

MEETING NO. 4223
JOURNAL OF PROCEEDINGS
BOARD OF TRUSTEES OF THE GENERAL RETIREMENT SYSTEM
OF THE CITY OF DETROIT
HELD **WEDNESDAY, DECEMBER 05, 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
Lori Cetlinski	Trustee/ Vice- Chairperson
Tasha L. Cowan	Trustee
Kimberly Hall-Wagner	Trustee
Christa Mclellan	Ex-Officio Trustee/City Treasurer
John Naglick	Ex-Officio Trustee/Finance Director
June Nickleberry	Trustee/Chairperson
Crystal Perkins	Trustee
Thomas Sheehan	Trustee

TRUSTEES EXCUSED

None

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 10:13 a.m. and Chairperson Nickleberry called the meeting to order.

Present at Roll Call: Lori Cetlinski, Tasha L. Cowan, Kimberly Hall Wagner, Crystal Perkins, Thomas Sheehan and Chairperson Nickleberry

Re: Legacy Plan Service Retirement(s)

Motion By: Trustee Sheehan - Supported By: Trustee Cetlinski

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

NAME, TITLE, DEPARTMENT	Naomi E. Anderson – Sr. Telecom Oper – Police (Civilian)
SERVICE CREDIT	39-09
EFFECTIVE DATE	07-01-18

NAME, TITLE, DEPARTMENT	Rennard O. Borner – Refuse Coll Pack Oper – DPW
SERVICE CREDIT	26-09
EFFECTIVE DATE	11-12-18

NAME, TITLE, DEPARTMENT	David B. Capobres, Jr. - Financial Analyst III – Finance
SERVICE CREDIT	26-06
EFFECTIVE DATE	10-19-18

NAME, TITLE, DEPARTMENT	Gregory C. Folks – Coach Service Attendant - Transportation
SERVICE CREDIT	39-02
EFFECTIVE DATE	11-10-18

NAME, TITLE, DEPARTMENT	Billy Harrington – Plant Technician – Water & Sewerage
SERVICE CREDIT	18-06
EFFECTIVE DATE	12-31-15

Re: Legacy Plan Service Retirement(s)- Continued

NAME, TITLE, DEPARTMENT	Daryl L. Hobbs – Trans Equip Oper - Transportation
SERVICE CREDIT	17-11
EFFECTIVE DATE	10-06-18
NAME, TITLE, DEPARTMENT	Troy M. Kauffman – General Auto Mechanic - Transportation
SERVICE CREDIT	28-09
EFFECTIVE DATE	11-02-18
NAME, TITLE, DEPARTMENT	Andre L. Parker, Sr. – Field Service Coord Specst – Water & Sewerage
SERVICE CREDIT	25-11
EFFECTIVE DATE	10-26-18
NAME, TITLE, DEPARTMENT	John N. Saad – Engrg Svcs Coord – Planning & Development
SERVICE CREDIT	20-07
EFFECTIVE DATE	11-15-18
NAME, TITLE, DEPARTMENT	Terri Sutton – Emer Serv Deploy Oper – Police (Civilian)
SERVICE CREDIT	25-08
EFFECTIVE DATE	11-06-18
NAME, TITLE, DEPARTMENT	Terrance W. Turner – Clerk – Police (Civilian)
SERVICE CREDIT	28-08
EFFECTIVE DATE	10-09-18
NAME, TITLE, DEPARTMENT	Marlo L. Webb – Paramedic – Fire (Civilian)
SERVICE CREDIT	20-11
EFFECTIVE DATE	11-03-18

Yeas: Cetlinski, Cowan, Hall-Wagner, Perkins, Sheehan and Chairperson Nickleberry– 6

Nays: None

Re: Option Change(s)

Motion By: Trustee Sheehan - Supported By: Trustee Cetlinski

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

NAME, TITLE, DEPARTMENT	Kenneth Mitchell – Transprtn Equip Oper – Transportation
SERVICE CREDIT	13-08
EFFECTIVE DATE	09-15-18
FROM:	Straight Life
TO:	Option B/Pop-Up

Yeas: Cetlinski, Cowan, Hall-Wagner, Perkins, Sheehan and Chairperson Nickleberry– 6

Nays: None

Re: Change of Computation(s)

Motion By: Trustee Sheehan - Supported By: Trustee Cetlinski

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

NAME, TITLE, DEPARTMENT	Kenneth L. Pinkston – Storekeeper – Transportation
SERVICE CREDIT	17-01
EFFECTIVE DATE	10-19-18

Yeas: Cetlinski, Cowan, Hall-Wagner, Perkins, Sheehan and Chairperson Nickleberry– 6

Nays: None

Re: Hybrid Plan Service Retirement(s)

Motion By: Trustee Sheehan - Supported By: Trustee Cetlinski

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

NAME, TITLE, DEPARTMENT	Jose T. Abraham – Deputy Director - DPW
SERVICE CREDIT	03-07
EFFECTIVE DATE	12-01-18

NAME, TITLE, DEPARTMENT	Naomi E. Anderson – Sr. Telecom Oper – Police (Civilian)
SERVICE CREDIT	03-00
EFFECTIVE DATE	07-01-18

NAME, TITLE, DEPARTMENT	Labrenda J. Asberry – Clerk – Water & Sewerage
SERVICE CREDIT	00-04
EFFECTIVE DATE	12-01-14

NAME, TITLE, DEPARTMENT	Wendy G. Booker – Sr Water Plant Oper – Water & Sewerage
SERVICE CREDIT	01-02
EFFECTIVE DATE	09-10-15

NAME, TITLE, DEPARTMENT	Billy Harrington – Plant Technician – Water & Sewerage
SERVICE CREDIT	01-06
EFFECTIVE DATE	05-01-16

NAME, TITLE, DEPARTMENT	Jon Kwiat – Prof Admin Analyst – Water & Sewerage
SERVICE CREDIT	01-06
EFFECTIVE DATE	10-01-18

NAME, TITLE, DEPARTMENT	Terrance W. Turner – Clerk – Police (Civilian)
SERVICE CREDIT	04-03
EFFECTIVE DATE	10-09-18

NAME, TITLE, DEPARTMENT	Clifford Woodard – Plant Technician – Water & Sewerage
SERVICE CREDIT	01-06
EFFECTIVE DATE	12-01-18

Yeas: Cetlinski, Cowan, Hall-Wagner, Perkins, Sheehan and Chairperson Nickleberry– 6

Nays: None

Re: Early Retirement(s)

Motion By: Trustee Sheehan - Supported By: Trustee Cetlinski

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

NAME, TITLE, DEPARTMENT	William D. Sparks – Building Inspector – Bldg. & Safety
SERVICE CREDIT	22-09
EFFECTIVE DATE	08-02-18

Yeas: Cetlinski, Cowan, Hall-Wagner, Perkins, Sheehan and Chairperson Nickleberry– 6

Nays: None

Re: Legacy Plan Vested Retirement(s)

Motion By: Trustee Sheehan - Supported By: Trustee Cetlinski

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

NAME, TITLE, DEPARTMENT	Sonya M. Archer-Fairley – Manager I - Finance
SERVICE CREDIT	18-01
EFFECTIVE DATE	11-01-18

NAME, TITLE, DEPARTMENT	Jon Kwiat – Prof Admin Analyst – Water & Sewerage
SERVICE CREDIT	19-06
EFFECTIVE DATE	10-01-18

NAME, TITLE, DEPARTMENT	Clifford Woodard – Plant Technician – Water & Sewerage
SERVICE CREDIT	20-00
EFFECTIVE DATE	12-01-18

Yeas: Cetlinski, Cowan, Hall-Wagner, Perkins, Sheehan and Chairperson Nickleberry– 6

Nays: None

RECEIPTS: The Board received the following receipts for Acknowledgment:

Cash Receipts HYBLIQRES
RSCD-General Start Date: 11/19/2018
End Date: 11/30/2018

Doc. Date	Module	Tran. Type	Doc. Nbr.	Description	R/C	Receipt
11/18/2018	CA	Cash Entry		Post Tax Annuity Contributions 11/16/18	R/C	109,123.71
11/18/2018	CA	Cash Entry		Pre-tax Pension Contributions 11/16/18	R/C	74,535.56
11/21/2018	CA	Cash Entry	001325	Post Tax Annuity Contributions 11/21/18	R/C	121,188.82
11/21/2018	CA	Cash Entry	001326	Pre-tax Pension Contributions 11/21/18	R/C	151,314.17
						456,162.26

Cash Receipts LIQ RESERV
RSCD-General Start Date: 11/19/2018
End Date: 11/30/2018

Doc. Date	Module	Tran. Type	Doc. Nbr.	Description	R/C	Receipt
11/16/2018	CA	Cash Entry	001323	Loan Deduction Program 11/9/18 (\$31,524.27)	R/C	31,524.27
11/20/2018	CA	Cash Entry	001323	Loan Deduction Program 11/16/18 (\$38,805.37)	R/C	38,805.37
						70,329.64

Total Receipts 526,491.9

Re: Fees and Expenses

Resolution Moved By: Trustee Sheehan- Supported By: Trustee Cowan

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: 12/3/2018 7:29 AM

Account	Payment Method	Currency			
HUNT - VEN	ACH	US			
Vendor Name			Invoice Number	Invoice Description	Amount To Pay
500 WEBWARD LLC			67584	Light Bulbs/Lamp Replacement and Fixture Repair	209.94
ACCUSOFT PEGASUS			0001027703	Xpress Imaging Software License	4,712.40
ADP, INC			524694980	Check Printing Services	610.55
CRESTWOOD ASSOCIATES L.L.C.			INV037260	Acumatica Training & Implementation	100.00
CRESTWOOD ASSOCIATES L.L.C.			INV037703	Acumatica Training & Implementation	25.00
CRESTWOOD ASSOCIATES L.L.C.			INV039871	Acumatica Training & Implementation	75.00
ULTIMATE PARKING MANAGEMENT LLC			175711	Parking - December 2018	2,222.00
Bridgett Hardy			113018BH	IT Contractual Wages - November 2018	3,790.78
James R. Hollins			113018JH	IT Contractual Wages - November 2018	3,267.38
Raymond R. Tchou			113018RT	IT Contractual Wages - November 2018	6,812.93
Scott D. Vrooman			113018SV	IT Contractual Wages - November 2018	234.00
Venkat Rallapalli / Highbrow Systems, Inc.			113018VR	IT Contractual Wages - November 2018	4,902.50
			Cash Account/Payment Method Total:	12 Documents	26,962.48
HUNT - VEN	CHECK	US			
Vendor Name			Invoice Number	Invoice Description	Amount To Pay
BLOOMBERG BUSINESSWEEK			110118	Bloomberg Businessweek Subscription	35.00
CANON SOLUTIONS AMERICA, INC			4027577167	Copier Maintenance	90.26
CHRYSALIS CONSULTING, LLC			23295	Consulting Services 10/1/18-10/31/18	6,953.12
CINTAS CORPORATION-300			300396704	Floor Mats	110.01
COMCAST			111718	High Speed Internet	182.94
FEDEX			6-368-64998	FedEx Mailing	25.92
FEDEX			6-376-64143	FedEx Mailing	25.80
First CHOICE Coffee Services			587918	Equipment Rental	30.00
GABRIEL, ROEDER, SMITH & CO			442981	EDRO Calculations for Cornelius Palm	1,350.00
SCHAIBLE BUILDERS, INC			005914	Reception Area Window, Door and Safety Upgrades	12,324.00
THOMAS SHEEHAN			110718TS	Trustee Parking	100.00
THOMAS SHEEHAN			112918	Trustee Stipend	866.67
HUNT - VEN	CHECK	US			
Vendor Name			Invoice Number	Invoice Description	Amount To Pay
WENDELL ANTHONY			112918	Trustee Stipend	866.67
			Cash Account/Payment Method Total:	14 Documents	24,845.95

* Payment amount is estimated based on the effective date 12/3/2018

Yeas: Cetlinski, Cowan, Hall-Wagner, Perkins, Sheehan and Chairperson Nickleberry– 6

Nays: None

Re: Refunds of Accumulated Contributions

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

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

List No. 7387 - \$74,924.79

List No. 7389 - \$333,918.48

List No. 7390 - \$340,577.01

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

Yeas: Cetlinski, Cowan, Hall-Wagner, Perkins, Sheehan and Chairperson Nickleberry– 6

Nays: None

Re: Employee Loan Program November 14, 2018

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

RESOLVED, that the disbursements for the Employee Loan Program by members of the General Retirement System, as set forth in the amount of: **\$49,221.00** including interest, be hereby **APPROVED**.

Yeas: Cetlinski, Cowan, Hall-Wagner, Perkins, Sheehan and Chairperson Nickleberry– 6

Nays: None

Re: Employee Loan Program November 28, 2018

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

RESOLVED, that the disbursements for the Employee Loan Program by members of the General Retirement System, as set forth in the amount of: **\$73,030.00** including interest, be hereby **APPROVED**.

Yeas: Cetlinski, Cowan, Hall-Wagner, Perkins, Sheehan and Chairperson Nickleberry– 6

Nays: None

Re: Employee Loan Program December 05, 2018

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

RESOLVED, that the disbursements for the Employee Loan Program by members of the General Retirement System, as set forth in the amount of: **\$50,974.00** including interest, be hereby **APPROVED**.

Yeas: Cetlinski, Cowan, Hall-Wagner, Perkins, Sheehan and Chairperson Nickleberry– 6

Nays: None

Re: Minutes/Journal No. 4220 – (10/24/18)

Resolution Moved By: Trustee Sheehan- Supported By: Trustee Cetlinski

RESOLVED, that the Minutes/Journal of Proceedings of the General Retirement System of the City of Detroit, of Meeting **No. 4220**, held on **October 24, 2018**, be hereby **APPROVED** as recorded and submitted.

Yeas: Cetlinski, Cowan, Hall-Wagner, Perkins, Sheehan and Chairperson Nickleberry– 6

Nays: None

ASSISTANT EXECUTIVE DIRECTOR'S REPORT

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

- ASF Recoupment
 - The ASF Recoupment “heads up” letters were mailed to members who have retired, but whose recoupment has not yet begun. There are a total of 456 members. The total amount owed \$12.4 million.
 - Newsletter
 - The inaugural newsletter was published in mid-November, 2018 via GroupWise to active members. Retired members were directed to the website to review.
 - Website Launch
 - The RSCD has continued to be delayed due to extended migration issues. Staff hopes the new website will be launched prior to the end of the calendar year.
 - Christmas Luncheon
 - A staff holiday luncheon is scheduled for Friday, December 21, 2018. Additional information is forthcoming.
 - Deputy Chief Accounting Officer Position update
 - Interviews are currently underway with phone interviews scheduled for Friday December 7th, 2018.
 - Fiduciary Liability Insurance Policy Renewal
- ***Trustee Wendell Anthony entered the Boardroom at 10:26 a.m.***

Re: Fiduciary Liability Insurance Policy Renewal

By Trustee Sheehan – Supported by Trustee Cowan

WHEREAS, the Board of Trustees is in receipt of a letter from Republic Underwriters, Inc. regarding the insurance policy set for renewal on **December 21st, 2018**, which provides for **\$25,000,000.00** of insurance coverage with an annual premium of **\$630,022.00**

WHEREAS, the Board has discussed this matter in open session, **THEREFORE BE IT**

RESOLVED, that the Retirement System renew the fiduciary liability coverage, and further be it

RESOLVED, that the payment of **\$630,022.00** be made payable to Republic Underwriters, Inc., and further

RESOLVED, that a copy of this resolution be forwarded to Republic Underwriters, Inc. and the General Retirement System Investment Committee for review of the levels of coverage.

Yeas: Anthony, Cetlinski, Cowan, Hall-Wagner, Perkins, Sheehan
and Chairperson Nickleberry– 7

Nays: None

EXECUTIVE DIRECTOR'S REPORT

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

- ASF Recoupment discussion
- The January pension payments (direct deposits) will be available on January 2, 2019 due to the compliance of IRS reporting requirements

Gabriel, Roeder, Smith and Company

Representatives David T. Kausch and Kenneth G. Alberts discussed the following with the Board:

- The General Retirement System of the City of Detroit GASB 67 and 68 Accounting and Financial Reporting for Pension Plans of Component I; June 30, 2018
- The General Retirement System of the City of Detroit GASB Statement Nos. 67 and 68 Accounting and Financial Reporting for Pension Plans of Component II; June 30, 2018

Presentation materials were provided

- ***Trustee Scott Benson entered the Boardroom at 10:37 a.m.***

Open Forum

Chairperson Nickleberry opened the meeting for public discussion:

Veronica Taylor addressed the Board regarding the following:

- Option Beneficiary questions regarding her mother and deceased member Valerie Hillyer.

PRESENTATION:

Plante Moran

Representatives Michelle Watterworth, Ali Hijazi and Spencer Tawa discussed the following with the Board:

- Opinion Letter
- Financial Statements
 - Statement of Fiduciary Net Position (Balance Sheet)
 - Statement of Changes in Fiduciary Net Position (Income Statement)
 - Net Position Trend
 - Net Pension Liability Trend
- Communication with Those Charged with Governance-End of Audit Letter
- Unrecorded Possible Adjustments
- Audit Results

Presentation materials were provided

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

WHEREAS, the Board's auditor, Plante & Moran ("Plante Moran"), has presented the Board with the System's June 30, 2018 Financial Report with supplemental information, and

WHEREAS, the Board has read and discussed said report and supplemental information; **THEREFORE BE IT**

RESOLVED, that the Board accepts and approves the System's June 30, 2018 Financial Report with Supplemental Information as presented by its auditor, Plante Moran, and be it further

RESOLVED, that a copy of this resolution be forwarded to Plante Moran and the Accounting division of the Retirement System.

Yeas: Anthony, Benson, Cetlinski, Cowan, Hall-Wagner, Perkins, Sheehan
and Chairperson Nickleberry— 8

Nays: None

Re: Reporting & Accounting Schedules of Component II

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

Motion to approve the GASB Statement No. 67 and 68 Accounting and Financial Reporting for Pension Plans of Component II, ending June 30, 2018 as prepared and submitted by the Board's actuary.

Yeas: Anthony, Benson, Cetlinski, Cowan, Hall-Wagner, Perkins, Sheehan
and Chairperson Nickleberry— 8

Nays: None

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

Motion to approve the GASB Statement No. 67 and 68 Accounting and Financial Reporting for Pension Plans of Component I, ending June 30, 2018 as prepared and submitted by the Board's actuary.

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

Nays: None

Re: Draft Response to Audit/Management Letter

Resolution Moved By: Trustee Cowan - Supported By: Trustee Benson

Motion to acknowledge receipt of the Management Letter as presented by the Board's Auditor Plante Moran dated November 26th, 2018 and to receive and accept the Management Letter or Management's Response to Auditors response and recommendation dated December 5th, 2018.

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

Nays: None

- ***Trustees Christa Mclellan and John Naglick entered the Boardroom at 12:33 p.m.***

GENERAL COUNSEL'S REPORT

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

- Status update on Fort Shelby
- Legislative update
- Current outside legal Litigation; reports will come before the Board at the next meeting on December 19, 2018
 - Clark Hill Litigation report
 - Marie Racine litigation report/update
 - Miller Firm litigation report/updates

GENERAL COUNSEL'S REPORT- continued

- EDRO Memorandum
 - Deborah A. Foutner v. Henry Foutner Wayne County Circuit Court Case No. 91-120525-DM
- Valerie Hillyer
- Andrew Chester Beneficiary Determination
- Estate of Karl S. Doppelberger
- EDROS for Approval
 - Pamela D. Poole v. Curtis Poole; Oakland County Circuit Court Case No. 17-852030-DM
 - Nicole E. Palazzolo v. Timothy M. Palazzolo; Macomb County Circuit Court Case No. 17-001730-DM
- Hubert W. Draw Jr. v. General Retirement System of the City of Detroit; Wayne County Circuit Court Case No. 18-010257-CZ

Motion by: Trustee Sheehan– Supported by Trustee Perkins, motion to acknowledge receipt of memorandum dated November 29th, 2018 with respect to the Foutner vs. Foutner EDRO matter. The Motion passed by a unanimous vote.

Re: Pamela D. Poole v. Curtis Poole
Oakland County Circuit Court Case No. 17-852030-DO

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

WHEREAS, the Board of Trustees is in receipt of a Domestic Relations Order for the General Retirement System of the City of Detroit (the "Order"), dated August 22, 2018, wherein Pamela D. Poole, the Alternate Payee, is awarded certain rights to the benefits of Curtis Poole, the Participant, and

WHEREAS, pursuant to the terms of the Order, the Alternate Payee is entitled to a portion of the Participant's retirement allowance payable from the Retirement System, and

WHEREAS, said matter had been discussed with legal counsel who has opined that the applicable terms of said court order are consistent with the provisions of the Retirement System and applicable law, therefore be it

RESOLVED, that the Board acknowledges receipt of said court order and the Board will pay pension benefits consistent with the order as soon as administratively feasible, and further

RESOLVED, that a copy of this resolution be immediately attached as the top sheet of the pension file and other appropriate records be kept for the Retirement System relative to this matter, and further

RESOLVED, that copies of this resolution be sent to Curtis Poole, the Participant; Pamela D. Poole, the Alternate Payee; and Sorenia M. Whittington, Esq., attorney for the Alternate Payee.

Yeas: Anthony, Benson, Cetlinski, Cowan, Hall-Wagner, Mclellan, Naglick, Perkins, Sheehan
and Chairperson Nickleberry– 10

Nays: None

Re: Nicole E. Palazzolo v. Timothy M. Palazzolo
Macomb County Circuit Court Case No. 17-001730-DM

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

WHEREAS, the Board of Trustees is in receipt of an Eligible Domestic Relations Order (“EDRO”), dated September 17, 2018, wherein Nicole E. Palazzolo, the Alternate Payee, is awarded certain rights to the annuity of Timothy M. Palazzolo, the Participant, and

WHEREAS, the Retirement System consists of both a defined benefit plan and a defined contribution (a/k/a the Annuity Savings Fund) plan, and

WHEREAS, pursuant to the EDRO, the Alternate Payee is only entitled to a portion of the Participant’s defined contribution plan benefits payable from the Retirement System, and

WHEREAS, the payments from the plan to the Alternate Payee shall begin when the Participant commences benefits from the Retirement System, or upon the Alternate Payee’s election, but no time before the Participant’s earliest retirement eligibility, and

WHEREAS, the Board’s policy is to require that the cost for the actuary’s calculations are to be borne by the parties to the domestic relations proceedings and the parties’ EDRO provides that the parties are to equally share responsibility for any and all additional costs for actuarial services, and

WHEREAS, said matter had been discussed with legal counsel who has opined that the applicable terms of said court order are consistent with the provisions of the Retirement System and applicable law including Public Act 46 of 1991 (MCLA 38.1701) as amended, therefore be it

RESOLVED, that the Board acknowledges receipt of said court order, will pay benefits consistent with said order upon application by the Participant or the Alternate Payee, and further

RESOLVED, that a copy of this resolution be immediately attached as the top sheet of the pension file and other appropriate records be kept for the Retirement System relative to this matter, and further

RESOLVED, that copies of this resolution be sent to Timothy M. Palazzolo, the Participant; Nicole E. Palazzolo, the Alternate Payee; and the Board’s Actuary.

Yeas: Anthony, Benson, Cetlinski, Cowan, Hall-Wagner, Mclellan, Naglick, Perkins, Sheehan and Chairperson Nickleberry– 10

Nays: None

CHIEF INVESTMENT OFFICER'S REPORT

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

- Black and Blue Asset Report dated November 30, 2018
 - Advisory Board Seat update
 - Investment Trip Summary
 - Funding Activity
 - The IC and Board recently approved the hiring of the following:
 - Axiom-Emerging Markets Equity (to replace Aberdeen)
 - Fidelity-Emerging Markets Small Cap Equity (to replace Aberdeen)
 - Blackrock- Fixed Income (to replace GAM)
 - The Aberdeen Emerging Market investment will be liquidated and transferred by December 21st. For Mariner, SEG ad Engadine, we will be liquidating primarily from our large cap index provider, Rhumblin.
 - General Investment Committee will meet on Monday December 10th, 2018. Gabriel Roeder, Plante Moran and N.E.P.C. will be in attendance.
- ***Trustee Wendell Anthony excused himself from the Boardroom at 1:06 p.m.***
- ***Trustee Crystal Perkins excused herself from the Boardroom at 1:44 p.m.***

The Board engaged in discussions regarding various investments.

NEW BUSINESS/OLD BUSINESS

- None

ADJOURNMENT

Trustee Hall-Wagner moved to adjourn meeting #4223; Trustee Cetlinski supported.

There being no further business before the Board, **Chairperson Nickleberry** adjourned the meeting at 1:56 p.m. The Board's next meeting is scheduled for **Wednesday, December 19th, 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