

MEETING NO. **4267**
JOURNAL OF PROCEEDINGS
BOARD OF TRUSTEES OF THE GENERAL RETIREMENT SYSTEM
OF THE CITY OF DETROIT
HELD **OCTOBER 07, 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/Vice- Chairperson
John Naglick	Ex-Officio Trustee/Deputy CFO
June Nickleberry	Trustee
Crystal Perkins	Trustee
Thomas Sheehan	Trustee/Chairperson

TRUSTEES EXCUSED

Christa McLellan	Ex-Officio Trustee/City Treasurer
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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

Thomas Sheehan

The Board's Administrative Assistant took a verbal Roll Call at 10:03 a.m. and Chairperson Sheehan 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: Scott Benson, Jermaine Brown, Tasha Cowan, Kimberly Hall-Wagner, John Naglick, June Nickleberry, Crystal Perkins and Thomas Sheehan.

Re: Service Retirement(s)

Motion By: Trustee Nickleberry - Supported By: Trustee Cowan

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

NAME, TITLE, DEPARTMENT	Albert Bowers – Automotive Fleet Tech – Water & Sewerage
SERVICE CREDIT	18-10
EFFECTIVE DATE	08-29-20

NAME, TITLE, DEPARTMENT	Janise Dale – Playleader – SS – General Services
SERVICE CREDIT	11-10
EFFECTIVE DATE	05-16-20

NAME, TITLE, DEPARTMENT	Valerie A. Ford – Appraisal II - Finance
SERVICE CREDIT	25-10
EFFECTIVE DATE	09-01-20

NAME, TITLE, DEPARTMENT	Valerie M. Hagens – Tax Examiner II – OCFO - Treasury
SERVICE CREDIT	25-02
EFFECTIVE DATE	09-08-20

NAME, TITLE, DEPARTMENT	Charles L. Jenkins, III – Street Maintenance Worker - DPW
SERVICE CREDIT	16-09
EFFECTIVE DATE	09-10-20

SERVICE RETIREMENTS -continued

NAME, TITLE, DEPARTMENT Yvette Palmer – Information Technician –
City Clerk
SERVICE CREDIT 20-00
EFFECTIVE DATE 08-20-20

NAME, TITLE, DEPARTMENT Merlene Tatum – Clerk IV – Retirement
Systems – Non-Departmental
SERVICE CREDIT 31-00
EFFECTIVE DATE 09-01-20

NAME, TITLE, DEPARTMENT Willard R. Turner – Field Service Tech –
Water & Sewerage
SERVICE CREDIT 03-11
EFFECTIVE DATE 07-25-20

NAME, TITLE, DEPARTMENT Ronald Vaughn – Field Service Tech Team -
Water & Sewerage
SERVICE CREDIT 25-00
EFFECTIVE DATE 08-29-20

NAME, TITLE, DEPARTMENT Kim Wilson – Field Service Tech Team –
Water & Sewerage
SERVICE CREDIT 22-05
EFFECTIVE DATE 08-29-20

NAME, TITLE, DEPARTMENT Ritchie Wilson – Library Branch Custodian -
Library
SERVICE CREDIT 10-01
EFFECTIVE DATE 08-04-20

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

Nays: None

Re: Vested Retirement(s)

Motion By: Trustee Nickleberry- Supported By: Trustee Cowan

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

NAME, TITLE, DEPARTMENT	Scott F. Carter – General Manager – Zoo INS - Zoo
SERVICE CREDIT	14-02
EFFECTIVE DATE	09-01-20

NAME, TITLE, DEPARTMENT	Jennifer D. Perkins – Community Nutrition Assistant - Health
SERVICE CREDIT	21-02
EFFECTIVE DATE	09-01-20

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

Nays: None

Re: Hybrid Retirement(s)

Motion By: Trustee Nickleberry - Supported By: Trustee Cowan

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

NAME, TITLE, DEPARTMENT	Charles L. Jenkins, III – Street Maintenance Worker - DPW
SERVICE CREDIT	05-04
EFFECTIVE DATE	09-10-20

NAME, TITLE, DEPARTMENT	Willard R. Turner – Field Service Tech – Water & Sewerage
SERVICE CREDIT	06-01
EFFECTIVE DATE	07-25-20

NAME, TITLE, DEPARTMENT	Ronald Vaughn – Field Service Tech Team - Water & Sewerage
SERVICE CREDIT	06-00
EFFECTIVE DATE	08-29-20

NAME, TITLE, DEPARTMENT	Kim Wilson – Field Service Tech Team – Water & Sewerage
SERVICE CREDIT	06-00
EFFECTIVE DATE	08-29-20

NAME, TITLE, DEPARTMENT	Ritchie Wilson – Library Branch Custodian - Library
SERVICE CREDIT	05-10
EFFECTIVE DATE	08-04-20

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

Nays: None

Re: CHANGE OF EFFECTIVE DATE

Motion By: Trustee Nickleberry - Supported By: Trustee Cowan

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

NAME, TITLE, DEPARTMENT	Richard Surmont – Sr. Floriculturist - Zoo
SERVICE CREDIT	19-08
FROM:	8-01-20
TO:	6-01-20

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

Nays: None

RECEIPTS:

The Board received the following receipts for Acknowledgment:

Cash Receipts			Cash Account:	HYBLIQRES		
Company:	RSCD-General		Start Date:	9/10/2020		
			End Date:	10/2/2020		

Doc. Date	Module	Tran. Type	Doc. Nbr.	Description	R/C	Receipt
9/18/2020	CA	Cash Entry	002407	Pre tax pension contributions 9-18-20	R/C	12,981.72
9/18/2020	CA	Cash Entry	002408	After Tax Annuity Contributions 9-18-20	R/C	11,434.43
9/24/2020	CA	Cash Entry	002421	Pre tax pension contributions 9-25-20 (Rec'd 9-24)	R/C	30,000.73
9/24/2020	CA	Cash Entry	002422	After Tax Annuity Contributions 9-25-20 (Rec'd 9-24)	R/C	36,406.37
9/25/2020	CA	Cash Entry	002423	After Tax Annuity Contributions 9-25-20	R/C	167,537.38
9/25/2020	CA	Cash Entry	002424	Pre tax pension contributions 9-25-20	R/C	317,057.15
9/30/2020	CA	Cash Entry		Pre tax pension and After tax annuity contributions		341.80
10/2/2020	CA	Cash Entry		Pre tax pension and After tax annuity contributions		22,647.89
						598,407.47

Cash Receipts			Cash Account:	LIQ RESERV		
Company:	RSCD-General		Start Date:	9/10/2020		
			End Date:	10/2/2020		

Doc. Date	Module	Tran. Type	Doc. Nbr.	Description	R/C	Receipt
9/18/2020	CA	Cash Entry	002406	Loan Deductions 9-11-20 (\$49,244.83) (rec'd 9/18)	R/C	49,244.83
9/25/2020	CA	Cash Entry	002420	Loan Deductions 9-18-20 (\$973.33 rec'd 9/25)	R/C	973.33
9/29/2020	CA	Cash Entry	002431	Loan Deductions 9-25-20 (\$51,885.59 rec'd 9/29)	R/C	51,885.59
						102,103.75
Total Receipts						700,511.22

Re: Fees and Expenses

Resolution Moved By: Trustee Nickleberry - 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: 10/5/2020 8:59 AM

Account	Payment Method	Currency
LIQ RESERV	Wire Transfer	US

Vendor Name	Invoice Number	Invoice Description	Amount To Pay
Bridgett Hardy	093020BH	IT Contractual Wages - September 2020	2,975.11
James R. Hollins	093020JH	IT Contractual Wages - September 2020	3,484.42
Raymond R. Tchou	093020RT	IT Contractual Wages - September 2020	6,308.58
Venkat Rallapalli / Highbrow Systems, Inc.	093020VR	IT Contractual Wages - September 2020	7,926.47
Cash Account/Payment Method Total:		4 Documents	20,694.58

HUNT - VEN	ACH	US
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Vendor Name	Invoice Number	Invoice Description	Amount To Pay
500 WEBWARD LLC	121284	October 2020 Rent	27,217.97
500 WEBWARD LLC	1113566	Electrical Billing:8/28/20-9/29/20 #16055044	790.77
500 WEBWARD LLC	1113567	Electrical Billing:8/28/20-9/29/20 #16055070	829.88
8x8, INC.	2757076	Phone System Services	28.47
8x8, INC.	2758450	Phone System Services	2,170.68
ADP, INC	564652572	Check Printing Services	557.85
FRANK RUSSELL COMPANY	1652029967	Russell Indexes Standard 7/1/20-9/30/20	125.00
GABRIEL, ROEDER, SMITH & CO	457239	EDRO Calculations for Cornelius Palm	1,200.00
PLANTE & MORAN	1883665	GASB 68 Audit for 6/30/19 & Financial Statement Au	11,062.50
Premier Parking (fka Ultimate Parking)	208557	Parking October 2020	132.00
Premier Parking (fka Ultimate Parking)	208949	Parking October 2020	1,782.00
Presidio Networked Solutions Group, LLC	6013520015232	3Yr Meraki License and Support	1,256.73
QUILL CORPORATION	10383135	Office Supplies	6.99
QUILL CORPORATION	10363005	Office Supplies	63.13
QUILL CORPORATION	10886050	Office Supplies	137.65
THE TOWNSEND GROUP	US201-0001103	Professional Services - September 2020	9,562.50
Cash Account/Payment Method Total:		16 Documents	56,924.12

HUNT - VEN	CHECK	US
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Vendor Name	Invoice Number	Invoice Description	Amount To Pay
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ACCIDENT FUND INSURANCE CO. OF AMERICA	092220	Workers Comp Premium	868.00
ALLEGRA	76538011	Postcard Mailing	159.41
CINTAS CORPORATION-300	4063203389	Floor Mats	130.65
COMCAST	091720	High Speed Internet	202.70
FEDEX	7-117-89366	Mailing	26.52
FEDEX	7-124-06036	Mailing	26.59
FEDEX	7-136-28892	Mailing	26.40
First CHOICE Coffee Services	718414	Equipment Rental	30.00
IRON MOUNTAIN	185174	Data Domain Service	1,294.00
LAFORCE, INC (fka Electronic Security Systems, Inc.)	1141793	Card Reader Repair/Replacement	627.50
METASOURCE, LLC	INV28714	Project to Convert Report Images for Procentia	5,400.00
SHRED-IT USA	8180513752	Shredding Service Charges	49.72
TRANSUNION RISK & ALT DATA SOLUTIONS INC	3712221-202009-1	TLOxp Research Services	25.00
VERIZON WIRELESS	9861576167	Wireless Charges 7/26/20-8/25/20	446.20
XEROX	011222655	Printer Maintenance	21.84
Cash Account/Payment Method Total:		15 Documents	9,334.53

Investment Committee Disbursement Acknowledgements

HUNT VEND	ACH	US		
Vendor Name	Invoice Number	Invoice Description	Amount To Pay	
KJK ASSOCIATES, LLC	0007	Contractor Fee for Kevin Kenneally - September 202	9,583.33	
Cash Account/Payment Method Total:		1 Document	9,583.33	

* Payment amount is estimated based on the effective date 10/5/2020

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

Nays: None

Rev. Anthony joined the meeting at 10:05 am

Re: Refunds of Accumulated Contributions (Annuity Savings Fund)

Resolution Moved By: Trustee Hall-Wagner - 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. 7484 - \$ 364,221.42

List No. 7485 - \$ 214,679.75

List No. 7486 - \$1,063,592.33

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

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

Nays: None

Re: Employee Loan Program September 23, 2020

Resolution Moved By Trustee Hall-Wagner- 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 **\$38,649.00** including interest, be hereby **APPROVED**.

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

Nays: None

Re: Employee Loan Program September 30, 2020

Resolution Moved By Trustee Hall-Wagner - 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 **\$37,344.00** including interest, be hereby **APPROVED**.

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

Nays: None

Re: Employee Loan Program October 07, 2020

Resolution Moved By Trustee Hall-Wagner - 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 **\$31,252.00** including interest, be hereby **APPROVED**.

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

Nays: None

Re: Minutes/Journal No. 4265- (09/02/20)

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

RESOLVED, that the Minutes/Journal of Proceedings of the General Retirement System of the City of Detroit, of Meeting **No. 4265** held on **September 02, 2020**, be hereby **APPROVED** as recorded and submitted.

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

Nays: None

ASSISTANT EXECUTIVE DIRECTOR'S REPORT

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

- September 30, 2020 Audit Update

Chief Accounting Officer Ramzee Jackson provided the monthly status report of the Audit.

EXECUTIVE DIRECTOR'S REPORT

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

The Office is still running as usual. There are no changes.

Trustee Hall-Wagner inquired about the new Payroll System. It is still scheduled to be implemented the first check of January 1, 2021. More information to be available at the next meeting

CHIEF INVESTMENT OFFICER'S REPORT

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

- Black & Blue Report – September 30, 2020

All values have been submitted to Accounting and Plante Moran for the Audit.

American Realty will be placing the Trumbull Property back on the market.

GRS Investment Committee Meeting is scheduled for October 26, 2020.

Presentations

Gabriel Roeder

Ken Alberts, Judith Kermans, Jamal Adora and David Kausch of Gabriel Roeder provided the following comments with the Board of Trustees on the City's Funding Policy Presentation.

- The City stated that its budget is not sustainable with a 30-year level dollar amortization.
- The City is proposing a benefit payment plan that allows for the Retirement Systems to run out of money.
 - A fixed contribution schedule does not reflect gains and losses that will occur.
 - The initial period being used is too long.
 - The City's proposal is a non-traditional funding method.

Gabriel Roeder concluded the following: As actuary for the General Retirement System, we have concerns that the City, based solely on its presentation, may have difficulty making the appropriate funding contributions to the plan, and we recommend that the policy consider as much money as possible as early as possible to ensure the stability of the fund for the plan participants.

GENERAL COUNSEL'S REPORT

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

- Fort Shelby Hotel and Residence

RE: The Fort Shelby Hotel and Residence

Resolution Moved By: Trustee Cowan – Supported By: Trustee Anthony

WHEREAS, on April 30, 2007 the Board made (i) a \$17,100,000.00 construction and permanent mortgage loan (the "Hotel Loan") to Fort Shelby Hotel, LLC ("Hotel Borrower") and (ii) a \$6,900,000.00 construction and permanent mortgage loan (the "Initial Residential Loan") to Fort Shelby Residential, LLC ("Residential Borrower"),

WHEREAS, on September 17, 2008 the Board agreed to increase the Residential Loan by an additional amount of \$7,750,000.00 for a total of \$14,650,000.00 (the "Residential Loan") to fund additional costs related to the project,

WHEREAS, both the Residential Loan and the Hotel Loan have been subsequently modified,

WHEREAS, by letter dated July 15, 2020 the Residential Borrower and the Hotel Borrower (collectively, the "Borrower") requested an additional modification to the loans to extend the existing Maturity Date of each loan to December 31, 2020, and a suspension of principal and interest payments on the Hotel Loan until the revised Maturity Date,

WHEREAS, in connection with the Borrower's requests, the Board received a report from its real estate advisor, Banyan Realty Advisors, LLC, regarding the requested loan modifications and recommending approval of the Borrower's request,

WHEREAS, the Board approved the modification of the loans in a manner consistent with the recommendations of its real estate advisor, Banyan Realty Advisors, LLC,

WHEREAS, in connection with the foregoing modifications, the Board has been requested to execute the following documents: (i) a Seventh Amendment to Residential Loan Commitment and Loan Documents, and (ii) a Sixth Amendment to Hotel Loan Commitment and Loan Documents,

WHEREAS, the execution of said documents has been recommended by the Board's real estate advisor, Banyan Realty Advisors, LLC, and by the Board's special legal counsel, F. Logan Davidson, P.C.,

WHEREAS, the execution of said documents has been reviewed and approved as to form by the Board's legal counsel and the execution of said documents is consistent with prior action of the Board, therefore be it

RESOLVED, that the Board approves the modification of the loans in a manner consistent with the recommendations of its real estate advisor, Banyan Realty Advisors, LLC, and be it further

RESOLVED, that said documents be executed by two authorized signatories on behalf of the Board, and be it further

RESOLVED, that a copy of this resolution be forwarded to the Borrower c/o Mr. Richard Curto, MCP Development, L.L.C., 160 North Franklin Street, Suite 201, Chicago, Illinois 60606, to Banyan Realty Advisors and to F. Logan Davidson, P.C.

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

Nays: None

PUBLIC COMMENT

- Kathleen Colin informed the Board of the upcoming NASP Pension and Financial Services Virtual Conference which will be held December 7 – 10, 2020.

NEW BUSINESS/OLD BUSINESS

None

ADJOURNMENT

Trustee Naglick moved to adjourn meeting #4267; Trustee Nickleberry supported.

There being no further business before the Board, **Chairperson Sheehan** adjourned the meeting at 11:28 a.m. The Board's next meeting is scheduled for **Wednesday, October 21, 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