



**MINUTES**  
**Meeting No. 030**  
**Police and Fire Retirement System Investment Committee**  
**AUGUST 27, 2018**

A meeting of the Investment Committee of the Police and Fire Retirement System of the City of Detroit was held on **Monday, August 27, 2018** at the Retirement System's office at Ally Detroit Center, 500 Woodward Suite 3000; Detroit, Michigan. Robert Smith, Chairperson, called the meeting to order at 10:01 a.m. A quorum was present.

**ROLL CALL:**

Attendance was taken by the Committee's Recording Secretary with the following Committee Members present: Robert Smith (*Chairperson*), McCullough Williams III (*Vice Chairperson*) (via telephone), Joseph Bogdahn, George Orzech, Jeffrey Pegg, Robert Skandalaris, (via telephone) Gregory Trozak and Woodrow Tyler.

Staff Present: David Cetlinski (*Executive Director*), Kelly Tapper (*Assistant Executive Director*), Ryan Bigelow (*Chief Investment Officer*), Ronald King (*General Counsel – Clark Hill, P.C.*) Kevin Kenneally (*Investment Officer*) and Kristi Grden (*Investment Analyst*)

Staff Excused: None

Visitors Present: John Naglick (*Finance Director, Police and Fire Trustee*)

**Chairperson Smith officially welcomed Assistant Executive Director Kelly Tapper as well as Police and Fire Board Trustees/new Committee members: Jeffrey Pegg and George Orzech.**

**Chairperson Smith also informed the Committee that he had a discussion with Plante Moran with regard to the upcoming audit.**

**Re: State Contribution Agreement**

**Motion #01:** Joseph Bogdahn moved to authorize the Committee Chairperson, Robert Smith, to sign the State Contribution Agreement. Woodrow Tyler supported. The motion passed unanimously.

**APPROVAL OF AGENDA**

**Motion #02:** Woodrow Tyler moved to approve the agenda dated Monday August 27, 2018. Joseph Bogdahn supported. The motion passed unanimously.

**Future Agenda Items:**

- Chairperson Smith requested Chief Accounting Officer, Ramzee Jackson, to attend the next Investment Committee meeting on **October 22, 2018** to provide updates with respect to his professional observations since assuming the role of Chief Accounting Officer. Mr. Jackson will also update the Committee on the following:
  - UHY Consultants transition from the System
  - Huntington Bank Changes
  - Deputy Chief Accounting Officer position
    - Vacant Police and Fire Committee member seat on the Joint Personnel Committee. Committee member Pegg volunteered to serve on this committee.

***Committee member Mark Diaz entered the Boardroom at 10:14 a.m.***

**PRESENTATION:**

**Wilshire Consultants**

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

- Asset Allocation Analysis
- Capital Market updates 06/30/2018
- Executive Summary: Second Quarter 2018
- Focus List Managers review

Presentation materials were provided.

*~Presentation Concluded at 11:59 a.m. ~*

***Committee member Robert Skandalaris left the call at 12:00 p.m.***

- ***The Committee recessed for lunch at 12:00 p.m. and reconvened at 12:20 p.m.***

### **CHIEF INVESTMENT OFFICER'S REPORT**

Chief Investment Officer, Ryan Bigelow, provided the following updates and discussion items for approval:

- Life Assurance Fund

**Motion #03:** Jeffrey Pegg moved to approve the recommendation of the Chief Investment Officer to advance a \$500,000.00 capital investment (\$250,000.00 per system) to the Life Assurance Fund Account at /first Independence Bank in order to pay the next six months of premiums. Joseph Bogdahn supported. The motion passed unanimously.

### **Entering Into Closed Session**

#### **Re: Compensation Discussion**

Legal Counsel recommended the Investment Committee give consideration to enter into Closed Session pursuant to Sections 8(e) & (h) of the Open Meetings Act ("OMA") being MCL 15.261, which is acknowledged by the Investment Committee as confidential and privileged under MCL 38.1140(l): **To consider a periodic personnel evaluation of an employee and/or staff member.**

**Motion #04:** Joseph Bogdahn moved to enter into Closed Session for the purpose of discussing Compensation of Investment Staff. Woodrow Tyler supported. The motion passed by a vote as follows:

Yeas: Bogdahn, Diaz, Orzech, Pegg, Trozak, Tyler, Williams and Chairperson Smith- 8

Nays: None

**The Committee entered into Closed Session at 12:34 p.m.**

#### **Re: Open Session**

**Motion #05:** Mark Diaz moved to come out of Closed Session. Joseph Bogdahn supported. The motion passed unanimously.

**The Committee returned to Open Session at 12:59 p.m.**

### **LEGAL REPORT**

General Counsel, Ronald King, provided the following informational items for discussion:

- Combined Plan
- Book Cadillac Litigation update
- Funding Policy update

***Chairperson Smith requested an in depth discussion on Public Act 202 at the next Investment Committee meeting.***

### **APPROVAL OF MINUTES**

**Motion #06:** Jeffrey Pegg moved to approve the Minutes of Meeting No. **029**, held on **Monday, July 16, 2018**. Gregory Trozak supported. The motion passed by vote as follows:

Yeas: Bogdahn, Orzech, Pegg, Trozak, Tyler, Williams and Chairperson Smith- 7

Nays: None

Abstentions: Diaz - 1

**OLD BUSINESS/NEW BUSINESS**

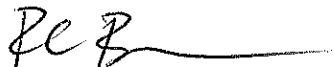
- Private Equity Benchmark changes
- New Due Diligence process under Public Act 314

**Motion #07:** Woodrow Tyler moved to authorize the Private Equity Benchmark changes as discussed. Joseph Bogdahn supported. The motion passed unanimously.

**ADJOURNMENT**

There being no further business before the Investment Committee, **Chairperson Smith** adjourned the meeting at 01:24 p.m. The Investment Committee's next meeting is scheduled for **Monday, October 22<sup>nd</sup>, 2018**, at 10:00 a.m. in the Retirement Systems' Conference Room, 500 Woodward Avenue Suite 3000; Detroit, Michigan 48226.

RESPECTFULLY SUBMITTED,



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RYAN BIGELOW  
CHIEF INVESTMENT OFFICER

Administrative Assistant IV: TaKneisha Johnson