

MEETING NO. **4246**
JOURNAL OF PROCEEDINGS
BOARD OF TRUSTEES OF THE GENERAL RETIREMENT SYSTEM
OF THE CITY OF DETROIT
HELD **WEDNESDAY, NOVEMBER 20, 2019**

10:00 A.M.

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

TRUSTEES PRESENT

Jermaine Brown	Trustee
Tasha L. Cowan	Trustee
Kimberly Hall-Wagner	Trustee
Christa Mclellan	Ex-Officio Trustee/City Treasurer
John Naglick	Ex-Officio Trustee/Deputy CFO
June Nickleberry	Trustee/Chairperson
Crystal Perkins	Trustee
Thomas Sheehan	Trustee/Vice- Chairperson

TRUSTEES EXCUSED

Wendell Anthony	Trustee
Scott Benson	Ex-Officio Trustee/City Council Member

TRUSTEES ABSENT

None

ALSO PRESENT

David Cetlinski	Executive Director
Gail A. Oxendine	Assistant Executive Director
Ryan Bigelow	Chief Investment Officer
Michael VanOverbeke	General Counsel
Joann Harrison	Administrative Assistant

STAFF EXCUSED

None

CHAIRPERSON

June Nickleberry

The Board's Recording Secretary took a verbal Roll Call at 10:05 a.m. and Chairperson Nickleberry called the meeting to order.

Present at Roll Call: Jermaine Brown, Tasha L. Cowan, Kimberly Hall-Wagner, Crystal Perkins, and Thomas Sheehan

Re: Legacy Plan Service Retirement(s)

Motion By: Trustee Sheehan - Supported By: Trustee Cowan

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

NAME, TITLE, DEPARTMENT	Rhonda Anderson – Information Technician – Water & Sewerage
SERVICE CREDIT	09-10
EFFECTIVE DATE	08-10-19

NAME, TITLE, DEPARTMENT	Ramez H. Ibrahim - Building Inspector – Building & Safety
SERVICE CREDIT	17-09
EFFECTIVE DATE	09-27-19

NAME, TITLE, DEPARTMENT	Sabrina Spratling – Field Service Tech II - Water & Sewerage
SERVICE CREDIT	22-06
EFFECTIVE DATE	09-04-19

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

Nays: None

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

Nays: None

Re: Vested Retirement(s)

Motion By: Trustee Sheehan - Supported By: Trustee Cowan

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

NAME, TITLE, DEPARTMENT	Clarissa Harper – Admin Specialist 1 – Police (Civilian)
SERVICE CREDIT	23-05
EFFECTIVE DATE	11-01-19

NAME, TITLE, DEPARTMENT	Ronald L. Pressley – RCPO - DPW
SERVICE CREDIT	22-05
EFFECTIVE DATE	10-01-19

NAME, TITLE, DEPARTMENT	James H. Robinson, Jr. – Building Attendant A – Water & Sewerage
SERVICE CREDIT	14-07
EFFECTIVE DATE	11-01-19

NAME, TITLE, DEPARTMENT	Ethelyn D. Tookes – Asst. Market Master – Cultural Affairs
SERVICE CREDIT	12-09
EFFECTIVE DATE	11-01-19

SERVICE CREDIT	11-02
EFFECTIVE DATE	10-01-19

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

Nays: None

Re: Hybrid Plan Service Retirement(s)

Motion By: Trustee Sheehan - Supported By: Trustee Cowan

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

NAME, TITLE, DEPARTMENT	Rhonda Anderson – Information Technician – Water & Sewerage
SERVICE CREDIT	05-01
EFFECTIVE DATE	08-10-19

NAME, TITLE, DEPARTMENT Robert Brown – Asst EMS Spvr-Gd II – Fire
(EMS)
SERVICE CREDIT 02-08
EFFECTIVE DATE 06-01-17

NAME, TITLE, DEPARTMENT Ramez H. Ibrahim - Building Inspector –
Building & Safety
SERVICE CREDIT 05-03
EFFECTIVE DATE 09-27-19

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

Nays: None

Re: Change of Computation from Duty/Non-Duty - Service Retirement(s)

Motion By: Trustee Sheehan - Supported By: Trustee Cowan

RESOLVED, that the application(s) for retirement from the **CHANGE IN COMPUTATION DUTY/NON DUTY DISABILITY SERVICE RETIREMENTS** –as outlined below be hereby APPROVED:

NAME, TITLE, DEPARTMENT Phyllis M. Bruce – Parking Enforcement
Officer – Municipal Parking
SERVICE CREDIT 24-09
EFFECTIVE DATE 10-01-19

NAME, TITLE, DEPARTMENT Earl Hamilton – Sr. Water Sys Mechanic –
Water & Sewerage
SERVICE CREDIT 16-11
EFFECTIVE DATE 07-26-19

NAME, TITLE, DEPARTMENT Monica M. Perchan – Manager I - Budget
SERVICE CREDIT 16-01
EFFECTIVE DATE 07-08-19

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

Nays: None

RECEIPTS: The Board received the following receipts for Acknowledgment:

Cash Receipts			Cash Account: HYBLIORES			
Company: RSCD-General			Start Date: 11/1/2019			
			End Date: 11/18/2019			
Doc. Date	Module	Tran. Type	Doc. Nbr.	Description	R/C	Receipt
11/1/2019	CA	Cash Entry	001945	Pre tax pension contributions 11-1-19	R/C	43,630.96
11/1/2019	CA	Cash Entry	001949	Post tax annuity contributions 11-1-19	R/C	48,560.02
11/8/2019	CA	Cash Entry	001960	Pretax pension contributions 11-8-19.	R/C	359,560.35
11/8/2019	CA	Cash Entry	001961	Post tax annuity contributions 11-8-19.	R/C	205,908.63
						657,659.96
Cash Receipts			Cash Account: LIQ RESERV			
Company: RSCD-General			Start Date: 11/1/2019			
			End Date: 11/18/2019			
Doc. Date	Module	Tran. Type	Doc. Nbr.	Description	R/C	Receipt
11/8/2019	CA	Cash Entry	001953	Loan Deductions 11-1-19 (\$16,194.75)	R/C	16,194.75
11/13/2019	CA	Cash Entry		Loan Deductions 11-8-19 (\$58,221.94)		58,221.94
						74,416.69
Total Receipts						732,076.65

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:

GENERAL RETIREMENT SYSTEM
CITY OF DETROIT

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Disbursement Report

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Date: 11/18/2019 8:48 AM

Account	Payment Method	Currency	Invoice Number	Invoice Description	Amount To Pay
LIQ RESERV	WIRE	US			
Vendor Name			Invoice Number Invoice Description		Amount To Pay
Republic Underwriters, Inc.			88842	Fiduciary Liab Renewal 12/19-12/20	301,861.00
			Cash Account/Payment Method Total:	1 Document	301,861.00
HUNT - VEN	ACH	US			
Vendor Name			Invoice Number Invoice Description		Amount To Pay
500 WEBWARD LLC			1021758	Electrical Billing: 9/28/19-10/30/19 #16055044	654.12
500 WEBWARD LLC			1021759	Electrical Billing: 9/28/19-10/30/19 #16055070	1,031.30
8x8, INC.			2514664	Phone System Services	1,383.75
ADP, INC.			544510597	Check Printing Services	605.80
ADVENT CAPITAL MANAGEMENT, LLC			3Q19	Management Fees 3rd Qtr '19	76,092.94
Baryan Realty Advisors, LLC			3Q19	Advisory Fees - 3rd Qtr '19	15,374.35
BRANDYWINE GLOBAL INVESTMENT MANAGEMENT			18547	Management Fees 2nd Qtr '19	61,515.29
CLARK HILL, PLC			922782	Chapter 13 Bankruptcy/ASF Recoupment	1,785.00
CLARK HILL, PLC			926090	Chapter 13 Bankruptcy/ASF Recoupment	1,642.20
Cogent Communications, Inc.			110119	Internet Service	1,023.00
CREATIVE BREAKTHROUGHS INC			INV2640	Software Maintenance	11,837.50
EDGEWOOD MANAGEMENT LLC			G105550919	Management Fees - 3rd Qtr '19	136,301.16
GABRIEL, ROEDER, SMITH & CO			450422	EDRO Calculations for Olakunle Obayan	1,500.00
GABRIEL, ROEDER, SMITH & CO			450423	EDRO Calculations - Christopher Lewis	1,500.00
GABRIEL, ROEDER, SMITH & CO			450450	EDRO Calculations for Thomas Ilch	1,500.00
GABRIEL, ROEDER, SMITH & CO			450451	EDRO Calculations for Tony Stamper	1,500.00
GABRIEL, ROEDER, SMITH & CO			450823	Actuarial Services for October 2019	11,917.00
Kayne Anderson Capital Advisors, LP			3Q19	Management Fees 3rd Qtr '19	85,260.76
MONDRIAN INVESTMENT PARTNERS			230701	Management Fees - 3rd Qtr '19	122,070.30
Office of the Chief Financial Officer			1143696	Wages&Benefits CoD Employees FY19-20 1st Qtr	339,099.51
PLANTE & MORAN			1752143	Financial Statement Audit for 6/30/19	26,925.00
PZENA INVESTMENT MANAGEMENT, LLC			19303-2-021	Management Fees 3rd Qtr '19	50,709.52
QUILL CORPORATION			2286749	Office Supplies	221.58
THE TOWNSEND GROUP			US201-0000487	Professional Services - October 2019	9,562.50
UHY Advisors MI, Inc.			1318128	Professional IT Services for October 2019	53,955.00
UHY Advisors MI, Inc.			1318127	Professional IT Services for October 2019	9,787.50
VANOVERBEKE MICHAUD & TIMMONY, P.C.			0919	General Counsel Matters for September 2019	26,146.00
VANOVERBEKE MICHAUD & TIMMONY, P.C.			1019	General Counsel Matters for October 2019	26,046.00
			Cash Account/Payment Method Total:	28 Documents	1,076,982.08
HUNT - VEN	CHECK	US			
Vendor Name			Invoice Number Invoice Description		Amount To Pay
FEDEX			6-769-02686	FedEx Mailing	26.26
FEDEX			6-776-85854	FedEx Mailing	26.14
FEDEX			6-823-70391	FedEx Mailing	26.20
FEDEX			6-830-30192	FedEx Mailing	26.20
FEDEX			6-836-89438	FedEx Mailing	26.20
IRON MOUNTAIN			202002684	Storage CDs	916.53
MILLER LAW			66025	GRS/City of Detroit for September 2019	25,035.00
NEPC, LLC			9M19391	Expenses - 3rd Qtr '19	3,225.72
OFFICE DEPOT			393872093001	Office Supplies	13.06
PENSION BENEFIT INFORMATION			INV028278	Death Audit - One Time Run/Adhoc - 3,777 Records	250.00
TASHA L COWAN			110619TLC	Trustee Purchase Reimbursement	31.75
THOMAS SHEEHAN			113019	Trustee Stipend	866.67
TRANSUNION RISK & ALT DATA SOLUTIONS INC			3712221-201910	TLOxp Research Services	25.00
VERIZON WIRELESS			9840929421	Wireless Charges 9/26/19-10/25/19	416.79
WELLS FARGO VENDOR FINANCIAL SVCS, LLC			102882625	Printer Maintenance	129.10
WENDELL ANTHONY			113019	Trustee Stipend	866.67
			Cash Account/Payment Method Total:	16 Documents	31,907.29

* Payment amount is estimated based on the effective date 11/18/2019

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

Nays: None

Re: Refunds of Accumulated Contributions (Annuity Savings Fund)

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

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

List No. 7439 - \$499,003.24

List No. 7440 - \$146,157.17

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

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

Nays: None

Re: Employee Loan Program November 13, 2019

Resolution Moved By: Trustee Sheehan - Supported By: 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: **\$29,230.00** including interest, be hereby **APPROVED**.

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

Nays: None

Re: Employee Loan Program November 20, 2019

Resolution Moved By: Trustee Sheehan - 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: **\$17,337.00** including interest, be hereby **APPROVED**.

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

Nays: None

Trustee Mclellan entered at 10:14 am.

ASSISTANT EXECUTIVE DIRECTOR'S REPORT

Assistant Executive Director, **Gail A. Oxendine**, had no formal report, but discussed the following with the Board of Trustees:

- 2020 Annual meeting calendar for the General Board Trustees
- BoardAdvantage online portal will be a “soft” go live on December 18, 2019. Trustees are encouraged to bring laptop/tablets to this meeting.

Re: General Retirement System Board Meeting 2020 Calendar

Resolution Moved By: Trustee Sheehan – Supported By: Trustee Perkins

WHEREAS, the Governing Board of Trustees has been presented with the 2020 meeting calendar which is referenced below

WHEREAS, the Governing Board has confirmed the schedule is consistent with the Plan of Adjustment; **THEREFORE BE IT**

RESOLVED, the Board **APPROVES** the meeting calendar for 2020 as presented.

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

Nays: None

<u>MEETING DATE</u>	<u>MEETING NUMBER</u>
January 08, 2020	4249
January 22, 2020	4250
February 05, 2020	4251
February 19, 2020	4252
March 04, 2020	4253
March 18, 2020	4254
April 01, 2020	4255
April 15, 2020	4256
May 06, 2020	4257
May 20, 2020	4258
June 03, 2020	4259
June 17, 2020	4260
July 01, 2020	4261
July 15, 2020	4262
August 05, 2020	4263
August 19, 2020	4264
September 02, 2020	4265
September 16, 2020	4266
October 07, 2020	4267
October 21, 2020	4268

November 04, 2020	4269
November 18, 2020	4270
December 02, 2020	4271
December 16, 2020	4272

Trustee Naglick entered at 10:18 am.

EXECUTIVE DIRECTOR'S REPORT

Executive Director, **David Cetlinski**, had no formal report, but discussed the following with the Board of Trustees:

- Core Strengths Training update
- January 1, 2020 checks for retirees will be paid on January 2, 2020, due to the holiday
- Audit is completed and awaiting final report from Plante Moran, who is scheduled to present the audit to the General Board Investment Committee on December 9, 2019.

CHIEF INVESTMENT OFFICER'S REPORT

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

- Gateway Marketplace
- Education initiative Meet and Great (kick off meeting) at the Detroit Athletic Club on Dec. 2, 2019 at 4 pm. The purpose is for investment professionals to gather and have preliminary discussion.

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

The Board motioned to go into **Closed Session** to discuss matters related to the Gateway Marketplace.

Yeas: Brown, Cowan, Hall-Wagner, Mclellan, Naglick, Perkins, Sheehan and Chairperson Nickleberry– 8

Nays: None

Motion By: Trustee Cowan – Supported By: Trustee Naglick

The Board motioned to go into **Open Session** to discuss matters related to the Gateway Marketplace.

Trustee Mclellan exited at 11:02 am.

Motion By: Trustee Naglick – Supported By: None

RESOLVED, that the recommendation made by Lou Vogt of Banyan Realty, and the CIO, regarding the Gateway Marketplace, and as discussed in closed session, be hereby **APPROVED** to proceed.

Motion was disregarded due to lack of support.

Motion By: Trustee Sheehan – Supported By: Trustee Perkins

The Board motioned to go back into **Closed Session** to discuss matters related to the Gateway Marketplace.

Yeas: Brown, Cowan, Hall-Wagner, Naglick, Perkins, Sheehan and Chairperson Nickleberry–
7

Nays: None

Trustee Nickleberry continued participation by phone at 11:15 am.

Motion By: Trustee Cowan – Supported By: Trustee Perkins

The Board motioned to go into **Open Session** to discuss matters related to the Gateway Marketplace.

Yeas: Brown, Cowan, Hall-Wagner, Naglick, Nickleberry Perkins, and Vice-Chairperson Sheehan – 7

Nays: None

Motion By: Trustee Naglick – Supported By: Trustee Brown

RESOLVED, that the recommendation made by Lou Vogt of Banyan Realty, and the CIO, regarding the Gateway Marketplace, and as discussed in closed session, be hereby **APPROVED** to proceed.

Yeas: Brown, Hall-Wagner, Naglick, Nickleberry Perkins, and Vice Chairperson Sheehan – 6

Nays: Trustee Cowan

Trustee Nickleberry exited the meeting at 11:35 am.

GENERAL COUNSEL'S REPORT

General Counsel **Michael VanOverbeke**, discussed the following matters with the Board:

- Auditor response letter provided to Plante Moran dated November 8, 2019

CHIEF ACCOUNTING OFFICER'S REPORT

- Update on the status of the annual audit – final report pending from Plante Moran
- First quarter budget review – Board requested the line item “Trustee Expense” be renamed to better reflect Board Administrative Costs
- Great Lakes Water Authority to review and confirm the new methodology regarding the Allocation of Excess Earnings for Transition costs

CHIEF INVESTMENT OFFICER'S REPORT (cont.)

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

- SAS Balance Real Estate Fund
 - Offer to sell General Retirement System interest in the fund and recommended by the CIO to sell

Re: SAS Balanced Real Estate Fund - Granting the Cavan Opportunity Fund, LLC an Option to Purchase Interests of Glendale Desert Holdings, LLC

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

WHEREAS, the Governing Board of Trustees has been presented the Written Consent to sell the Board's interests in the fund as recommended by the Advisor and the CIO

RESOLVED, the Board **APPROVES** the Written Consent as presented.

Yeas: Brown, Cowan, Hall-Wagner, Naglick, Perkins, and Vice Chairperson Sheehan, –
6

Nays: None

NEW BUSINESS/OLD BUSINESS

None

ADJOURNMENT

Trustee Cowan moved to adjourn meeting #4246; Trustee Hall-Wagner supported.

There being no further business before the Board, **Vice Chairperson Sheehan** adjourned the meeting at 12:15 p.m. The Board's next meeting is scheduled for **Wednesday, December 4, 2019**, 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 white rectangular background.

GAIL A. OXENDINE, ASSISTANT EXECUTIVE DIRECTOR

DRAFT