

MEETING NO. 4199
JOURNAL OF PROCEEDINGS
BOARD OF TRUSTEES OF THE GENERAL RETIREMENT SYSTEM
OF THE CITY OF DETROIT
HELD WEDNESDAY, **DECEMBER 06, 2017**

10:00 A.M.

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

TRUSTEES PRESENT

Wendell Anthony	Trustee
Scott Benson	Ex-Officio Trustee/City Council Member
Lori Cetlinski	Trustee
Tasha L. Cowan	Trustee/Chair
Kimberly Hall-Wagner	Trustee
John Naglick	Ex-Officio Trustee/Finance Director
June Nickleberry	Trustee/Vice-Chair
Gail Oxendine	Trustee
Thomas Sheehan	Trustee

TRUSTEES EXCUSED

None

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 III

STAFF EXCUSED

None

CHAIRPERSON

Tasha L. Cowan

The Board's Administrative Assistant took a verbal Roll Call at 10:09 a.m. and Chairperson Cowan called the meeting to order.

Present at Roll Call: Lori Cetlinski, Tasha L. Cowan, Kimberly Hall-Wagner, John Naglick, June Nickleberry, Gail Oxendine and Thomas Sheehan

Re: Legacy Plan Service Retirement(s)

Motion By: Trustee Sheehan - Supported By: Trustee Naglick

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

NAME, TITLE, DEPARTMENT	Sharon Dunford – Clerk – Fire (Civilian)
SERVICE CREDIT	12-11
EFFECTIVE DATE	01-23-18

NAME, TITLE, DEPARTMENT	Orvin M. Smith – RCPO - DPW
SERVICE CREDIT	19-09
EFFECTIVE DATE	12-04-17

Yeas: Cetlinski, Cowan, Hall-Wagner, Naglick, Nickleberry, Oxendine and Sheehan - 7

Nays: None

Re: Legacy Plan Vested Retirement(s)

Motion By: Trustee Sheehan - Supported By: Trustee Naglick

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

NAME, TITLE, DEPARTMENT	Robin Hannula – Comm Nutrition Asst. - Health
SERVICE CREDIT	20-04
EFFECTIVE DATE	12-01-17

NAME, TITLE, DEPARTMENT	Ron L. Kagan – Director of Zoo Institute - Zoo
SERVICE CREDIT	13-07
EFFECTIVE DATE	11-01-17

NAME, TITLE, DEPARTMENT	Robert E. Mitchell – Street Maintenance Worker - DPW
SERVICE CREDIT	11-10
EFFECTIVE DATE	09-01-17

Yeas: Cetlinski, Cowan, Hall-Wagner, Naglick, Nickleberry, Oxendine and Sheehan - 7

Nays: None

Re: Hybrid Plan Service Retirement(s)

Motion By: Trustee Sheehan - Supported By: Trustee Naglick

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

NAME, TITLE, DEPARTMENT	James F. Capizzo – Sr Data Proc Program Analyst – Water & Sewerage
SERVICE CREDIT	00-07
EFFECTIVE DATE	02-01-15

NAME, TITLE, DEPARTMENT	Sharon Dunford – Clerk – Fire (Civilian)
SERVICE CREDIT	03-07
EFFECTIVE DATE	01-23-18

NAME, TITLE, DEPARTMENT	Rao Manyam – Engineer – Water & Sewerage
SERVICE CREDIT	01-07
EFFECTIVE DATE	10-01-17

Yeas: Cetlinski, Cowan, Hall-Wagner, Naglick, Nickleberry, Oxendine and Sheehan - 7

Nays: None

Re: Legacy Plan Early Retirements

Motion By: Trustee Sheehan - Supported By: Trustee Naglick

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

NAME, TITLE, DEPARTMENT	Shirley Davis-Jones – Emer Serv Deploy Oper – Police (Civilian)
SERVICE CREDIT	24-07
EFFECTIVE DATE	12-01-17

Yeas: Cetlinski, Cowan, Hall-Wagner, Naglick, Nickleberry, Oxendine and Sheehan - 7

Nays: None

RECEIPTS: The Board received the following receipts for Acknowledgment:

THE GENERAL RETIREMENT SYSTEM OF THE CITY OF DETROIT			
WEEKLY RECEIPTS FOR ACKNOWLEDGEMENT			
11/27/17 - 12/1/17			
December 6, 2017			
REMITTER NAME	DATE POSTED	DESCRIPTION	AMOUNT
RECEIPTS			
COUNTRYWIDE FINANCIAL CORP	11/29/17	Class Action Proceeds	10,217.70
FIRST INDEPENDENCE BANK	11/29/17	Loan Deductions	34,778.15
MESIROW FIN PRIV EQU PSHIP FUND III LP	11/30/17	Distribution	397,479.00
SW PELHAM FUND III LP	11/30/17	Distribution	2,041,223.00
CITY OF DETROIT	12/01/17	Weekly Mandatory Pension Contribution	101,592.31
CITY OF DETROIT	12/01/17	Weekly Annuity Contribution	70,942.74
TOTAL RECEIPTS			\$ 2,656,232.90

Prepared by Fort, Bire 12/4/17

Page 1 of 1

Re: Fees and Expenses

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

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: 12/6/17

Category

Legal Expenses - Non-Investment

Type	Vendor Ref.	Vendor Name	Bill Description	Due Date	To Pay
CHECK	9386	VANOVERBEKE MICHAUD & TIMMONY, P.C.	Bankruptcy Litigation for February 2015	12/27/2017	14,455.35
CHECK	9385	VANOVERBEKE MICHAUD & TIMMONY, P.C.	Bankruptcy Litigation for January 2015	12/27/2017	13,123.50
CHECK	9390	VANOVERBEKE MICHAUD & TIMMONY, P.C.	General Counsel Services for February 2015	12/20/2017	21,046.00
CHECK	9379	VANOVERBEKE MICHAUD & TIMMONY, P.C.	General Counsel Services for January 2015	12/20/2017	22,522.30
Category Total:				4 Documents	71,147.15

Investment Expenses

Type	Vendor Ref.	Vendor Name	Bill Description	Due Date	To Pay
CHECK	3Q17	Banyan Realty Advisors, LLC	Advisory Fees - 3rd Qtr '17	12/28/2017	18,612.62
CHECK	20170930-511-A	BlackRock Financial Management, Inc	Management Fees - 3rd Qtr '17	12/21/2017	35,253.24
CHECK	20170630-1226-A	JP MORGAN INVESTMENT MANAGEMENT INC	Management Fees - 2nd Qtr '17	8/24/2017	87,272.68
CHECK	22497	MACKAY SHIELDS LLC	Management Fees - 3rd Qtr '17	12/17/2017	45,502.42
CHECK	112117	STATE OF MICHIGAN	Grand Personalty - 2013 State of Michigan Taxes	12/21/2017	14,942.94
Category Total:				5 Documents	201,583.90

Administrative Expenses

Type	Vendor Ref.	Vendor Name	Bill Description	Due Date	To Pay
CHECK	826162	500 WEBWARD LLC	Electrical Billing: 10/30/17-11/29/17, Meter #16055044	12/29/2017	711.54
CHECK	826163	500 WEBWARD LLC	Electrical Billing: 10/30/17-11/29/17, Meter #16055070	12/29/2017	794.79
CHECK	43850	500 WEBWARD LLC	Rent - December 2017	12/31/2017	23,765.03
CHECK	2086512	8x8, INC.	Phone System Services	12/29/2017	1,357.74
CHECK	1846773	BARRACUDA NETWORKS, INC	Message Archiver	12/27/2017	2,224.00
CHECK	5604085633	BLOOMBERG FINANCE LP	Bloomberg Anywhere: 10/21/17-1/20/18	10/23/2017	5,600.25
CHECK	111717	COMCAST	High-Speed Internet	12/17/2017	176.46
WIRE	120417	ConnectPay	Staff Wages: 11/20/17-12/3/17	12/4/2017	13,791.06
CHECK	I00124799	Crain Communications, Inc	New Job Posting	12/29/2017	504.00
CHECK	M00041128	Crain Communications, Inc	New Job Posting	12/22/2017	1,962.50
CHECK	QUO-966905-M2DR	DELL MARKETING, LP	Compellent Support Renewal	11/15/2017	13,030.69
CHECK	QUO-966895-34MB	DELL MARKETING, LP	Compellent Support Renewal	11/15/2017	10,028.36

Re: Fees and Expenses (Cont'd)

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

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:

CHECK	32911510397	DIRECTV	Service Charges	12/24/2017	36.62
CHECK	6-008-67935	FEDEX	FedEx Mailings	12/29/2017	67.89
CHECK	518397	First CHOICE Coffee Services	Coffee Supplies	12/27/2017	266.92
CHECK	521160	First CHOICE Coffee Services	Equipment Rental	11/28/2017	11.12
CHECK	0136001	GOVERNMENT FINANCE OFFICERS ASSOCIATION	Membership Renewal Fees: 2/1/18-1/31/19	12/9/2017	690.00
CHECK	14175660	HARLAND TECHNOLOGY SERVICES	Toner Supplies	12/28/2017	719.00
CHECK	102021	METCOM	Business Cards	1/4/2018	61.82
CHECK	8414865	MICRO CENTER	Computer and Printer	12/20/2017	828.99
CHECK	981840435001	OFFICE DEPOT	Office Supplies	12/20/2017	55.78
CHECK	981840436001	OFFICE DEPOT	Office Supplies	12/21/2017	7.70
CHECK	1490901	PLANTE & MORAN	Financial Statement Audit for year ended 6/30/17	12/28/2017	29,350.00
CHECK	2574569	QUILL CORPORATION	Office Supplies	12/17/2017	23.98
CHECK	2583111	QUILL CORPORATION	Office Supplies	12/17/2017	26.23
CHECK	8123582561	SHRED-IT USA	Shredding Service Charges	12/22/2017	48.72
CHECK	11378	THE TOWNSEND GROUP	Professional Services - October 2017	11/30/2017	11,250.00
CHECK	112917	THOMAS SHEEHAN	Trustee Parking	12/29/2017	80.00
CHECK	120417	THOMAS SHEEHAN	Trustee Stipend	1/3/2018	800.00
CHECK	1232928	UHY Advisors MI, Inc. - Accounting	Professional Accounting Services for November 2017	12/30/2017	38,631.25
CHECK	157578	ULTIMATE PARKING MANAGEMENT LLC	Parking - December 2017	12/15/2017	2,464.00
CHECK	9797007246	VERIZON WIRELESS	Wireless Charges: 10/26/17-11/25/17	12/25/2017	362.80
CHECK	120417	WELLS FARGO VENDOR FINANCIAL SVCS, LLC	Printer Maintenance	12/28/2017	129.10
CHECK	120417	WENDELL ANTHONY	Trustee Stipend	1/3/2018	800.00
CHECK	91396096	XEROX	Printer Maintenance	1/1/2017	22.72
Category Total:				35 Documents	160,681.06

Yeas: Cetlinski, Cowan, Hall-Wagner, Naglick, Nickleberry, Oxendine and Sheehan - 7

Nays: None

Re: Refunds of Accumulated Contributions

Motion By: Trustee Oxendine - Supported By: Trustee Naglick

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

List No. 7338 - \$531,544.38

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

Yeas: Cetlinski, Cowan, Hall-Wagner, Naglick, Nickleberry, Oxendine and Sheehan - 7

Nays: None

Re: Employee Loan Program December 06, 2017

Motion By: Trustee Oxendine - Supported By: Trustee Naglick

RESOLVED, that the disbursements for the Employee Loan Program by members of the General Retirement System, as set forth in the amount of: **\$58,657.00** including interest, be hereby **APPROVED**.

Yeas: Cetlinski, Cowan, Hall-Wagner, Naglick, Nickleberry, Oxendine and Sheehan - 7

Nays: None

Re: Minutes/Journal No. 4197 – (11/15/17)

Motion By: Trustee Sheehan – Supported By: Trustee Naglick

RESOLVED, that the Minutes/Journal of Proceedings of the General Retirement System of the City of Detroit, of Meeting No. 4197, held on November 15, 2017, be hereby **APPROVED** as recorded and submitted.

Yeas: Cetlinski, Cowan, Hall-Wagner, Naglick, Nickleberry, Oxendine and Sheehan - 7

Nays: None

Open Forum

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

City of Detroit Employee **Councilman George Cushingberry** addressed the Board regarding the following:

- Request for retirement benefits under the Reciprocal Retirement Act
 - General Counsel opined that the plan provisions do not allow for members to participate in the Reciprocal Retirement Act.

ASSISTANT EXECUTIVE DIRECTOR'S REPORT

Assistant Executive Director, **Lamonica Arrington-Cabeau**, had no formal report this week, but did address the following concerns:

- Fiduciary Liability Insurance
- Retiree Frederick Wynn's appeal letter to return to work

Motion by: Trustee Sheehan– Seconded by Trustee Cetlinski, motion to accept the Fiduciary Liability renewal policies as presented. *The motion passed by a unanimous vote.*

~Assistant Executive Director's Report concludes~

Re: Entering Into Closed Session

Resolution Moved By: Trustee Naglick – Supported By: Trustee Cetlinski

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 Attorney-Client Privileged matters regarding disabilities.

A Roll Call Vote was taken as follows:

Yeas: Cetlinski, Cowan, Hall-Wagner, Naglick, Nickleberry, Oxendine and Sheehan - 7

Nays: None

The Board entered into **Closed Session** at 10:19 a.m.

Re: Open Session

The Board returned to **Open Session** at 10:30 a.m.

Motion by: Trustee Nickleberry– Seconded by Trustee Cetlinski, motion acknowledge receipt of correspondence submitted by Frederick Wynn and direct that Staff follow the recommendation of the Boards’ General Counsel as discussed in closed session. *The motion passed by a unanimous vote.*

GENERAL COUNSEL'S REPORT

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

- Audit Response letter
 - 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)
 - Legislative Report (update)
 - HB 5298/ SB 686
- **Trustee Scott Benson** entered the Boardroom at 10:34 a.m.
- **Trustee Wendell Anthony** entered the Boardroom at 11:00 a.m.

~General Counsel's Report concludes~

- ***The Board of Trustees recessed at 11:23 a.m. and resumed proceedings at 11:35 a.m.***

PRESENTATION:

Re: Gabriel, Roeder, Smith and Company

Kenneth Alberts and David T. Kausch came before the Board of Trustees to discuss the following:

- The General Retirement System of the City of Detroit GASB Statement No. 67 Plan Reporting and Accounting Schedules of Components I and II June 30, 2017

NEW BUSINESS/OLD BUSINESS

- ***Board Meeting Schedule***
- ***December 20th, 2017 meeting has been cancelled; next scheduled meeting: 1/3/2018 at 10:00 a.m.***
- ***Department holiday party 12/15/2017***
- ***Investment Committee meeting 12/11/2017 at 12:00 noon***
- ***Advisory Board member selection update***

Motion by: Trustee Cetlinski– Seconded by Trustee Naglick, motion to re-vise current meeting schedule and hold the General Board meetings on the first and third Wednesday's respectively. *The motion passed by a unanimous vote.*

ADJOURNMENT

There being no further business before the Board, **Chairperson Cowan** adjourned the meeting at 12:48 p.m. The Board's next meeting is scheduled for **Wednesday, January 03rd, 2018**, 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 black ink, reading "Lamonica Arrington-Cabean". The signature is written in a cursive style and is positioned above a horizontal line.

LAMONICA ARRINGTON-CABEAN
ASSISTANT EXECUTIVE DIRECTOR