

MEETING NO. 4251
JOURNAL OF PROCEEDINGS
BOARD OF TRUSTEES OF THE GENERAL RETIREMENT SYSTEM
OF THE CITY OF DETROIT
HELD **WEDNESDAY, FEBRUARY 5, 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, June Nickleberry, 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	Dwayne L. Lester - TEO - Transportation
SERVICE CREDIT	17-10
EFFECTIVE DATE	01-10-20

NAME, TITLE, DEPARTMENT	Sandra D. Minor – Library Customer Support - Library
SERVICE CREDIT	24-08
EFFECTIVE DATE	01-18-20

NAME, TITLE, DEPARTMENT	Saied Rouhani – Accountant IV - Finance
SERVICE CREDIT	21-02
EFFECTIVE DATE	02-01-20

NAME, TITLE, DEPARTMENT	Leon Williams – Coach Service Attendant - Transportation
SERVICE CREDIT	18-09
EFFECTIVE DATE	01-01-20

Yeas: Benson, Brown, Cowan, Sheehan and Chairperson Nickleberry – 5

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	Arthur S. Nickens – Microcomp Spt. Spclst – Information Tech Services
SERVICE CREDIT	15-02
EFFECTIVE DATE	01-01-20

Yeas: Benson, Brown, Cowan, Sheehan and Chairperson Nickleberry – 5

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	Dwayne L. Lester - TEO - Transportation
SERVICE CREDIT	05-06
EFFECTIVE DATE	01-10-20

NAME, TITLE, DEPARTMENT	Sandra D. Minor – Library Customer Support - Library
SERVICE CREDIT	05-07
EFFECTIVE DATE	01-18-20

NAME, TITLE, DEPARTMENT	Saied Rouhani – Accountant IV - Finance
SERVICE CREDIT	05-07
EFFECTIVE DATE	02-01-20

NAME, TITLE, DEPARTMENT	John N. Saad – Engrg Svcs Coord – Planning & Development
SERVICE CREDIT	04-05
EFFECTIVE DATE	01-10-20

HYBRID RETIREMENTS – continued

NAME, TITLE, DEPARTMENT Leon Williams – Coach Service Attendant -
Transportation
SERVICE CREDIT 05-06
EFFECTIVE DATE 01-01-20

Yeas: Benson, Brown, Cowan, Sheehan and Chairperson Nickleberry – 5

Nays: None

RECEIPTS:

The Board received the following receipts for Acknowledgment:

Cash Receipts		Cash Account:	HYBLIQRES			
Company:	RSCD-General	Start Date:	1/16/2020			
		End Date:	1/31/2020			

Doc. Date	Module	Tran. Type	Doc. Nbr.	Description	R/C	Receipt
1/17/2020	CA	Cash Entry	002058	Pretax mandatory pension contribution 1-17-20	R/C	354,009.09
1/17/2020	CA	Cash Entry	002059	After tax annuity contributions 1-17-20	R/C	200,222.33
1/17/2020	CA	Cash Entry	002067	After Tax Annuity Contributions 1-17-20	R/C	23,529.05
1/17/2020	CA	Cash Entry	002068	Pre tax pension contributions 1-17-20	R/C	35,241.57
1/24/2020	CA	Cash Entry	002069	UltiPro - After Tax Annuity Contributions 1-24-20	R/C	13,678.52
1/24/2020	CA	Cash Entry	002070	UltiPro - Pre tax pension contributions 1-24-20	R/C	13,360.84
1/30/2020	AR	Payment	000070	Employer Match October 1 - December 30, 2019 General, DOT & Library	R/C	2,517,748.81
1/31/2020	AR	Payment	000071	Employer Match October 1 - December 31, 2019 Water & Sewerage	R/C	340,478.04
						3,498,267.15

Cash Receipts		Cash Account:	LIQ RESERV			
Company:	RSCD-General	Start Date:	1/16/2020			
		End Date:	1/31/2020			

Doc. Date	Module	Tran. Type	Doc. Nbr.	Description	R/C	Receipt
1/23/2020	CA	Cash Entry	002072	Loan Deductions 1-17-20 (\$63,088.22)	R/C	63,088.22
1/31/2020	CA	Cash Entry		Loan Deductions 1-10-20 (\$763.97)		763.97
						63,852.19
Total Receipts						3,562,119.34

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:

Disbursement Report

Page: 1 of 3
Date: 2/3/2020 7:20 AM

Account	Payment Method	Currency		
LIQ RESERV	Wire Transfer	US		
Vendor Name	Invoice Number	Invoice Description	Amount To Pay	
Landmark Equity Partners XV, LP	012420	Capital Call	39,698.00	
PERMIRA CREDIT SOLUTIONS III	020420	Capital Call	1,026,000.00	
THL CREDIT SELECT SERIES CLO EQUITY	012720	Capital Call	674,128.67	
Bridgett Hardy	013120BH	IT Contractual Wages - January 2020	3,852.34	
James R. Hollins	013120JH	IT Contractual Wages - January 2020	3,416.21	
Raymond R. Tchou	013120RT	IT Contractual Wages - January 2020	6,308.58	
Venkat Rallapalli / Highbrow Systems, Inc.	013120VR	IT Contractual Wages - January 2020	5,766.49	
Cash Account/Payment Method Total:			7 Documents	1,759,170.29

HUNT - VEN ACH US

Vendor Name	Invoice Number	Invoice Description	Amount To Pay	
500 WEBWARD LLC	100363	Work Orders for Office Maintenance	47.50	
500 WEBWARD LLC	100771	Work Orders for Office Maintenance	199.40	
500 WEBWARD LLC	101255	February 2020 Rent	26,050.94	
ACCUSOFT PEGASUS	0001030963	Xpress Imaging Software License	4,712.40	
ADP, INC	549637780	Check Printing Services	122.90	
ADVENT CAPITAL MANAGEMENT, LLC	4Q19	Management Fees 4th Qtr '19	77,569.69	
American Realty Advisors (ARA)	7200	Management Fees - 4th Qtr '19	10,000.00	
Barrow, Hanley, Mewhinney & Strauss, LLC	4Q19	Management Fees 4th Qtr '19	45,911.00	
BlackRock Financial Management, Inc	191231-4690-A	Management Fees - 4th Qtr '19	27,222.40	
BLOOMBERG FINANCE LP	5605344971	Bloomberg Anywhere 1/21/20-4/20/20	5,910.00	
CLARK HILL, PLC	948612	Chapter 13 Bankruptcy/ASF Recoupment	249.90	
CRESTWOOD ASSOCIATES L.L.C.	INV054650	Acumatica Training & Implementation	150.00	
EARNEST PARTNERS, LLC	4Q19 DETGRS	Management Fees - 4th Qtr '19	41,499.43	



Vendor Name	Invoice Number	Invoice Description	Amount To Pay
EARNEST PARTNERS, LLC	4Q19 DETINTRL	Management Fees - 4th Qtr '19	212,335.80
FIDELITY INSTITUTIONAL ASSET MGT TRUST	20191231-4576-A	Management Fees 4th Qtr '19	69,145.27
Kayne Anderson Capital Advisors, LP	4Q19	Management Fees 4th Qtr '19	84,932.47
Manulife Asset Management U.S., LLC	00000002196	Management Fees 4th Qtr '19	45,175.41
MONDRIAN INVESTMENT PARTNERS	231198	Management Fees - 4th Qtr '19	134,293.99
NORTHSTAR LIFE SERVICES	0003352-IN	Policy Set-Up and Servicing Fees	1,500.00
Premier Parking (fka Ultimate Parking)	198119	Parking - February 2020	2,002.00
PZENA INVESTMENT MANAGEMENT, LLC	20029-1-007	Management Fees 4th Qtr '19	55,382.74
QUILL CORPORATION	3907095	Office Supplies	8.99
QUILL CORPORATION	3911608	Office Supplies	111.30
QUILL CORPORATION	3941191	Office Supplies	56.49
QUILL CORPORATION	3981777	Office Supplies	19.99
RHUMBLINE ADVISERS	detgen2019Q4	Management Fees 4th Qtr '19	11,062.00
SALIENT CAPITAL ADVISORS	4Q19	Management Fees 4th Qtr '19	66,756.66
SSI INVESTMENT MANAGEMENT	002020-0034	Management Fees 4th Qtr '19	58,350.00
WESTFIELD CAPITAL MANAGEMENT	20191231-107-123-A	Management Fees 4th Qtr '19	108,673.47
Cash Account/Payment Method Total:		29 Documents	1,089,452.14

HUNT - VEN CHECK US

Vendor Name	Invoice Number	Invoice Description	Amount To Pay
CINTAS CORPORATION-300	4040772447	Floor Mats	130.65
COMCAST	011720	High Speed Internet	181.33
DIRECTV	37112320997	Service Charges 1/23/20-2/22/20	42.05
FEDEX	6-897-90503	FedEx Mailing	35.21
FEDEX	6-912-16472	FedEx Mailing	27.48
First CHOICE Coffee Services	665817	Coffee Supplies	129.23
First CHOICE Coffee Services	668221	Equipment Rental	30.00
IRON MOUNTAIN	202045148	Storage CDs	894.05
METCOM	R-16823	Spirit Business Card Master Run	116.85
RACINE & ASSOCIATES	12676	DGRS v. Capozzoli - December 2019	169.55
TAPE4BACKUP	30761	Backup Tape Supply	417.50

Vendor Name	Invoice Number	Invoice Description	Amount To Pay
XEROX	099199408	Printer Maintenance	96.09
Cash Account/Payment Method Total:		12 Documents	2,269.99

* Payment amount is estimated based on the effective date 2/3/2020

Yeas: Benson, Brown, Cowan, Sheehan and Chairperson Nickleberry – 5

Nays: None

Re: Refunds of Accumulated Contributions (Annuity Savings Fund)

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

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. 7450 - \$636,026.28

List No. 7451 - \$273,370.65

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

Yeas: Benson, Brown, Cowan, Sheehan and Chairperson Nickleberry – 5

Nays: None

Re: Employee Loan Program January 29, 2020

Resolution Moved By Trustee Cowan - Supported By: Trustee Sheehan

RESOLVED, that the disbursements for the Employee Loan Program by members of the General Retirement System, as set forth in the amount of: **\$75,594.00** including interest, be hereby **APPROVED**.

Yeas: Benson, Brown, Cowan, Sheehan and Chairperson Nickleberry – 5

Nays: None

Re: Employee Loan Program February 5, 2020

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

RESOLVED, that the disbursements for the Employee Loan Program by members of the General Retirement System, as set forth in the amount of: **\$39,064.00** including interest, be hereby **APPROVED**.

Yeas: Benson, Brown, Cowan, Sheehan and Chairperson Nickleberry – 5

Nays: None

- **Trustee Hall-Wagner entered at 10:15 a.m.**

Re: Minutes/Journal No. 4250 - (01/22/2020)

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

RESOLVED, that the Minutes/Journal of Proceedings of the General Retirement System of the City of Detroit, of Meeting **No. 4250** held on **January 22, 2020**, be hereby **APPROVED** as recorded and submitted.

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

Nays: None

ASSISTANT EXECUTIVE DIRECTOR'S REPORT

Assistant Executive Director, **Gail A. Oxendine**, had no formal report.

EXECUTIVE DIRECTOR'S REPORT

Executive Director, **David Cetlinski**, had no formal report.

CHIEF INVESTMENT OFFICER'S REPORT

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

- Update on Investment Committee Meeting on 2/3/20
- NEPC
 - Preliminary Performance Report issued on 2/3/20
 - Schedule NEPC for next Meeting 2/19/20
- Investment
 - Recommendation to allocate funds over a 3-year period to Grovener to manage a Diversity Private Equity Mandate.
- Key Market Themes and Asset Class Assumption
- 2019 Calendar Year return was 16.5 Percent

- **Trustee Anthony, McLellan, and Naglick entered at 10:25 am**

GENERAL COUNSEL'S REPORT

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

- DRO
- Hanna Law Claim
- Complaint for Injunctive and Declaratory Relief
- IC Bios & Resume

Re: DRO Scott v Scott

**Re: Raymond A. Scott, v Girwanda Scott, Case No. 18-107162-DM
Wayne County Circuit Court, Detroit, Michigan**

Motion By: Trustee Sheehan – Supported By: Trustee Cowan

WHEREAS, the Board of Trustees is in receipt of an Eligible Domestic Relations Order for the General Retirement System of the City of Detroit Defined Benefit Plan (the "Order"), dated November 21, 2019, wherein **Girwanda Scott**, the Alternate Payee, is awarded certain rights to the benefits of **Raymond A. Scott**, the Participant, and

WHEREAS, pursuant to the terms of the Order, the Alternate Payee is entitled to a portion of the Participant's defined benefit plan, 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

WHEREAS, the payment from the plan to the Alternate Payee shall begin when the Participant commences benefits from the Retirement System, unless the Alternate Payee elects to commence her share of the Participant's benefit at any time after the Participant reaches his earliest retirement date, and

WHEREAS, the Board's policy is to require that the cost of the actuary's calculations are to be borne by the parties to the Domestic Relations proceedings and the parties' EDRO provides that the parties shall share any and all additional cost for actuarial services, and that the Alternate Payee's share of said cost shall be in proportion to her share of the Participant's retirement benefits

WHEREAS, said matter had been discussed with 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 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 Raymond A. Scott, the Participant; Sorenia M. Whittington, Esq., Attorney for the Participant; Girwanda Scott, the Alternate Payee; and Dolores Preston Merritt, Esq., Attorney for the Alternate Payee.

Yeas – Anthony, Benson, Brown, Cowan, Hall-Wagner, McLellan, Naglick, Sheehan, and Chairperson Nickleberry – 9

Nays – None

Re: Hanna Law Claim

Correspondence has been received in regards to a Stop Payment on a Retirement Check. It appears that the Retiree reported a lost check, stop payment was processed, and retiree was issued a replacement check. The original check and the replacement check was cashed. Check cashing establishment wants City to pay for Stop Payment check.

Re: Complaint for Injunctive and Declaratory Relief

Pending Litigation between Police/Fire Trustee Board and Police/Fire Investment Committee.

- **Trustee Hall-Wagner left for the day at 11:15 a.m.**
- **Trustee Perkins entered at 11:25 a.m.**

Re: IC Bios & Resumes

Investment Committee has one member who will be leaving and one member that has left. Under the Plan of Adjustment, the Independent Members of the Committee has to select a candidate to replace someone that is leaving. Dion Stephens and Anthony Estelle was selected out of the four candidates. A formal letter will be drafted for the next meeting for Board members concurrence.

Michael VanOverbeke contract expires 12/31/2020. Requesting that the Board extend his Contract. A copy of the extension will be available at the next meeting.

PUBLIC COMMENT

Tyrone Pickett addressed the Board with the following questions:

- Pension Funding Level
- Pension Level Comparable to State of Michigan
- Are contributions going to Defined Plan
- Is the Annuity being used to fund Plan

NEW BUSINESS/OLD BUSINESS

- Steve Watson's Presentation

ADJOURNMENT

Trustee Sheehan moved to adjourn meeting #4251; Trustee Cowan supported.

There being no further business before the Board, **Chairperson Nickleberry** adjourned the meeting at 12:15 pm. The Board's next meeting is scheduled for **Wednesday**,

February 19, 2020, 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 black ink that reads "Gail A. Oxendine". The signature is written in a cursive style and is positioned above the printed name.

GAIL A. OXENDINE, ASSISTANT EXECUTIVE DIRECTOR

DRAFT