

MEETING NO. **4215**  
JOURNAL OF PROCEEDINGS  
BOARD OF TRUSTEES OF THE GENERAL RETIREMENT SYSTEM  
OF THE CITY OF DETROIT  
HELD **WEDNESDAY, AUGUST 01, 2018**

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/ Vice- Chairperson
Tasha L. Cowan	Trustee
Kimberly Hall-Wagner	Trustee
John Naglick	Ex-Officio Trustee/Finance Director
Crystal Perkins	Trustee
June Nickleberry	Trustee/Chairperson
Thomas Sheehan	Trustee

TRUSTEES EXCUSED

Christa Mclellan	Ex-Officio Trustee/City Treasurer
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TRUSTEES ABSENT

None

ALSO PRESENT

Gail A. Oxendine	Assistant Executive Director
Ryan Bigelow	Chief Investment Officer
Kevin Kenneally	Investment Officer
Michael VanOverbeke	General Counsel
TaKneisha Johnson	Administrative Assistant IV

STAFF EXCUSED

David Cetlinski	Executive Director
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CHAIRPERSON

**June Nickleberry**

The Board's Administrative Assistant took a verbal Roll Call at 10:06 a.m. and Chairperson Nickleberry called the meeting to order.

***Present at Roll Call: Scott Benson, Tasha L. Cowan, Lori Cetlinski, Kimberly Hall-Wagner, Crystal Perkins, Thomas Sheehan and Chairperson Nickleberry***

**Re: Legacy Plan Service Retirement(s)**

Motion By: Trustee Sheehan - Supported By: Trustee Hall-Wagner

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

NAME, TITLE, DEPARTMENT	Anthony A. Bruce – Storekeeper - Transportation
SERVICE CREDIT	26-02
EFFECTIVE DATE	07-07-18

NAME, TITLE, DEPARTMENT	Clemente Gonzales – General Auto Body Mechanic - Transportation
SERVICE CREDIT	28-09
EFFECTIVE DATE	07-14-18

NAME, TITLE, DEPARTMENT	Bruce Jackson – Radio Maint Tech - Transportation
SERVICE CREDIT	26-06
EFFECTIVE DATE	07-07-18

NAME, TITLE, DEPARTMENT	Herman McMurray, Jr. – General Auto Mechanic - Transportation
SERVICE CREDIT	24-07
EFFECTIVE DATE	06-16-18

Yeas: Benson, Cowan, Cetlinski, Hall-Wagner, Perkins, Sheehan  
and Chairperson Nickleberry– 7

Nays: None

**Re: Legacy Plan Vested Retirement(s)**

Motion By: Trustee Sheehan - Supported By: Trustee Hall-Wagner

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

NAME, TITLE, DEPARTMENT	George J. Chakkalamuriyl – Water Technician - Sewerage
SERVICE CREDIT	14-01
EFFECTIVE DATE	07-01-18

NAME, TITLE, DEPARTMENT	Daniel C. Gee – Auto Repair Sub-Foreman - DPW
SERVICE CREDIT	12-02
EFFECTIVE DATE	08-01-18

NAME, TITLE, DEPARTMENT	Peter Sissen – Team Leader - Sewerage
SERVICE CREDIT	12-10
EFFECTIVE DATE	08-01-18

NAME, TITLE, DEPARTMENT	Jagdish Trivedi – Sr. Construction Inspector - DPW
SERVICE CREDIT	19-03
EFFECTIVE DATE	07-01-18

Yeas: Benson, Cowan, Cetlinski, Hall-Wagner, Perkins, Sheehan  
and Chairperson Nickleberry– 7

Nays: None

**Re: Change of Computation(s)**

Motion By: Trustee Sheehan - Supported By: Trustee Hall-Wagner

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

NAME, TITLE, DEPARTMENT	Gloria D. Beasley – Senior Storekeeper - Transportation
SERVICE CREDIT	21-05
EFFECTIVE DATE	05-01-18

NAME, TITLE, DEPARTMENT	William J. Pickens – Parking Meter Coll Asst – Municipal Parking
SERVICE CREDIT	17-10
EFFECTIVE DATE	01-13-18

Yeas: Benson, Cowan, Cetlinski, Hall-Wagner, Perkins, Sheehan  
and Chairperson Nickleberry– 7

Nays: None

**Re: Hybrid Plan Service Retirement(s)**

Motion By: Trustee Sheehan - Supported By: Trustee Hall-Wagner

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

NAME, TITLE, DEPARTMENT	Alphonso Buford – Tree Artisan Helper – General Services
SERVICE CREDIT	00-11
EFFECTIVE DATE	06-01-15

NAME, TITLE, DEPARTMENT	George J. Chakkalamuriyl – Water Technician - Sewerage
SERVICE CREDIT	01-06
EFFECTIVE DATE	07-01-18

NAME, TITLE, DEPARTMENT	Gregory D. Grays – TEO - Transportation
SERVICE CREDIT	00-07
EFFECTIVE DATE	09-01-18

NAME, TITLE, DEPARTMENT	Bruce Jackson – Radio Maint Tech - Transportation
SERVICE CREDIT	04-00
EFFECTIVE DATE	07-07-18

NAME, TITLE, DEPARTMENT	Herman McMurray, Jr. – General Auto Mechanic - Transportation
SERVICE CREDIT	04-00
EFFECTIVE DATE	06-16-18

NAME, TITLE, DEPARTMENT	Conja Wright – Librarian III - Library
SERVICE CREDIT	01-02
EFFECTIVE DATE	09-08-15

Yeas: Benson, Cowan, Cetlinski, Hall-Wagner, Perkins, Sheehan  
and Chairperson Nickleberry– 7

Nays: None

**Re: Change of Computation(s)**

Motion By: Trustee Sheehan - Supported By: Trustee Hall-Wagner

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

NAME, TITLE, DEPARTMENT	Kimberly D. Blevins – Sr. Emer Serv Oper – Police (Civilian)
SERVICE CREDIT	19-03
EFFECTIVE DATE	08-26-18

NAME, TITLE, DEPARTMENT	Adam Eaton – Building Attendant A – General Services
SERVICE CREDIT	26-01
EFFECTIVE DATE	06-01-18

NAME, TITLE, DEPARTMENT	Charles F. Nelson, III – Paramedic – Fire (Civilian)
SERVICE CREDIT	20-07
EFFECTIVE DATE	04-24-18

NAME, TITLE, DEPARTMENT	Cynthia M. Zilinski – Senior Money Handler - Transportation
SERVICE CREDIT	18-10
EFFECTIVE DATE	07-14-18

Yeas: Benson, Cowan, Cetlinski, Hall-Wagner, Perkins, Sheehan  
and Chairperson Nickleberry– 7

Nays: None

**Re: Auto III- Spouse**

Motion By: Trustee Sheehan - Supported By: Trustee Hall-Wagner

**RESOLVED**, that the application(s) for **AUTO III- Spouse** as outlined below be hereby APPROVED:

NAME, TITLE, DEPARTMENT	Erin McKenzie – (William J. McKenzie, Jr. – Deceased) – General Auto Mechanic – General Services
SERVICE CREDIT	16-09
EFFECTIVE DATE	05-23-18

Yeas: Benson, Cowan, Cetlinski, Hall-Wagner, Perkins, Sheehan and Chairperson Nickleberry– 7

Nays: None

**RECEIPTS: The Board received the following receipts for Acknowledgment:**

Cash Receipts		HYBLIQRES
RSCD-General	Start Date:	7/16/2018
	End Date:	7/27/2018

Doc. Date	Module	Tran. Type	Doc. Nbr.	Description	R/C	Receipt
7/20/2018	CA	Cash Entry	001100	Employee Post Tax Annuity Contributions	R/C	153,356.98
7/20/2018	CA	Cash Entry	001101	Employee Mandatory Pension 7/20/18	R/C	256,482.31
7/23/2018	AR	Payment	000028	Employer match April 1 to June 30, 2018 General, DOT and Library	R/C	2,672,104.49
7/23/2018	AR	Payment	000028	Employer match April 1 to June 30, 2018 DWSD		309,234.86
						3,391,178.64

Cash Receipts		LIQ RESERV
RSCD-General	Start Date:	7/16/2018
	End Date:	7/27/2018

Doc. Date	Module	Tran. Type	Doc. Nbr.	Description	R/C	Receipt
7/19/2018	CA	Cash Entry	001099	Loan Program Deduction 7/13/18 (\$44,751.07)	R/C	44,751.07
7/25/2018	CA	Cash Entry	001107	Loan Deduction Program 7/20/18 (\$42,864.51)	R/C	43,864.51
						88,615.58
<b>Total Receipts</b>						3,479,794.22

**Re: Fees and Expenses**

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

**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:

Disbursements

Page: 1 of 2  
Date: 7/27/2018 7:32 AM

Account	Payment Method	Currency		
F ACCT PAY	ACH	US		
Vendor Name	Invoice Number	Invoice Description	Amount To Pay	
American Realty Advisors (ARA)	7037	Management Fees 2nd Qtr '18	10,000.00	
COUZENS, LANSKY, FEALK, ELLIS P.C.	117034	Book Cadillac - General Board Portion	14,408.00	
Office of the Chief Financial Officer	766597	Wages & Benefits for COD Employees FY 17-18	1,381,128.43	
PIEDMONT INVESTMENT ADVISORS,LLC	INV11992	Management Fees 2nd Qtr '18	18,262.79	
RHUMBLINE ADVISERS	detgen2018Q2	Management Fees 2nd Qtr '18	15,219.00	
ULTIMATE PARKING MANAGEMENT LLC	168250	Parking - July 2018	2,222.00	
ULTIMATE PARKING MANAGEMENT LLC	169423	New Parker: Knoll, Todd, Card 00061, Eff 7/16/18	56.77	
ULTIMATE PARKING MANAGEMENT LLC	170260	Parking - August 2018	2,332.00	
WESTFIELD CAPITAL MANAGEMENT	20180630-107-123-A	Management Fees 2nd Qtr '18	118,399.11	
<b>Cash Account/Payment Method Total:</b>			<b>9 Documents</b>	<b>1,562,028.10</b>

Account	Payment Method	Currency		
F ACCT PAY	Check	US		
Vendor Name	Invoice Number	Invoice Description	Amount To Pay	
COMCAST	071718	High Speed Internet	178.18	
FEDEX	6-241-06577	FedEx Mailing	24.09	
FEDEX	6-247-65324	FedEx Mailing	24.14	
First CHOICE Coffee Services	561647	Coffee Supplies	142.27	
NEPC, LLC	2Q18391	Management Fees 2nd Qtr '18	125,000.00	
OFFICE DEPOT	160641873001	Office Supplies	133.00	
QUILL CORPORATION	8450201	Office Supplies	268.64	
QUILL CORPORATION	8455431	Office Supplies	19.99	
RACINE & ASSOCIATES	12347	DGRS v. Capazzoli - June 2018	43,515.80	
SCHAIBLE BUILDERS, INC	005883	Reception Area Window, Door and Safety Upgrades	4,920.00	
THOMAS SHEEHAN	071818	Trustee Parking	100.00	
VANOVERBEKE MICHAUD & TIMMONY, P.C.	9603	General Counsel Matters for 3/1/15-3/31/15	29,133.00	
VANOVERBEKE MICHAUD & TIMMONY, P.C.	9604	Bankruptcy Litigation for 3/1/15-3/31/15	10,237.50	
VANOVERBEKE MICHAUD & TIMMONY, P.C.	9605	Bankruptcy Litigation for 4/1/15-4/30/15	7,585.50	
VANOVERBEKE MICHAUD & TIMMONY, P.C.	9606	General Counsel Services for 4/1/15-4/30/15	26,423.00	
<b>Cash Account/Payment Method Total:</b>			<b>15 Documents</b>	<b>247,705.11</b>

Account	Payment Method	Currency		
LIQ RESERV	ACH	US		
Vendor Name	Invoice Number	Invoice Description	Amount To Pay	
INSIGHT TECHNOLOGY CAPITAL PARTNERS	072318	Management Fees 1st and 2nd Qtr '18	100,000.00	
<b>Cash Account/Payment Method Total:</b>			<b>1 Documents</b>	<b>100,000.00</b>

Yeas: Benson, Cowan, Cetlinski, Hall-Wagner, Perkins, Sheehan and Chairperson Nickleberry– 7

Nays: None



**Re: Refunds of Accumulated Contributions**

Motion By: Trustee Sheehan - Supported By: Trustee Cetlinski

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

**List No. 7371 - \$173,378.26**

**List No. 7372 - \$182,830.45**

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

Yeas: Benson, Cowan, Cetlinski, Hall-Wagner, Perkins, Sheehan and Chairperson Nickleberry– 7

Nays: None

**Re: Employee Loan Program July 25, 2018**

Motion By: Trustee Sheehan - Supported By: Trustee Cetlinski

**RESOLVED**, that the disbursements for the Employee Loan Program by members of the General Retirement System, as set forth in the amount of: **\$14,476.00** including interest, be hereby **APPROVED**.

Yeas: Benson, Cowan, Cetlinski, Hall-Wagner, Perkins, Sheehan and Chairperson Nickleberry– 7

Nays: None

**Re: Employee Loan Program August 01, 2018**

Motion By: Trustee Sheehan - Supported By: Trustee Cetlinski

**RESOLVED**, that the disbursements for the Employee Loan Program by members of the General Retirement System, as set forth in the amount of: **\$32,448.00** including interest, be hereby **APPROVED**.

Yeas: Benson, Cowan, Cetlinski, Hall-Wagner, Perkins, Sheehan and Chairperson Nickleberry– 7

Nays: None

**Re: Minutes/Journal No. 4213 – (07/03/18)**

Motion By: Trustee Sheehan- Supported By: Trustee Cetlinski

**RESOLVED**, that the Minutes/Journal of Proceedings of the General Retirement System of the City of Detroit, of Meeting **No. 4213**, held on **July 03, 2018**, be hereby **APPROVED** as recorded and submitted.

Yeas: Benson, Cowan, Cetlinski, Hall-Wagner, Perkins, Sheehan  
and Chairperson Nickleberry– 7

Nays: None

**ASSISTANT EXECUTIVE DIRECTOR’S REPORT**

Assistant Executive Director, **Gail A. Oxendine**, had no formal report, but addressed the following with the Board of Trustees:

- Introduction of the Boards’ new media consultant: Truscott Rossman
    - Shaun Wilson, Senior Vice-president and Rachel Partain, Senior Account Executive
  - Marie Racine (Sanctions letter) was distributed
    - Gateway Letter was sent but to date, no response from Gateway representatives on whether they will attend the August 15<sup>th</sup>, 2018 meeting.
- ***Trustee John Naglick entered the Boardroom at 10:13 a.m.***

**CHIEF INVESTMENT OFFICER'S REPORT**

Chief Investment Officer **Ryan Bigelow**, in addition to his formal report, discussed the following matters with the Board:

- Recommendation for convertible bond mandate manager

**Motion by: Trustee Sheehan– Supported by Trustee Hall-Wagner**, motion to approve the recommendation of Staff and NEPC to hire Advent Capital and SSI Investment Managers to manage the convertible bond portfolios. The Motion passed by a unanimous vote.

➤ ***Trustee Wendell Anthony entered the Boardroom at 10:21 a.m.***

- GASB Long Term return calculation

**Motion by: Trustee Sheehan– Supported by Trustee Naglick**, motion to approve the GASB Long Term Rate Calculation of 7.38% and methodology of calculating the rate. The Motion passed by a unanimous vote.

- Detroit themed investment opportunities are currently being vetted
- Investment/ Financial Literacy programs with Detroit area high school students
  - The Board of Trustees would like Investment staff to reach out to N.A.S.P. President Kathleen Colin in establishing a Financial Literacy program
- The Audit is currently in progress
- Townsend fee reduction negotiation is currently in progress
- Gateway discussion

➤ **Trustee Naglick had questions regarding the Municipal Code ordinances.**

**GENERAL COUNSEL'S REPORT**

General Counsel Michael VanOverbeke, had no formal legal report, but discussed the following matters with the Board:

- Public Plan IQ FOIA request
- Discussion/update regarding retiree Ross Franklin

**Re: Entering into Closed Session**

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

**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 enter into Closed Session to discuss pending litigation matters with the Board’s legal counsel

A Roll Call Vote was taken as follows:

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

Nays: None

The Board entered into **Closed Session** at 11:03 a.m.

**Re: Open Session**

Motion By: Trustee Sheehan – Supported By: Trustee Anthony

**RESOLVED**, that the Board come out of Closed Session.

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

Nays: None

The Board returned to **Open Session** at 11:37 a.m.

- ***Trustee Lori Cetlinski excused herself from the Boardroom at 11:39 a.m.***

**Motion by: Trustee Naglick– Supported by Trustee Hall-Wagner,** The Board of Trustees adopted a motion authorizing General Counsel Michael VanOverbeke's request to amend his retainer agreement to the effective date of 7/1/2015. The Motion passed by a unanimous vote.

- ***Trustee Lori Cetlinski returned to the Boardroom at 11:40 a.m.***

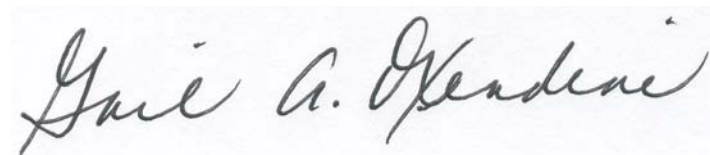
### **NEW BUSINESS/OLD BUSINESS**

- Active Shooter Training has been scheduled for Tuesday August 21<sup>st</sup>, 2018 at Retirement Systems Offices (**there will be two sessions beginning at 8:30 a.m. and 10:30 a.m.**)
- Trustee Naglick requested that the Chief Accounting Officer, Ramzee Jackson, be scheduled to come before the Board to present the annual budget.
- Trustee Hall-Wagner congratulated Assistant Executive Director Gail A. Oxendine on her thirty-year (30) year anniversary of employment with the City of Detroit.
- Kathy Colin, President of The National Association of Securities Professionals (N.A.S.P. Detroit), discussed NASP Detroit's commitment to financial literacy as well as thanked the Board for their participation with the 12<sup>th</sup> Annual Raymond Wellbourne Memorial Scholarship Golf outing held on Friday July 27<sup>th</sup>, 2018.

**ADJOURNMENT**

There being no further business before the Board, **Chairperson Nickleberry** adjourned the meeting at 11:48 a.m. The Board's next meeting is scheduled for **Wednesday, August 15<sup>th</sup>, 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 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