

MEETING NO. 4197
JOURNAL OF PROCEEDINGS
BOARD OF TRUSTEES OF THE GENERAL RETIREMENT SYSTEM
OF THE CITY OF DETROIT
HELD WEDNESDAY, **NOVEMBER 15, 2017**

10:00 A.M.

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

TRUSTEES PRESENT

Wendell Anthony	Trustee
Tasha L. Cowan	Trustee/Chair
John Naglick	Ex-Officio Trustee/Finance Director
June Nickleberry	Trustee/Vice-Chair
Gail Oxendine	Trustee
Thomas Sheehan	Trustee

TRUSTEES EXCUSED

Scott Benson	Ex-Officio Trustee/City Council Member
Lori Cetlinski	Trustee
Kimberly Hall-Wagner	Trustee

TRUSTEES ABSENT

None

ALSO PRESENT

David Cetlinski	Executive Director
Lamonica Arrington-Cabeau	Assistant Executive Director
Ryan Bigelow	Chief Investment Officer
Michael VanOverbeke	General Counsel
TaKneisha Johnson	Administrative Assistant

STAFF EXCUSED

Cynthia A. Thomas	Consulting Director
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CHAIRPERSON

Tasha L. Cowan

The Board's Administrative Assistant took a verbal Roll Call at 10:16 a.m. and Chairperson Cowan called the meeting to order.

Present at Roll Call: Tasha L. Cowan, John Naglick, June Nickleberry, Gail Oxendine and Thomas Sheehan.

Re: Legacy Plan Service Retirement(s)

Motion By: Trustee Sheehan - Supported By: Trustee Nickleberry

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

NAME, TITLE, DEPARTMENT	Reese Gallimore – Building Attendant A – General Services
SERVICE CREDIT	19-01
EFFECTIVE DATE	10-24-17

NAME, TITLE, DEPARTMENT	Leslie W. Humphrey – Field Svcs Tech – Water & Sewerage
SERVICE CREDIT	27-10
EFFECTIVE DATE	10-28-17

NAME, TITLE, DEPARTMENT	John M. Larocca – Apparatus Emer Mech – General Services
SERVICE CREDIT	28-01
EFFECTIVE DATE	10-25-17

Yeas: Cowan, Naglick, Nickleberry, Oxendine and Sheehan - 5

Nays: None

Re: Legacy Plan Vested Retirement(s)

Motion By: Trustee Sheehan - Supported By: Trustee Nickleberry

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

NAME, TITLE, DEPARTMENT	Terry W. Green – Construction Inspector - DPW
SERVICE CREDIT	12-11
EFFECTIVE DATE	12-01-17

Yeas: Cowan, Naglick, Nickleberry, Oxendine and Sheehan - 5

Nays: None

Re: Change of Computation

Motion By: Trustee Sheehan - Supported By: Trustee Nickleberry

RESOLVED, that the application(s) for **Change of Computation** which is outlined below be hereby APPROVED:

NAME, TITLE, DEPARTMENT	Cynthia A. Brown-Curry – Office Mgmt. Assistant-Exempt - Police (Civilian)
SERVICE CREDIT	16-05
EFFECTIVE DATE	10-28-17

NAME, TITLE, DEPARTMENT	Johnel Dixon, Jr. – Construction Equipment Operator – General Services
SERVICE CREDIT	22-11
EFFECTIVE DATE	10-01-17

NAME, TITLE, DEPARTMENT	Eleanor E. Hull – Clerk - DPW
SERVICE CREDIT	27-01
EFFECTIVE DATE	06-01-17

NAME, TITLE, DEPARTMENT	William G. Johnson – RCPO - DPW
SERVICE CREDIT	20-00
EFFECTIVE DATE	03-15-16

Yeas: Cowan, Naglick, Nickleberry, Oxendine and Sheehan - 5

Nays: None

Re: Hybrid Plan Service Retirement(s)

Motion By: Trustee Sheehan - Supported By: Trustee Nickleberry

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

NAME, TITLE, DEPARTMENT	Judy Drains – TEO - Transportation
SERVICE CREDIT	02-10
EFFECTIVE DATE	03-01-18

NAME, TITLE, DEPARTMENT	Reese Gallimore – Building Attendant A – General Services
SERVICE CREDIT	02-06
EFFECTIVE DATE	10-24-17

NAME, TITLE, DEPARTMENT	Leslie W. Humphrey – Field Svcs Tech – Water & Sewerage
SERVICE CREDIT	03-04
EFFECTIVE DATE	10-28-17

Yeas: Cowan, Naglick, Nickleberry, Oxendine and Sheehan - 5

Nays: None

Re: Early Retirement

Motion By: Trustee Sheehan - Supported By: Trustee Nickleberry

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

NAME, TITLE, DEPARTMENT	Marie Brown – Adm Asst IV – Public Lighting
SERVICE CREDIT	26-01
EFFECTIVE DATE	12-08-17

Yeas: Cowan, Naglick, Nickleberry, Oxendine and Sheehan - 5

Nays: None

RECEIPTS: The Board received the following receipts for Acknowledgment.

THE GENERAL RETIREMENT SYSTEM OF THE CITY OF DETROIT			
WEEKLY RECEIPTS FOR ACKNOWLEDGEMENT			
10/30/17 - 11/10/17			
November 15, 2017			
REMITTER NAME	DATE POSTED	DESCRIPTION	AMOUNT
RECEIPTS			
CITY OF DETROIT - DWSD SEWERAGE	10/30/17	Hybrid Employer Pension Contribs - Qtr ended 9/30/17	31,325.75
CITY OF DETROIT - DWSD WATER	10/30/17	Hybrid Employer Pension Contribs - Qtr ended 9/30/17	322,266.89
FIRST INDEPENDENCE BANK	10/31/17	Loan Deductions	34,247.25
CLAREANT EURO DLF INVESTOR FEEDER LP	11/01/17	Distribution	69,020.26
POLICE & FIRE RETIREMENT SYSTEM	11/03/17	Reimburse Staff Wages	8,367.73
REALTY ASSOCIATES FUND VII LP	11/06/17	Distribution	1,544.00
FIRST INDEPENDENCE BANK	11/10/17	Loan Deductions	49,388.12
CITY OF DETROIT	11/03/17	Weekly Mandatory Pension Contribution	99,527.05
CITY OF DETROIT	11/03/17	Weekly Annuity Contribution	68,145.90
CITY OF DETROIT	11/09/17	Weekly Mandatory Pension Contributions	234,763.56
CITY OF DETROIT	11/09/17	Weekly Annuity Contribution	138,159.77
TOTAL RECEIPTS			\$ 1,056,756.28

Prepared by Fort, B/R 11/13/17

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GENERAL RETIREMENT SYSTEM
 CITY OF DETROIT
Re: Fees and Expenses

MEETING NO. 4197
 NOVEMBER 15, 2017

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

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

Company: RSCD-General

User: awitt

Branch: LEGACY

Meeting Date: 11/15/17

Category

Legal Expenses - Non-Investment

Type	Vendor Ref.	Vendor Name	Bill Description	Due Date	To Pay
CHECK	706169	ARNALL GOLDEN GREGORY LLP	In re Roy Dixo, Jr. Chapter 11 thru April 2017	5/12/2017	95.00
CHECK	716328	ARNALL GOLDEN GREGORY LLP	In re Roy Dixo, Jr. Chapter 11 thru August 2017	9/15/2017	298.50
CHECK	698191	ARNALL GOLDEN GREGORY LLP	In re Roy Dixo, Jr. Chapter 11 thru December 2016	1/28/2017	237.50
CHECK	701297	ARNALL GOLDEN GREGORY LLP	In re Roy Dixo, Jr. Chapter 11 thru February 2017	3/14/2017	649.75
CHECK	699877	ARNALL GOLDEN GREGORY LLP	In re Roy Dixo, Jr. Chapter 11 thru January 2017	2/17/2017	462.25
CHECK	711474	ARNALL GOLDEN GREGORY LLP	In re Roy Dixo, Jr. Chapter 11 thru June 2017	7/18/2017	78.00
CHECK	676087	ARNALL GOLDEN GREGORY LLP	In re Roy Dixo, Jr. Chapter 11 thru March 2016	4/12/2016	826.00
CHECK	704246	ARNALL GOLDEN GREGORY LLP	In re Roy Dixo, Jr. Chapter 11 thru March 2017	4/17/2017	910.46
CHECK	695297	ARNALL GOLDEN GREGORY LLP	In re Roy Dixo, Jr. Chapter 11 thru November 2016	12/12/2016	590.50
CHECK	719179	ARNALL GOLDEN GREGORY LLP	In re Roy Dixo, Jr. Chapter 11 thru September 2017	10/18/2017	1,145.50
Category Total:				10 Documents	5,293.46

Investment Expenses

Type	Vendor Ref.	Vendor Name	Bill Description	Due Date	To Pay
CHECK	111-2017-0021536	BNY Mellon	Management Fees - 3rd Qtr '17	11/22/2017	52,582.40
CHECK	226410	MONDRIAN INVESTMENT PARTNERS	Management Fees - 3rd Qtr '17	11/23/2017	133,631.14
CHECK	226172	MONDRIAN INVESTMENT PARTNERS	Management Fees - 3rd Qtr '17	11/25/2017	161,222.97
CHECK	20170930-107-123-A	WESTFIELD CAPITAL MANAGEMENT	Management Fees - 3rd Qtr '17	11/23/2017	116,166.14
Category Total:				4 Documents	463,602.65

Administrative Expenses

Type	Vendor Ref.	Vendor Name	Bill Description	Due Date	To Pay
CHECK	817871	500 WEBWARD LLC	Electrical Billing: 9/28/17-10/30/17, Meter #16055044	12/1/2017	662.04
CHECK	817872	500 WEBWARD LLC	Electrical Billing: 9/28/17-10/30/17, Meter #16055070	12/1/2017	795.03
CHECK	42082	500 WEBWARD LLC	Rent - November 2017	12/1/2017	23,765.03
CHECK	43714011	ALLEGRA	Office Supplies	11/30/2017	1,642.87
CHECK	103117	ARMELLA JUNE NICKLEBERRY-CLARK	Trustee Parking	11/30/2017	75.00
CHECK	Q-19262	BARRACUDA NETWORKS, INC	Message Archiver	9/27/2017	2,224.00
CHECK	300123483	CINTAS CORPORATION-300	Floor Mats	12/2/2017	79.23

Re: Fees and Expenses

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

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:

WIRE	110617	ConnectPay	Staff Wages: 10/23/17-11/5/17	11/6/2017	8,991.65
CHECK	1197964	CREATIVE BREAKTHROUGHS INC	IT Security Services	11/30/2017	11,150.00
CHECK	INV026373	CRESTWOOD ASSOCIATES L.L.C.	Acumatica Training	12/10/2017	125.00
CHECK	32675480297	DIRECTV	Service Charges	12/12/2017	34.49
CHECK	5-979-41958	FEDEX	FedEx Mailings	12/1/2017	90.63
CHECK	5-987-08297	FEDEX	FedEx Mailings	12/8/2017	21.80
CHECK	514810	First CHOICE Coffee Services	Equipment Rental	10/28/2017	11.12
CHECK	434013	GABRIEL, ROEDER, SMITH & CO	Actuarial Services for October 2017	12/7/2017	32,850.00
CHECK	143393	IRON MOUNTAIN	Data Domain Services	11/30/2017	1,289.40
CHECK	201447546	IRON MOUNTAIN	Storage CD's	11/30/2017	689.39
CHECK	PKG5713	Iron Mountain Records Management	Records Storage	10/31/2017	1,695.86
CHECK	111317	MAPERS	Membership Renewal 2018	12/13/2017	100.00
CHECK	976782059001	OFFICE DEPOT	Office Supplies	12/2/2017	128.90
CHECK	976782060001	OFFICE DEPOT	Office Supplies	12/3/2017	29.22
CHECK	976782061001	OFFICE DEPOT	Office Supplies	12/2/2017	15.59
CHECK	2251	PROCENTIA, INC	Procentia License & Implementation	11/6/2017	12,029.42
CHECK	1963119	QUILL CORPORATION	Office Supplies	11/24/2017	48.94
CHECK	1892933	QUILL CORPORATION	Office Supplies	11/23/2017	142.01
CHECK	2112920	QUILL CORPORATION	Office Supplies	12/1/2017	15.49
CHECK	1974456	QUILL CORPORATION	Office Supplies	11/25/2017	19.99
CHECK	2008818	QUILL CORPORATION	Office Supplies	11/26/2017	92.49
CHECK	1465110	PLANTE & MORAN	Consultation regarding Chief Accounting Officer Position	11/29/2017	1,560.00
CHECK	1485105	PLANTE & MORAN	Financial Statement Audit for year ended 6/30/17	11/29/2017	20,350.00
CHECK	5051074946	RICOH	Printer Maintenance	12/1/2017	299.21
CHECK	80878	RUSSELL INVESTMENTS	Russell Index Subscriptions	11/24/2017	125.00
CHECK	8123384899	SHRED-IT USA	Shredding Service Charges	11/21/2017	24.36
CHECK	110902	STOUT RISIUS ROSS, INC	GRS Pension Assets 2017	11/12/2017	30,885.56
CHECK	103117	THOMAS SHEEHAN	Trustee Parking	11/30/2017	98.00
CHECK	111317	THOMAS SHEEHAN	Trustee Stipend	12/13/2017	1,000.00
CHECK	9795227774	VERIZON WIRELESS	Wireless Charges: 9/26/17-10/25/17	11/24/2017	362.80
CHECK	99614918	WELLS FARGO VENDOR FINANCIAL SVCS, LLC	Printer Maintenance	10/28/2017	129.10
CHECK	111317	WENDELL ANTHONY	Trustee Stipend	12/13/2017	1,000.00
CHECK	091068646	XEROX	Printer Maintenance	12/1/2017	8.00
Category Total:				40 Documents	154,656.62

Yeas: Cowan, Naglick, Nickleberry, Oxendine and Sheehan - 5

Nays: None

Re: Refunds of Accumulated Contributions

Motion By: Trustee Oxendine - Supported By: Trustee Nickleberry

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

List No. 7334 - \$178,911.18

List No. 7335 - \$625,505.73

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

Yeas: Cowan, Naglick, Nickleberry, Oxendine and Sheehan - 5

Nays: None

Re: Employee Loan Program November 08, 2017

Motion By: Trustee Oxendine - Supported By: Trustee Nickleberry

RESOLVED, that the disbursements for the Employee Loan Program by members of the General Retirement System, as set forth in the amount of: **\$6,004.00** including interest, be hereby **APPROVED**.

Yeas: Cowan, Naglick, Nickleberry, Oxendine and Sheehan - 5

Nays: None

Re: Employee Loan Program November 15, 2017

Motion By: Trustee Oxendine - Supported By: Trustee Nickleberry

RESOLVED, that the disbursements for the Employee Loan Program by members of the General Retirement System, as set forth in the amount of: **\$18,825.00** including interest, be hereby **APPROVED**.

Yeas: Cowan, Naglick, Nickleberry, Oxendine and Sheehan - 5

Nays: None

Re: Minutes/Journal No. 4195 – (10/18/17)

Motion By: Trustee Sheehan – Supported By: Trustee Nickleberry

RESOLVED, that the Minutes/Journal of Proceedings of the General Retirement System of the City of Detroit, of Meeting No. 4195, held on October 18, 2017, be hereby **APPROVED** as recorded and submitted.

Yeas: Cowan, Naglick, Nickleberry, Oxendine and Sheehan - 5

Nays: None

Open Forum

Chairperson **Tasha L. Cowan** opened the meeting for public discussion:

City of Detroit Employee **Willie Mitchell** addressed the Board regarding the following:

- Pension transfer (from City of Detroit to Wayne County)
 - General Counsel opined that the plan provisions do not allow for the transfer of pensions.

ASSISTANT EXECUTIVE DIRECTOR'S REPORT

Assistant Executive Director, **LaMonica Arrington-Cabean**, discussed the following matters with the Board:

- 2018 Board meeting schedule
- Media Relations Committee meeting update

Motion by: Trustee Sheehan– Seconded by Trustee Nickleberry. motion to accept and approve the 2018 Schedule of Board Meetings as presented. *The motion passed by a unanimous vote.*

~Assistant Executive Director's Report concludes~

EXECUTIVE DIRECTOR'S REPORT

Executive Director, **David Cetlinski**, had no formal report this week, but did address the following concerns:

- Update on Assistant Executive Director position Police and Fire Retirement System
- Police and Fire Board of Trustees staff concerns
- Mandatory Contribution Statement

➤ ***Trustee Wendell Anthony entered the Board Meeting at 10:35 a.m.***

~Executive Director's Report concludes~

➤ ***Trustee Wendell Anthony entered the Board Meeting at 10:35 a.m.***

CHIEF INVESTMENT OFFICER'S REPORT

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

- Revisit investment related action items from the November 1st, board meeting.
 - Valstone Opportunity Fund IV- Senior Housing Spinoff
 - Retainer of New England Pension Consultants (NEPC) discussion
 - Request for approval of the Fort Shelby Loan Modifications

- Book Cadillac Update

Motion by: Trustee Sheehan– Seconded by Trustee Naglick, motion to consent to the spinoff of Valstone Fund IV and not participate in the new fund (redeem fully). The Motion passed by a vote as follows:

Yeas: Anthony, Cowan, Naglick, Oxendine and Sheehan – 5

Nays: Nickleberry - 1

Motion by: Trustee Oxendine– Seconded by Trustee Sheehan, motion to continue the relationship and re-hire the Boards' incumbent Investment Consultant NEPC (New England Pension Consultants) under a five year contract with a review after two years. The Motion passed by a unanimous vote.

Motion by: Trustee Naglick– Seconded by Trustee Anthony, motion to make necessary amendments to the Fort Shelby hotel and residential loans as submitted by the Board's special counsel. The Motion passed by a unanimous vote.

~Chief Investment Officer's Report concludes~

PRESENTATION:

Re: UHY Consultants

Marlene Beach and John Pepperman came before the Board of Trustees to discuss the draft quarterly financial statement.

➤ ***The Board recessed for lunch at 12:07 p.m. and resumed at 12:48 p.m.***

GENERAL COUNSEL'S REPORT

General Counsel Michael VanOverbeke in addition to his formal legal report discussed the following matters:

- Unrelated Business Taxable Income or UBTI NCEPERS National Conference and teacher's retirement
- Estate of Lubertha Miles update
- Consulting Director (Draft of Employment agreement amendment)
- Paylocity Agreement
- Carl Melchior v. General Retirement System of the City of Detroit (update)
- Chenelle D. Wright v. Board of Trustees of the General Retirement System of the City of Detroit and the Governing Body of the City of Detroit Employees Benefit Plan (update)
- 2017 Corporation Income Tax forms execution
- Fort Shelby update

Motion by: Trustee Anthony– Seconded by Trustee Oxendine, motion to authorize that letters be forwarded in opposition to the changes in the tax code (UBTI or Unrelated Business Taxable Income) as supported by the three aforementioned organizations and also direct that the letters be sent as indicated on appropriate Retirement System letterhead. *The motion passed by a unanimous vote.*

Motion by: Trustee Anthony– Seconded by Trustee Naglick, motion to acknowledge receipt of the draft 1st amendment employment agreement regarding RSCD Consulting Director Cynthia A. Thomas as submitted to the Board. *The motion passed by a unanimous vote.*

Motion by: Trustee Sheehan– Seconded by Trustee Naglick, motion to file and execute 2017 Corporation Income Tax forms as submitted by special legal counsel F. Logan Davidson.. *The motion passed by a unanimous vote.*

~General Counsel's Report concludes~

Re: Entering Into Closed Session

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

WHEREAS, the Retirement System is subject to the limitation of the Open Meetings Act (“OMA”) being MCL 15.261 et seq. and has adopted a resolution on October 24, 2012 relative thereto; **THEREFORE BE IT**

RESOLVED, that the Board enters into Closed Session for the purpose of discussing personnel matters as well as pending litigations.

A Roll Call Vote was taken as follows:

Yeas: Anthony, Cowan, Naglick, Nickleberry, Oxendine and Sheehan - 6

Nays: None

The Board entered into **Closed Session** at 1:10 p.m.

Re: Open Session

The Board returned to **Open Session** at 2:38 p.m.

NEW BUSINESS/OLD BUSINESS

None

ADJOURNMENT

There being no further business before the Board, **Chairperson Cowan** adjourned the meeting at 2:38 p.m. The Board's next meeting is scheduled for **Wednesday, November 29th, 2017**, at 10:00 a.m. in the Retirement Systems' Conference Room, 500 Woodward Avenue Suite 3000; Detroit, Michigan 48226.

RESPECTFULLY SUBMITTED,

A handwritten signature in cursive script, reading "Lamonica Arrington-Cabean", written in black ink on a white background. The signature is positioned above a horizontal line.

LAMONICA ARRINGTON-CABEAN
ASSISTANT EXECUTIVE DIRECTOR