

MEETING NO. 4249
JOURNAL OF PROCEEDINGS
BOARD OF TRUSTEES OF THE GENERAL RETIREMENT SYSTEM
OF THE CITY OF DETROIT
HELD **WEDNESDAY, JANUARY 8, 2020**

10:00 A.M.

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

TRUSTEES PRESENT

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

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
Joann Harrison	Administrative Assistant
Marcella Brewer	Recording Secretary

STAFF EXCUSED

None

CHAIRPERSON

June Nickleberry

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

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

Re: Legacy Plan Service Retirement(s)

Motion By: Trustee Cowan - Supported By: Trustee Perkins

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

NAME, TITLE, DEPARTMENT	Cecil R. Armstrong – Civic Center Facilities Wkr – Civic Center
SERVICE CREDIT	24-08
EFFECTIVE DATE	10-24-19

NAME, TITLE, DEPARTMENT	Gueelma Brown – Underwriter II – Planning & Development
SERVICE CREDIT	20-06
EFFECTIVE DATE	12-03-19

NAME, TITLE, DEPARTMENT	Lurine S. Carter – Lib-Coordinator Maj Lib AC I – Library
SERVICE CREDIT	43-06
EFFECTIVE DATE	11-23-19

NAME, TITLE, DEPARTMENT	Vincent Green – Sign Stencil Prepara - DPW
SERVICE CREDIT	28-02
EFFECTIVE DATE	11-30-19

NAME, TITLE, DEPARTMENT	Dennis Jones – Branch Janitor - Library
SERVICE CREDIT	14-08
EFFECTIVE DATE	08-04-18

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

Nays: None

Re: Vested Retirement(s)

Motion By: Trustee Sheehan - Supported By: Trustee Perkins

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

NAME, TITLE, DEPARTMENT	Merven Martin – Bldg. Trades Worker General - Housing
SERVICE CREDIT	17-09
EFFECTIVE DATE	12-01-19

NAME, TITLE, DEPARTMENT	Duncan Allen Wolfe – General Auto Mechanic - Transportation
SERVICE CREDIT	17-06
EFFECTIVE DATE	12-01-19

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

Nays: None

Re: Hybrid Plan Service Retirement(s)

Motion By: Trustee Sheehan - Supported By: Trustee Perkins

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

NAME, TITLE, DEPARTMENT	Gueelma Brown – Underwriter II – Planning & Development
SERVICE CREDIT	05-05
EFFECTIVE DATE	12-03-19

NAME, TITLE, DEPARTMENT	Lurine S. Carter – Lib-Coordinator Maj Lib AC I – Library
SERVICE CREDIT	05-05
EFFECTIVE DATE	11-23-19

Re: Hybrid Plan Service Retirement(s) (cont)

NAME, TITLE, DEPARTMENT	Vincent Green – Sign Stencil Prepara - DPW
SERVICE CREDIT	05-05
EFFECTIVE DATE	11-30-19

NAME, TITLE, DEPARTMENT	Dennis Jones – Branch Janitor - Library
SERVICE CREDIT	04-01
EFFECTIVE DATE	08-04-18

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

Nays: None

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

Motion By: Trustee Sheehan - Supported By: Trustee Perkins

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

NAME, TITLE, DEPARTMENT	Keith Shobe – Water Systems Rep Wkr - Water & Sewerage
SERVICE CREDIT	23-07
EFFECTIVE DATE	12-15-19

NAME, TITLE, DEPARTMENT	Israel Rodriquez - Water Systems Mech – Water & Sewerage
SERVICE CREDIT	23-07
EFFECTIVE DATE	12-08-19

NAME, TITLE, DEPARTMENT	Frederick D. Wynn – Water Systems Helper – Water & Sewerage
SERVICE CREDIT	12-02
EFFECTIVE DATE	11-16-19

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

Nays: None

RECEIPTS:

The Board received the following receipts for Acknowledgment:

Cash Receipts			Cash Account:	HYBLIQRES		
Company:	RSCD-General		Start Date:	12/12/2019		
			End Date:	1/1/2020		

Doc. Date	Module	Tran. Type	Doc. Nbr.	Description	R/C	Receipt
12/13/2019	CA	Cash Entry	002013	UltPro -Pre tax pension contributions 12-13-19	R/C	1,709.54
12/13/2019	CA	Cash Entry	002014	UltPro - Post tax annuity contributions 12-13-19	R/C	1,015.70
12/19/2019	CA	Cash Entry		Post tax annuity contributions 12-19-19		101,170.10
12/19/2019	CA	Cash Entry		Pre tax pension contributions 12-19-19		107,391.94
12/20/2019	CA	Cash Entry	002017	Ultpro - After Tax annuity contribution 12-20-19	R/C	134,601.31
12/20/2019	CA	Cash Entry	002018	Ultpro - Pre tax pension contributions 12-20-19	R/C	301,697.90
12/26/2019	CA	Cash Entry		Post tax annuity contributions 12-26-19		24,319.97
12/26/2019	CA	Cash Entry		Pre tax pension contributions 12-26-19		36,396.09
						708,302.55

Cash Receipts			Cash Account:	LIQ RESERV		
Company:	RSCD-General		Start Date:	12/12/2019		
			End Date:	1/1/2020		

Doc. Date	Module	Tran. Type	Doc. Nbr.	Description	R/C	Receipt
12/24/2019	CA	Cash Entry		Loan Deductions 12-13-19 (\$19,328.01)		19,328.01
12/24/2019	CA	Cash Entry		Loan Deductions 12-20-19 (\$48,530.92)		48,530.92
						67,858.93
Total Receipts						776,161.48

Re: Fees and Expenses

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

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:

Disbursement Report				Page	1 of 1
				Date	1/6/2020 7:32 AM
Account	Payment Method	Currency			
HUNT - VEN	ACH	US			
Vendor Name	Invoice Number	Invoice Description	Amount To Pay		
500 WEBWARD LLC	99069	January 2020 Rent	26,050.94		
500 WEBWARD LLC	1038446	Electrical Billing:11/1/19-12/27/19 #16055044	680.40		
500 WEBWARD LLC	1038447	Electrical Billing:11/1/19-12/27/19 #16055044	1,203.04		
ADP, INC	546083380	Check Printing Services	598.80		
Cogent Communications, Inc.	120119	Internet Service	626.60		
Premier Parking (fka Ultimate Parking)	195765	Parking - January 2020	2,002.00		
Cash Account/Payment Method Total:		6 Documents	31,161.78		
HUNT - VEN	Check Payment	US			
Vendor Name	Invoice Number	Invoice Description	Amount To Pay		
CINTAS CORPORATION-300	4038362297	Floor Mats	130.65		
Crystal Perkins	112019CP	Trustee Parking - Crystal Perkins	25.00		
EASY VERIFICATION INC	19-51293	Easy Verification - Member Verification Requests	564.00		
EASY VERIFICATION INC	19-53027	Easy Verification - Member Verification Requests	176.00		
FEDEX	6-871-85626	FedEx Mailing	26.14		
FEDEX	6-878-70433	FedEx Mailing	46.86		
First CHOICE Coffee Services	659966	First Choice Coffee Services - Coffee Supplies	141.41		
First CHOICE Coffee Services	662414	First Choice Coffee Services - Equipment Rental	30.00		
TRUSCOTT ROSSMAN GROUP LLC	INV-3963	Truscott Rossman Grp. - Public Relations	1,260.00		
XEROX	098938901	Xerox - Printer Maintenance	59.19		
Cash Account/Payment Method Total:		10 Documents	2,459.25		

* Payment amount is estimated based on the effective date 1/6/2020

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

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, including interest, as set forth in the following:

List No. 7447 - \$349,332.51

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

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

Nays: None

Re: Employee Loan Program January 8, 2020

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: **\$67,415.00** including interest, be hereby **APPROVED**.

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

Nays: None

Re: Minutes/Journal No. 4248 - (12/18/19)

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

RESOLVED, that the Minutes/Journal of Proceedings of the General Retirement System of the City of Detroit, of Meeting **No. 4248**, held on **December 18, 2019**, be hereby **APPROVED** as recorded and submitted.

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

Nays: None

ASSISTANT EXECUTIVE DIRECTOR'S REPORT

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

- Information on CFA Institute Training
- All Trustees are encouraged to use the Board Portal. No hard copies to be provided at next meeting. All documents will be on Board Portal. Bring devices.
-
- Motion by Trustee Hall-Wagner - Supported By: Trustee Perkins
-
- Motion to approve any Trustee interested in attending the CFA Institute Conference may do so. Assistant Executive Director, Gail A. Oxendine, clarified that it's a member only conference and the one-day training is specifically for

Public Pension Trustees. All other portions of the conference are not for Trustees unless you are a member. of the organization.

EXECUTIVE DIRECTOR'S REPORT

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

- CFA Institute – We are not members of. Executive Director, David Cetlinski and Assistant Executive Director, Gail A. Oxendine will discuss and bring back information regarding membership.
- Memo issued 1/8/2020, regarding the Issue with Paylocity. Tax tables and withholdings entered incorrectly. Letters will be sent out with February checks discussing the issue.
- Re-address previous RFP for. new Payroll System or maybe design an in-house system or use Procencia
- Come back with recommendation to discuss new Payroll System.
- Discuss data breach. Current software in place to catch any malicious activity.
- Discuss information on Pay Cards v Paper Checks.
- GRS Annual Report completed (Chief Accounting Officer to discuss during today's meeting)

- **Ryan Bigelow entered at 10:15 am**

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CHIEF INVESTMENT OFFICER'S REPORT

Chief Investment Officer, Ryan Bigelow, had no formal report, but discussed the following with the Board of Trustees:

- **Trustee McLellan entered at 10:25 am**
- **Trustee Naglick entered at 10:25 am.**

- Various Contracts being worked on
- EBP information to be discussed at EBP next Meeting

GENERAL COUNSEL'S REPORT

General Counsel **Michael VanOverbeke**, had no formal report, but discussed the following matters with the Board of Trustees:

- **Trustee Anthony entered at 10:30 am**
- Gateway closed at the end of the 2019 calendar year.
- John Naglick discussed the Funding Policy
- It was suggested that a discussion occur with board members of the Police and Fire System regarding the Funding Policy.

PLANTE MORAN

Representatives from Plante Moran discussed the following with the Board:

- Report findings from June 30, 2019 Audit
- Financial Statements
- Close Out Letter dated November 26, 2019

CHIEF ACCOUNTING OFFICER REPORT

The Chief Accounting Officer, Ramzee Jackson reported that the Accounting Team saved \$900,000.00 by eliminating the prior accounting contractors and performing all accounting functions, including the annual audit by internal staff only.

The Chief Accounting Officer also presented the Summary Annual Report for review and approval.

Re: Review and Approval of the Summary Annual Report for Component I and II

Motion by Trustee Anthony - Supported By: Trustee Naglick

Motion to approve the General Retirement System Summary Annual Report for Component I and II, for the fiscal year ending June 30, 2019.

YEAS: Anthony, Benson, Brown, Cowan, Hall-Wagner, McLellan, Naglick, Perkins, Sheehan and Chairperson Nickleberry-10

NAYS: None

RE: Review and Approval of the GRSD Annual Audit of Component I and II

Resolution Moved By Trustee Naglick - Supported By: Trustee Perkins

WHEREAS, the Board of Trustees of the General Retirement System of the City of Detroit (“Board”) serves in a fiduciary capacity and is vested with the authority and fiduciary responsibility for the administration, management, and operation of the Retirement System (the “GRSD”), and

WHEREAS, the provisions of the plan are subject to the applicable provisions of the Internal Revenue Code, applicable state law, the applicable charter and ordinance provisions of the City of Detroit, the Combined Plan for the General Retirement System and applicable collective bargaining agreements, and

WHEREAS, the Board is in receipt of the Independent Auditor’s Report for the year ended June 30, 2019 titled “Combined Plan for the General Retirement System of the City of Detroit Financial Report with Supplemental Information” dated November 26, 2019 as prepared by its auditor, Plante Moran, PLLC, (collectively the “GRSD Annual Audit”) and

WHEREAS, the Board’s auditor has presented and discussed the GRSD Annual Audit report with the Board at today’s meeting, and

WHEREAS, pursuant to Section 15.2 of the Eighth Amended Plan of Adjustment (“Plan of Adjustment”), the Investment Committee shall review and approve, prior to final issuance, all annual audits and actuarial and financial reports prepared on behalf of the Retirement System, and

WHEREAS, pursuant to Exhibit I.A. 332 of the Plan of Adjustment, and in accordance with MCL Section 38.1133g(3)(f), the Investment Committee is further required to review and approve, prior to final issuance, “the annual audit and all financial reports prepared on behalf of the GRS,” and

WHEREAS, the Investment Committee has previously received a presentation of the GRSD Annual Audit from appropriate representatives from Plante Moran, and has reviewed and approved the Audit, therefore be it

RESOLVED, that the Board hereby approves the GRSD Annual Audit of the General Retirement System of the City of Detroit for the fiscal year ending June 30, 2019, and be it further

RESOLVED, the Board recommends that the GRSD Annual Audit be finalized and issued with a copy forwarded to the appropriate City and state representatives in accordance with the Plan of Adjustment and corresponding documents, and be it further
RESOLVED, that a copy of this resolution be forwarded to the Investment Committee and a copy maintained in the Retirement System records.

YEAS: Anthony, Benson, Brown, Cowan, Hall-Wagner, McLellan, Naglick, Perkins, Sheehan and Chairperson Nickleberry-10

NAYS: None

PUBLIC COMMENT

- Kathleen Colin thanked everyone who came out and supported NASP Holiday Gathering on Wednesday, December 11, 2019. Thank you, Trustee Cowan, for the contribution. Made a donation of perishable items and cash to Gleaners Food Bank.
- Upcoming NASP Conference June 15 -17, 2020, in Chicago.
- Progress Investment Management will be closing as of December 18, 2019.

NEW BUSINESS/OLD BUSINESS

- Review Committee Members

ADJOURNMENT

Trustee Naglick moved to adjourn meeting #4249; Trustee McLellan supported.

There being no further business before the Board, **Chairperson Nickleberry** adjourned the meeting at 11:50 am. The Board's next meeting is scheduled for **Wednesday, January 22, 2020**, at 10:00 a.m. in the Retirement System's Conference Room; 500 Woodward Avenue, Suite 3000; Detroit, Michigan 48226.

RESPECTFULLY SUBMITTED,



GAIL A. OXENDINE, ASSISTANT EXECUTIVE DIRECTOR