

MEETING NO. **4220**
JOURNAL OF PROCEEDINGS
BOARD OF TRUSTEES OF THE GENERAL RETIREMENT SYSTEM
OF THE CITY OF DETROIT
HELD **WEDNESDAY, OCTOBER 24, 2018**

10:00 A.M.

RETIREMENT SYSTEMS CONFERENCE ROOM
ALLOY CENTER, 500 WOODWARD AVENUE; SUITE 3000
DETROIT, MICHIGAN 48226

TRUSTEES PRESENT

Wendell Anthony	Trustee
Scott Benson	Ex-Officio Trustee/City Council Member
Tasha L. Cowan	Trustee
Kimberly Hall-Wagner	Trustee
Christa Mclellan	Ex-Officio Trustee/City Treasurer
June Nickleberry	Trustee/Chairperson
Crystal Perkins	Trustee
Thomas Sheehan	Trustee

TRUSTEES EXCUSED

Lori Cetlinski	Trustee/ Vice- Chairperson
John Naglick	Ex-Officio Trustee/Finance Director

TRUSTEES ABSENT

None

ALSO PRESENT

David Cetlinski	Executive Director
Gail A. Oxendine	Assistant Executive Director
Ryan Bigelow	Chief Investment Officer
Michael VanOverbeke	General Counsel
TaKneisha Johnson	Administrative Assistant IV

STAFF EXCUSED

None

CHAIRPERSON

June Nickleberry

The Board's Administrative Assistant took a verbal Roll Call at 10:19 a.m. and Chairperson Nickleberry called the meeting to order.

Present at Roll Call: Scott Benson, Tasha L. Cowan, Kimberly Hall Wagner, Crystal Perkins and Chairperson Nickleberry

Re: Legacy Plan Service Retirement(s)

Motion By: Trustee Cowan - Supported By: Trustee Hall-Wagner

RESOLVED, that the application(s) for retirement from the **COMPONENT II (LEGACY) PLAN** as outlined below be hereby APPROVED:

NAME, TITLE, DEPARTMENT	Audrey Allen – Building Attendant A – General Services
SERVICE CREDIT	25-10
EFFECTIVE DATE	09-21-18

NAME, TITLE, DEPARTMENT	William Wayne Echols – TEO - Transportation
SERVICE CREDIT	26-08
EFFECTIVE DATE	09-20-18

NAME, TITLE, DEPARTMENT	Shawn Gibson – Office Assistant II – Election Commission
SERVICE CREDIT	11-08
EFFECTIVE DATE	09-22-18

NAME, TITLE, DEPARTMENT	Kenneth Mitchell – TEO - Transportation
SERVICE CREDIT	13-08
EFFECTIVE DATE	09-15-18

Re: Legacy Plan Service Retirement(s)- Continued

NAME, TITLE, DEPARTMENT	Vickie R. Rice-Parker – Admin Spec I - Finance
SERVICE CREDIT	25-09
EFFECTIVE DATE	09-20-18

NAME, TITLE, DEPARTMENT	Arnett Richard, Jr. – TEO – Transportation
SERVICE CREDIT	26-10
EFFECTIVE DATE	09-22-18

Yeas: Benson, Cowan, Hall-Wagner, Perkins and Chairperson Nickleberry– 5

Nays: None

Re: Option Change(s)

Motion By: Trustee Cowan - Supported By: Trustee Hall-Wagner

RESOLVED, that the application(s) for **OPTION CHANGE** as outlined below be hereby APPROVED:

NAME, TITLE, DEPARTMENT	Gwendolyn Young – Emer Service Operator – Police (Civilian)
SERVICE CREDIT	28-02
EFFECTIVE DATE	07-29-18
FROM:	Option A Pop-Up 50%/Equate Age 62
TO:	Option A Pop-Up 75%/Equate Age 62

Yeas: Benson, Cowan, Hall-Wagner, Perkins and Chairperson Nickleberry– 5

Nays: None

Re: Hybrid Plan Service Retirement(s)

Motion By: Trustee Cowan - Supported By: Trustee Hall-Wagner

RESOLVED, that the application(s) for retirement from the **COMPONENT I (HYBRID) PLAN** as outlined below be hereby APPROVED:

NAME, TITLE, DEPARTMENT	William Wayne Echols – TEO - Transportation
SERVICE CREDIT	04-02
EFFECTIVE DATE	09-20-18

NAME, TITLE, DEPARTMENT	John M. Larocca – Apparatus Emerg Mech – General Services
SERVICE CREDIT	03-04
EFFECTIVE DATE	10-01-18

NAME, TITLE, DEPARTMENT	Kenneth Mitchell - TEO - Transportation
SERVICE CREDIT	04-02
EFFECTIVE DATE	09-15-18

NAME, TITLE, DEPARTMENT	Wardell Muhammad – Systems Technician – Water & Sewerage
SERVICE CREDIT	01-06
EFFECTIVE DATE	10-01-18

NAME, TITLE, DEPARTMENT	Vickie R. Rice-Parker – Admin Spec I - Finance
SERVICE CREDIT	04-02
EFFECTIVE DATE	09-20-18

NAME, TITLE, DEPARTMENT	Gloria D. Reed – Librarian III - Library
SERVICE CREDIT	04-04
EFFECTIVE DATE	10-17-18

NAME, TITLE, DEPARTMENT	Eloise Sparks – Sr Data Proc Prog Analyst – Water & Sewerage
SERVICE CREDIT	00-04
EFFECTIVE DATE	02-01-15

Yeas: Benson, Cowan, Hall-Wagner, Perkins and Chairperson Nickleberry– 5

Nays: None

Motion By: Trustee Cowan - Supported By: Trustee Hall-Wagner

RESOLVED, that the application(s) for **AUTO-II Spouse Benefits** as outlined below be hereby APPROVED:

NAME, TITLE, DEPARTMENT	Lillian Cunningham (William A. Cunningham – Deceased) – Service Guard-Public Utilities – Water & Sewerage
SERVICE CREDIT	19-01
EFFECTIVE DATE	09-20-18

Yeas: Benson, Cowan, Hall-Wagner, Perkins and Chairperson Nickleberry– 5

Nays: None

Re: AUTO-II Child

Motion By: Trustee Cowan - Supported By: Trustee Hall-Wagner

RESOLVED, that the application(s) for **AUTO-II Child Benefits** as outlined below be hereby APPROVED:

NAME, TITLE, DEPARTMENT	Zachary Grady (Rosalind Grady – Deceased) – Senior Clerk – Bldg. & Safety
SERVICE CREDIT	20-11
EFFECTIVE DATE	12-14-17

Yeas: Benson, Cowan, Hall-Wagner, Perkins and Chairperson Nickleberry– 5

Nays: None

Re: Legacy Plan Vested Retirement(s)

Motion By: Trustee Cowan - Supported By: Trustee Hall-Wagner

RESOLVED, that the application(s) for **VESTED RETIREMENT** as outlined below be hereby APPROVED:

NAME, TITLE, DEPARTMENT	Babette L. Alexander – Sr Construction Insp - DPW
SERVICE CREDIT	20-06
EFFECTIVE DATE	10-01-18

NAME, TITLE, DEPARTMENT	Denise Elam – Sr. Governmental Analyst - Water & Sewerage
SERVICE CREDIT	14-10
EFFECTIVE DATE	09-01-18

NAME, TITLE, DEPARTMENT	Marilyn Jenkins – Office Management Assistant – Planning & Development
SERVICE CREDIT	17-04
EFFECTIVE DATE	10-01-18

NAME, TITLE, DEPARTMENT	Howard Leslie – RCPO - DPW
SERVICE CREDIT	18-04
EFFECTIVE DATE	10-01-18

NAME, TITLE, DEPARTMENT	Wanda L. Mayes – Lab Rel Spec II – Human Resources
SERVICE CREDIT	12-00
EFFECTIVE DATE	11-01-18

NAME, TITLE, DEPARTMENT	Wardell Muhammad – Systems Technician – Water & Sewerage
SERVICE CREDIT	23-01
EFFECTIVE DATE	10-01-18

NAME, TITLE, DEPARTMENT	Deborah Quinn – Lib-Cust Sup Rep 1-H - Library
SERVICE CREDIT	12-10
EFFECTIVE DATE	11-01-18

Re: Legacy Plan Vested Retirement(s)- Continued

NAME, TITLE, DEPARTMENT	Isac Smith – Elect System Supv – Public Lighting
SERVICE CREDIT	19-04
EFFECTIVE DATE	09-01-18

NAME, TITLE, DEPARTMENT	Samuel C. Waller – Repair Mechanic – Water & Sewerage
SERVICE CREDIT	18-02
EFFECTIVE DATE	11-01-18

Yeas: Benson, Cowan, Hall-Wagner, Perkins and Chairperson Nickleberry– 5

Nays: None

Re: Change of Computation(s)

Motion By: Trustee Cowan - Supported By: Trustee Hall-Wagner

RESOLVED, that the application(s) for **CHANGE OF COMPUTATION** as outlined below be hereby APPROVED:

NAME, TITLE, DEPARTMENT	Nathaniel Thornton – Sanitation Laborer - DPW
SERVICE CREDIT	30-00
EFFECTIVE DATE	01-01-07

NAME, TITLE, DEPARTMENT	Clint Walker – Vehicle Operator III - DPW
SERVICE CREDIT	25-11
EFFECTIVE DATE	08-03-18

Yeas: Benson, Cowan, Hall-Wagner, Perkins and Chairperson Nickleberry– 5

Nays: None

RECEIPTS: The Board received the following receipts for Acknowledgment:

Cash Receipts HYBLIQRES
 RSCD-General Start Date: 10/1/2018
 End Date: 10/19/2018

Doc. Date	Module	Tran. Type	Doc. Nbr.	Description	R/C	Receipt
10/5/2018	CA	Cash Entry	001241	Mandatory Pension Pre-tax 10/5/18	R/C	110,337.38
10/5/2018	CA	Cash Entry	001242	Employee Annuity Post-Tax 10/5/18	R/C	73,395.28
10/12/2018	CA	Cash Entry	001256	Mandatory Pre-tax Pension Contributions 10/12/18	R/C	260,850.00
10/12/2018	CA	Cash Entry	001257	Annuity Post-tax Contributions 10/12/18	R/C	150,395.43
						594,978.09

Cash Receipts LIQ RESERV
 RSCD-General Start Date: 10/1/2018
 End Date: 10/19/2018

Doc. Date	Module	Tran. Type	Doc. Nbr.	Description	R/C	Receipt
10/4/2018	CA	Cash Entry	001240	Loan Deduction Program 9/28/18 (\$33,917.41)	R/C	33,917.41
10/12/2018	CA	Cash Entry	001258	Loan Deduction Program 10/5/18 (\$39,606.07)	R/C	39,606.07
						73,523.48
Total Receipts						668,501.57

Re: Fees and Expenses

Resolution Moved By: Trustee Cowan- Supported By: Trustee Hall-Wagner

WHEREAS, the Board has been presented with the List of Disbursements for Board Approval which is referenced below requesting payment for Fees and Expenses, and

WHEREAS, the Board has been requested to approve payment of said Fees and Expenses; **THEREFORE BE IT**

RESOLVED, that subject to staff audit and approval of all Legal Fees by the Board's General Counsel, the Board **APPROVE** payment of the following Fees and Expenses:

Disbursements

Page: 1 of 2
Date: 10/22/2018 7:58 AM

Account	Payment Method	Currency			
HUNT - VEN	ACH	US			
Vendor Name	Invoice Number	Invoice Description			Amount To Pay
8x8, INC.	2244846	Phone System Services			1,353.82
CLARK HILL, PLC	808446	Donald V. Watkins, et al, Litigation for August 2018			299.62
CLARK HILL, PLC	808447	Onyx Capital Litigation for August 2018			1,254.11
CLARK HILL, PLC	808450	Chapter 9 Compliance & Implementation for August 2018			2,519.40
Cogent Communications, Inc.	100118	Internet Service			1,023.00
CRESTWOOD ASSOCIATES L.L.C.	INV037922	Acumatica Training & Implementation			50.00
CRESTWOOD ASSOCIATES L.L.C.	INV038473	Acumatica Training & Implementation			150.00
PLANTE & MORAN	1588444	Additional Audit of GASB 68 Schedules for 6/30/17			6,950.00
PLANTE & MORAN	1588446	Financial Statement Audit for year-ended 6/30/18			52,925.00
PROCENTIA, INC	2290	Procentia Implementation			63,754.75
Bridgett Hardy	093018BH	IT Contractual Wages - September 2018			5,791.48
James R. Hollins	093018JH	IT Contractual Wages - September 2018			4,978.92
Raymond R. Tchou	093018RT	IT Contractual Wages - September 2018			7,970.64
Venkat Rallapalli / Highbrow Systems, Inc.	093018VR	IT Contractual Wages - September 2018			6,551.14
UHY Advisors MI, Inc.	1266878	Professional Accounting Services for September 2018			19,118.75
Cash Account/Payment Method Total:			15 Documents		174,690.63
HUNT - VEN	CHECK	US			
Vendor Name	Invoice Number	Invoice Description			Amount To Pay
ALLEGRA	55881011R	Office Supplies			337.50
ALLEGRA	55904011R	Print and Mail Annuity Statements			1,854.00
CINTAS CORPORATION-300	300335257	Floor Mats			110.01
CREATIVE BREAKTHROUGHS INC	INV0592	Endpoint Protection, Renewal Software Maintenance			750.00
CREATIVE BREAKTHROUGHS INC	INV0600	Software Maintenance			8,900.00
DIRECTV	35122114427	Service Charges 9/23/18-10/22/18			37.62
FEDEX	6-325-72501	FedEx Mailing			25.00

Re: Fees and Expenses- Continued

FEDEX	6-333-53707	FedEx Mailing	25.86
First CHOICE Coffee Services	576498	Coffee Supplies	146.21
First CHOICE Coffee Services	576779	Equipment Rental	30.00
GABRIEL, ROEDER, SMITH & CO	441664	EDRO Calculations for Walter Cechanowicz	1,200.00
GABRIEL, ROEDER, SMITH & CO	442063	Actuarial Services Sept 2018 & 2 ASF Recoupment Calc	12,400.00
IRON MOUNTAIN	155278	Data Domain Service	2,578.80
IRON MOUNTAIN	201715813	Storage CDs	732.31
Iron Mountain Records Management	AGCC256	Records Storage	1,618.52
NCPERS	9893	Membership Renewal thru 12/31/2019	500.00
PROVIDENCE OCCUPATIONAL HEALTH	328329	Disability Re-Exam Fee	225.00
QUILL CORPORATION	1733098	Office Supplies	347.49
QUILL CORPORATION	1755871	Office Supplies	21.09
QUILL CORPORATION	1791143	Office Supplies	17.99
SHRED-IT USA	8125625823	Shredding Service Charges	49.72
THOMAS SHEEHAN	100518	Trustee Stipend	866.67
TRUSCOTT ROSSMAN GROUP LLC	INV-3017	Public Relations	5,490.00
TRUSCOTT ROSSMAN GROUP LLC	INV-3089	Public Relations	1,125.00
VERIZON WIRELESS	9815385765	Wireless Charges 8/26/18-9/25/18	362.26
WELLS FARGO VENDOR FINANCIAL SVCS, LLC	101149153	Printer Maintenance	129.10
WENDELL ANTHONY	100518	Trustee Stipend	866.67
XEROX	094761214	Printer Maintenance	28.30
CRAIN'S DETROIT BUSINESS	100318	Subscription	29.50
SOCIETY FOR HUMAN RESOURCE MGMT	9007651534	Membership Renewal 12/1/18-11/30/19 for Gail Oxendine	209.00
WIND POINT PARTNERS IV	101118	Capital Call	148,148.00
		Cash Account/Payment Method Total:	31 Documents
			189,161.62

* Payment amount is estimated based on the effective date 10/22/2018

Yeas: Benson, Cowan, Hall-Wagner, Perkins and Chairperson Nickleberry— 5

Nays: None

Re: Refunds of Accumulated Contributions

Resolution Moved By: Trustee Hall-Wagner- Supported By: Trustee Cowan

RESOLVED, that the contributions to the Annuity Savings Fund by members of the General Retirement System, as set forth:

List No. 7382 - \$189,663.82

List No. 7383 - \$444,564.83

List No. 7384 - \$493,235.88

Including interest, be **REFUNDED**, pending audit by the Retirement Systems' Accounting Staff.

Yeas: Benson, Cowan, Hall-Wagner, Perkins and Chairperson Nickleberry– 5

Nays: None

Re: Employee Loan Program October 10, 2018

Resolution Moved By: Trustee Hall-Wagner- Supported By: Trustee Cowan

RESOLVED, that the disbursements for the Employee Loan Program by members of the General Retirement System, as set forth in the amount of: **\$17,075.00** including interest, be hereby **APPROVED**.

Yeas: Benson, Cowan, Hall-Wagner, Perkins and Chairperson Nickleberry– 5

Nays: None

Re: Employee Loan Program October 17, 2018

Resolution Moved By: Trustee Hall-Wagner- Supported By: Trustee Cowan

RESOLVED, that the disbursements for the Employee Loan Program by members of the General Retirement System, as set forth in the amount of: **\$8,827.00** including interest, be hereby **APPROVED**.

Yeas: Benson, Cowan, Hall-Wagner, Perkins and Chairperson Nickleberry– 5

Nays: None

Re: Employee Loan Program October 24, 2018

Resolution Moved By: Trustee Hall-Wagner- Supported By: Trustee Cowan

RESOLVED, that the disbursements for the Employee Loan Program by members of the General Retirement System, as set forth in the amount of: **\$27,548.00** including interest, be hereby **APPROVED**.

Yeas: Benson, Cowan, Hall-Wagner, Perkins and Chairperson Nickleberry– 5

Nays: None

Re: Minutes/Journal No. 4218 – (09/19/18)

Motion By: Trustee Hall-Wagner - Supported By: Trustee Perkins

RESOLVED, that the Minutes/Journal of Proceedings of the General Retirement System of the City of Detroit, of Meeting **No. 4218**, held on **September 19, 2018**, be hereby **APPROVED** as recorded and submitted.

Yeas: Benson, Cowan, Hall-Wagner, Perkins and Chairperson Nickleberry– 5

Nays: None

Open Forum

Chairperson Nickleberry opened the meeting for public discussion:

Retiree Audrey Pogue addressed the Board regarding the following:

- Pension Calculation Error
- ***Trustee Christa Mclellan entered the Boardroom at 10:29 a.m.***

Retiree Andrew Daniels addressed the Board regarding the following:

- Pension payment deductions
- ***Trustee Thomas Sheehan entered the Boardroom at 10:56 a.m.***

ASSISTANT EXECUTIVE DIRECTOR'S REPORT

Assistant Executive Director, **Gail A. Oxendine**, addressed the following with the Board of Trustees:

- Member updates
 - William D. Sparks: Corrections are underway with respect to Mr. Sparks request which will enable him to be eligible for early retirement per his request.
 - Andrew Daniels: Staff has thoroughly researched Mr. Daniels claim of not being informed of the ASF recoupment which lessened his monthly pension amount. Mr. Daniels was informed via letter that the estimates that he received were very close to actual payment amount.
 - Audrey Pogue: Ms. Pogue is requesting retirement based upon prior estimates that she received, which were issued in error. Staff is looking further into this concern.
- Housing and Revitalization Presentation
 - Q&A session was provided to approximately 45 employees and was well received.
- Website GO Live Newsletter
 - The RSCD website is scheduled to go live in November. Date is dependent on when system administration training is completed.
 - The first quarterly newsletter draft is being reviewed and will be presented to the Board for approval prior to the next Board meeting on November 7th, 2018.
- Cessation of Membership; Re-employment by the Employer
 - It has been determined that sixteen (16) current retirees were rehired by the City of Detroit and their pension payments were not suspended as required by the POA (Plan of Adjustment). A copy of the proposed letter and POA language has been provided for Board review.
- Staff and Salary Information
 - Staff salary information has been provided as requested by Trustee Sheehan.

Re: Entering into Closed Session

Resolution Moved By: Trustee Hall-Wagner – Supported By: Trustee Sheehan

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 enter into Closed Session to discuss pending litigation matters with respect to the memorandum dated October 24th, 2018 submitted by Special Legal Counsel; The Miller Firm by representatives of the firm:

A Roll Call Vote was taken as follows:

Yeas: Benson, Cowan, Hall-Wagner, Mclellan, Perkins, Sheehan
and Chairperson Nickleberry– 7

Nays: None

The Board entered into **Closed Session** at 11:05 a.m.

➤ ***Trustee Wendell Anthony entered the Boardroom at 11:12 a.m.***

Re: Open Session

Motion By: Trustee Cowan – Supported By: Trustee Hall-Wagner

RESOLVED, that the Board come out of Closed Session.

The Board returned to **Open Session** at 12:19 p.m.

EXECUTIVE DIRECTOR'S REPORT

Executive Director, **David Cetlinski**, addressed the following with the Board of Trustees:

- Front counter renovation is currently underway
- Approval of Twelve (12) week Certified Treasury Professional Course request for the Chief Accounting Officer
 - Due to the Budget that exists for Staff training, items of this nature may be approved by Executive staff and brought to the Board as an informational item.
- Cancellation of General City Board meeting on November 21st, 2018
- Annuity Claw back update
 - The Board of Trustees engaged in discussion regarding the claw back.

Re: Cancellation of General Retirement System's Board Meeting; 11/21/2018

Motion By: Trustee Cowan – Supported By: Trustee Perkins

RESOLVED, that the General Retirement System of the City of Detroit Board Meeting scheduled for **Wednesday, November 21st, 2018**, will be **CANCELLED** and any bills or items requiring Board approval will be approved by Staff accordingly.

Yeas: Anthony, Benson, Cowan, Hall-Wagner, Mclellan, Perkins, Sheehan
and Chairperson Nickleberry– 8

Nays: None

CHIEF INVESTMENT OFFICER'S REPORT

Chief Investment Officer **Ryan Bigelow**, discussed the following matters with the Board:

- Hamilton Lane visit update
- General Investment Committee will meet on Monday October 29th, 2018
- Large Cap Growth Mandate

Motion by: Trustee Sheehan– Supported by Trustee Hall-Wagner, motion to approve the recommendation by Investment Staff to increase allocation to Edgewood to approximately \$40 million while more candidates are identified in Large Cap Growth. The Motion passed by a unanimous vote.

GENERAL COUNSEL'S REPORT

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

- Eric Miller Overpayment/ASF Recoupment Issue
- Ipreo FOIA Request
- Prequin FOIA Request
- Center for Retirement Research at Boston College FOIA Request
- Hubert W. Draw Jr. v. General Retirement System of the City of Detroit Wayne County Circuit Court Case No. 18-010257-CZ; Amended complaint has been received.
- Non-duplication of Benefits

Motion by: Trustee Sheehan– Supported by Trustee Hall-Wagner, motion to acknowledge receipt of memorandum with respect to the duplication of benefits issue and direct that benefits be administered in consistent therein. The Motion passed by a unanimous vote.

- ***Trustee Wendell Anthony excused himself from the Boardroom at 1:41 p.m.***

NEW BUSINESS/OLD BUSINESS

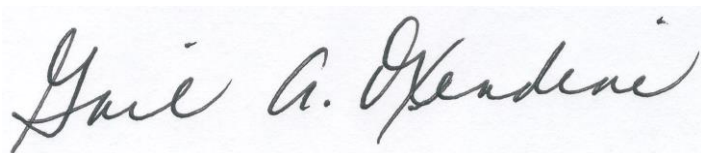
- Committee Structure will be discussed at the next meeting on Wednesday November 7th, 2018.

ADJOURNMENT

Trustee Cowan moved to adjourn meeting #4220. Trustee Perkins supported.

There being no further business before the Board, **Chairperson Nickleberry** adjourned the meeting at 1:46 p.m. The Board's next meeting is scheduled for **Wednesday, November 7th, 2018**, at 10:00 a.m. in the Retirement System's Conference Room, 500 Woodward Avenue Suite 3000; Detroit, Michigan 48226.

RESPECTFULLY SUBMITTED,

A handwritten signature in cursive script that reads "Gail A. Oxendine". The signature is written in black ink on a light-colored background.

GAIL A. OXENDINE, ASSISTANT EXECUTIVE DIRECTOR