees:

- Stable Asset Overview
 - COD Stable Income Fund
 - Stable Value v Insurance Comp. General Account
 - Flexible Custom Stable Value Separate Account Solution

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- Wrap Contract, Sector Diversification and Credit Quality
- Fee Proposal

Presentation materials provided

PRESENTATION – AIG

Representatives Bill Abramowicz, Brian Schmitt, Kevin Adamson, and Charles Williams of AIG discussed the following with the Board of Trustees:

- Fixed Account
 - Overview of the Guaranteed Fixed Interest Option
 - Value Driven Investment Philosophy
 - General Account Portfolio Management Strategies
 - Fixed Interest Options
 - Flexible Options

Presentation materials provided

PRESENTATION – VOYA

Representatives Greg Springfield, Tony Camp and Mill Coleman of VOYA discussed the following with the Board of Trustees:

- VOYA Stable Value Snapshot
 - Contract Position
 - Stable Value Proposals
 - Proposal 1 – VOYA Stabilizer
 - Proposal 2 - Conversion to VOYA’S Fixed Account

Presentation materials provided

COMMITTEE REPORT

Trustee Pegg updated the board on his attendance at the IFEBP Conference.

Trustee Pegg asked if Stout Risius Ross could be set up to meet with the board on November 4, 2021.

- Trustee McLellan left the meeting for the day at 11:22 am

NEW BUSINESS/OLD BUSINESS

None

ADJOURNMENT

Trustee Jones moved to adjourn meeting #3294. Trustee Pegg supported.

Chairperson Thomas adjourned the meeting at 11:26 AM. The Board's next meeting is scheduled for Thursday, November 4, 2021 at 9:00 a.m. via Go to Meeting. Please see the news tab on our website for meeting login instructions.

RESPECTFULLY SUBMITTED,

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

Kelly Tapper, Assistant Executive Director