

MEETING NO. **4256**
JOURNAL OF PROCEEDINGS
BOARD OF TRUSTEES OF THE GENERAL RETIREMENT SYSTEM
OF THE CITY OF DETROIT
HELD **WEDNESDAY, APRIL 15, 2020**

10:00 A.M.

RETIREMENT SYSTEMS CONFERENCE ROOM
TELE-CONFERENCE
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 Treasure
John Naglick	Ex-Officio Trustee/Deputy CFO
June Nickleberry	Trustee/Chairperson
Crystal Perkins	Trustee
Thomas Sheehan	Trustee/Vice- Chairperson

TRUSTEES EXCUSED

TRUSTEES ABSENT

None

ALSO PRESENT

David Cetlinski	Executive Director
Gail A. Oxendine	Assistant Executive Director
Ryan Bigelow	Chief Investment Officer
Michael VanOverbeke	General Counsel
Marcella Brewer	Recording Secretary

STAFF EXCUSED

None

CHAIRPERSON

June Nickleberry

The Board's Administrative Assistant took a verbal Roll Call at 10:03 a.m. and Chairperson Nickleberry called the meeting to order. This meeting was held as a teleconference in accordance with the Michigan Open Meetings Act, and as a result of the Michigan Governor's State of Emergency relative to the COVID – 19 Pandemic.

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

Re: Legacy Plan Service Retirement(s)

Motion By: Trustee Sheehan - Supported By: Trustee Anthony

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

NAME, TITLE, DEPARTMENT	Cynthia McMillian-Green – Fire Dispatcher – Fire (Civilian)
SERVICE CREDIT	17-11
EFFECTIVE DATE	03-18-20

NAME, TITLE, DEPARTMENT	Mack D. James – TEO - Transportation
SERVICE CREDIT	15-09
EFFECTIVE DATE	04-01-20

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

Nays: None

Re: Early Retirement(s)

Motion By: Trustee Sheehan - Supported By: Trustee Anthony

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

NAME, TITLE, DEPARTMENT	Sharon D. Coats – Sr. Emer Serv Operator – Police (Civilian)
SERVICE CREDIT	22-07

EFFECTIVE DATE 04-06-20

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

Nays: None

Re: Vested Retirement(s)

Motion By: Trustee Sheehan - Supported By: Trustee Anthony

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

NAME, TITLE, DEPARTMENT	Vera Lee – Plant Maint Mechanic - Water & Sewerage
SERVICE CREDIT	19-02
EFFECTIVE DATE	05-01-20

NAME, TITLE, DEPARTMENT	Gayatri D. Pinnamaneni – Chemist - Water & Sewerage
SERVICE CREDIT	17-00
EFFECTIVE DATE	04-01-20

NAME, TITLE, DEPARTMENT	Lorenzo M. Rippy – Water Systems Mechanic – Water & Sewerage
SERVICE CREDIT	22-03
EFFECTIVE DATE	04-01-20

NAME, TITLE, DEPARTMENT	Brenda Williams – Building Attendant A – General Services
SERVICE CREDIT	16-06
EFFECTIVE DATE	03-01-20

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

Nays: None

Re: Hybrid Plan Service Retirement(s)

Motion By: Trustee Sheehan - Supported By: Trustee Anthony

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

NAME, TITLE, DEPARTMENT	Cynthia McMillian-Green – Fire Dispatcher – Fire (Civilian)
SERVICE CREDIT	05-07
EFFECTIVE DATE	03-18-20

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

Nays: None

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

Motion By: Trustee Sheehan - Supported By: Trustee Anthony

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

NAME, TITLE, DEPARTMENT	Sheila R. Tinker – Emer Service Operator – Police (Civilian)
SERVICE CREDIT	24-01
EFFECTIVE DATE	03-23-20

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

Nays: None

RECEIPTS:

The Board received the following receipts for Acknowledgment:

Cash Receipts			Cash Account: HYBLQRES			
Company: RSCD-General			Start Date: 3/09/2020			
			End Date: 4/10/2020			
Doc. Date	Module	Trans. Type	Doc. Nbr.	Description	RC	Receipt
4/5/2020	CA	Cash Entry		Pre tax pension contributions 4-3-20		143.17
4/5/2020	CA	Cash Entry		Pre tax pension contributions 4-3-20		12,826.06
4/5/2020	CA	Cash Entry		After Tax Annuity Contributions 4-3-20		12,893.81
4/6/2020	CA	Cash Entry		Pre tax pension contributions 4-6-20		33,326.83
4/6/2020	CA	Cash Entry		After Tax Annuity Contributions 4-6-20		30,981.84
4/6/2020	CA	Cash Entry		Pre tax pension contributions 4-6-20		347,814.55
4/6/2020	CA	Cash Entry		After Tax Annuity Contributions 4-6-20		158,340.02
4/6/2020	CA	Cash Entry		Pre tax pension contributions 4-6-20		11,443.40
4/6/2020	CA	Cash Entry		After Tax Annuity Contributions 4-6-20		21,531.47
4/6/2020	CA	Cash Entry		Pre tax pension and after tax contributions 4-6-20		2,875.58
						<u>621,456.58</u>
Cash Receipts			Cash Account: LIQ RESERV			
Company: RSCD-General			Start Date: 3/09/2020			
			End Date: 4/10/2020			
Doc. Date	Module	Trans. Type	Doc. Nbr.	Description	RC	Receipt
4/1/2020	CA	Cash Entry	00219	Loan Deductions 3-27-20 (\$63,826.47)		63,826.47
						<u>63,826.47</u>
Total Receipts						<u><u>685,483.02</u></u>

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 2
Date: 4/13/2020 8:35 AM

Account	Payment Method	Currency	
LID RESERV	Wire Transfer	US	
Vendor Name	Invoice Number	Invoice Description	Amount To Pay
Bridgett Hardy	033120BH	IT Contractual Wages - March 2020	5,145.10
James R. Hollins	033120JH	IT Contractual Wages - March 2020	4,240.97
Raymond R. Tchou	033120RT	IT Contractual Wages - March 2020	9,999.50
Venkat Rallapelli / Highbrow Systems, Inc.	033120VR	IT Contractual Wages - March 2020	4,012.06
Cash Account/Payment Method Total:			4 Documents 23,397.83

Account	Payment Method	Currency	
HUNT - VEN	ACH	US	
Vendor Name	Invoice Number	Invoice Description	Amount To Pay
500 WEBWARD LLC	1063891	Electrical Billing 2/27/20-3/30/20 #16055044	753.53
500 WEBWARD LLC	1063892	Electrical Billing 2/27/20-3/30/20 #16055070	857.86
8x8, INC.	2827978	Phone System Services	1,382.10
Cogent Communications, Inc.	040120	Internet Service	525.00
CREATIVE BREAKTHROUGHS INC (CBI)	INV3369	Software Maintenance	12,400.00
EARNEST PARTNERS, LLC	1Q20 DETGR8	Management Fees - 1st Qtr '20	34,101.05
THE TOWNSEND GROUP	US201-0000723	Professional Services - March 2020	9,582.50
Cash Account/Payment Method Total:			7 Documents 59,562.04

Account	Payment Method	Currency	
HUNT - VEN	Check Payment	US	
Vendor Name	Invoice Number	Invoice Description	Amount To Pay
HUDSON & MUMA, INC	545051	Insurance Premium 2/28/20-2/28/21	4,050.00
IRON MOUNTAIN	178908	Data Domain Service	1,292.47
IRON MOUNTAIN	202107395	Storage CDs	1,013.69
MAD DOG PROFESSIONAL SERVICES	Detroit 122025	Professional Services-Derrick Hunter 3/1/20 - 3/31/21	7,524.00
PAYLOCITY	INV80624	2019 W2/1099 Processing	698.00
TRANJUNION RISK & ALT DATA SOLUTIONS INC	3712221-202003-1	TLOxp Research Services	25.00
TRUSCOTT ROSSMAN GROUP LLC	INV-4315	Public Relations	45.00

Account	Payment Method	Currency	
HUNT - VEN	Check Payment	US	
Vendor Name	Invoice Number	Invoice Description	Amount To Pay
THOMAS SHEEHAN	043020	Trustee Stipend	866.67
WENDELL ANTHONY	043020	Trustee Stipend	866.67
Cash Account/Payment Method Total:			9 Documents 16,349.50

Investment Committee Disbursement Acknowledgements

Account	Payment Method	Currency	
HUNT VEND	CHECK	US	
Vendor Name	Invoice Number	Invoice Description	Amount To Pay
KJK ASSOCIATES, LLC	0001	Contractor Fee for Kevin Kanneally - March 2020 (Pa	3,400.00
Cash Account/Payment Method Total:			1 Documents 3,400.00

* Payment amount is estimated based on the effective date 4/13/2020

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

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. 7460 - \$ 33,324.71

List No. 7461- \$220,415.90

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

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

Nays: None

Re: Employee Loan Program April 8, 2020

Resolution Moved By Trustee Sheehan - Supported By: Trustee Perkins

RESOLVED, that the disbursements for the Employee Loan Program by members of the General Retirement System, as set forth in the amount of **\$9,831.00** including interest, be hereby **APPROVED**.

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

Nays: None

Re: Employee Loan Program April 15, 2020

Resolution Moved By Trustee Sheehan - Supported By: Trustee Perkins

RESOLVED, that the disbursements for the Employee Loan Program by members of the General Retirement System, as set forth in the amount of **\$20,479.00** including interest, be hereby **APPROVED**.

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

Nays: None

Re: Minutes/Journal No. 4256 - (03/18/2020)

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 but discussed the following with the Board of Trustees:

- Update of staff working from home. We're continuing to process Payroll, Annuity refunds and loans.
- Executive Director David Cetlinski suggested that an email could be sent out to let retirees and members know that the office is open and will continue to process request but may take longer to process because of the remote work.
- To be discussed at the next meeting, the steps that will be taken per Chief Financial Officer David Massaron to reduce expenses in the Retirement Systems. He is requesting an action plan for the Retirement System and asking our Service Providers to take cuts in order to reduce cost savings for the City.

CHIEF INVESTMENT OFFICER'S REPORT

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

- GRS CIO Report Memorandum
- Black & Blue Report
- Banyan Realty
- Investment Committee Materials
 - March 31, 2020 Preliminary Performance
 - Cash Flow Analysis Review
 - Current Economic Environment
 - April – Midstream Market Update
 - NEPC Latest Market Perspective
- Schedule MLP Manager Salient Partners and NEPC for the next meeting
- Provided an update on the Fort Shelby and Gateway Projects.
- Grovener allocation is being placed on hold.

GENERAL COUNSEL'S REPORT

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

- Revisions to Securities Litigation Policy
- Securities Litigation RFP
- EDROS
- MERC Claim filed by Lenny Jackson against the Retirement System
- Memo regarding the CARES Act signed by the President on March 27, 2020.

Re: Revision to Securities Litigation Policy

General Counsel Michael VanOverbeke made amendments to the existing Securities Litigation Policy to include various Acts and New Laws. The policy is reviewed every three years.

Motion By: Trustee Anthony – Supported By: Trustee Naglick

To acknowledge receipt of the revised proposed draft copy of the Litigation Policy and to adopt as amended.

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

Nays – None

Re: Securities Litigation RFP for Counsel

Looking to add four to five firms to the approved list of firms. We will bring to the Board recommendations of firms for approval.

Motion By: Trustee Anthony – Supported By: Trustee Naglick

To authorize issuance of the RFP by General Counsel consistent with the proposed draft, with the understanding that there will need to be amendments as to dates when responses are due.

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

Nays – None

Re: EDRO

**Re: Ronald Riley v Saturnina Riley, Case No. 01-125742-DM
Wayne County Circuit Court, Detroit, Michigan**

Motion By: Trustee Sheehan – Supported By: Trustee Anthony

WHEREAS, the Board of Trustees is in receipt of an Amended Eligible Domestic Relations Order (“EDRO”), dated January 30, 2020, wherein Saturnina Riley, the Alternate Payee, is awarded certain rights to the retirement allowance of Ronald Riley, 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 entitled to a portion the Participant’s defined benefit 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 costs 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 shall share any and all additional costs for actuarial services, and that the Alternate Payee’s share of said costs shall be in proportion to her share of the Participant’s retirement benefits, 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 pension benefits consistent with said order upon application by either 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 Ronald Riley, the Participant; Saturnina Riley, the Alternate Payee; and the Board’s Actuary.

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

Nays – None

Re: Lenny Jackson v City of Detroit Retirement System

Unfair Labor practice filed against the Retirement System with MERC. The appropriate response has been submitted. The Administrative Law Judge for MERC has issued an order dismissing the complaint against the Retirement System for all reason submitted.

Re: CARES Act

A Memo was sent regarding the CARES Act, which was signed into law, March 27, 2020. It has a few provisions for the Retirement System. It has provisions on how loans should be handled

PUBLIC COMMENT

- Mack James inquiring about receiving Annuity check. Referred to Annuity Section to receive this information.

NEW BUSINESS/OLD BUSINESS

- Gabriel Roeder Presentation.
 - Temporary pay reductions and the impact on the funding plan.
 - Funding Projections
 - Benefit Projections
- Judy of Gabriel of Roeder presented the following to the Board of Trustees
- Comp II Legacy Valuation Plan Report 6/30/2019
 - Executive Summary
 - Unfunded Liability
 - Contribution Shortfall
 - Historical Results
 - Funding percent of Plan
- David of Gabriel Roeder presented the following to the Board of Trustees
- Comp I Valuation Plan Report 6/30/2019
 - Executive Summary
 - Fiscal Responsibility Test

Motion by Trustee Sheehan - Supported By: Trustee Perkins

To acknowledge receipt of copies of Comp I and Comp II Valuation Plan Report period ending June 30, 2019 and to approve the presentation by the Actuary and submit a copy of the reports to the City of Detroit.

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


Nays – None

ADJOURNMENT

Trustee Anthony moved to adjourn meeting #4256; Trustee Bensons supported.

There being no further business before the Board, **Chairperson Nickleberry** adjourned the meeting at 12:10 pm. The Board's next meeting is scheduled for **Wednesday, May 6, 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 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