

MEETING NO. 4153
JOURNAL OF PROCEEDINGS
BOARD OF TRUSTEES OF THE GENERAL RETIREMENT SYSTEM
OF THE CITY OF DETROIT
HELD WEDNESDAY, **APRIL 6, 2016**

10:00 A.M.

RETIREMENT SYSTEMS' CONFERENCE ROOM
ONE 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/Interim Vice-Chair
Eric Higgs	Trustee
June Nickleberry	Trustee
Thomas Sheehan	Trustee/Interim Chair
David Szymanski	Ex-Officio Trustee/City Treasurer

TRUSTEES EXCUSED

None

TRUSTEES ABSENT

None

ALSO PRESENT

Cynthia A. Thomas	Executive Director
Ryan Bigelow	Chief Investment Officer
Michael VanOverbeke	General Counsel
LaMonica Arrington-Cabean	Manager I
Rita Coats	Recording Secretary

INTERIM CHAIR

THOMAS SHEEHAN

The Board's Recording Secretary took a verbal Roll Call at 10:22 a.m. and Interim Chair Sheehan called the meeting to order.

Present at Roll Call: Wendell Anthony, Scott Benson, Lori Cetlinski, Tasha L. Cowan, Eric Higgs, June Nickleberry, Thomas Sheehan and David Szymanski.

Open Forum

Interim Chair Thomas Sheehan opened the meeting for public discussion:

Georgia Rivers, Retiree, addressed the Board regarding the following:

- Pension Benefits

Deborah Whiting, Retiree, addressed the Board regarding the following:

- Vested Pension

William Davis, (Retiree and President of the Detroit Active and Retired Employees' Association), addressed the Board regarding the following:

- DAREA update

Deborah Wilkerson, Retiree, addressed the Board regarding the following:

- Retirement Systems' Administration

~Concludes Public Comment~

DISCUSSION

Re: Vacant Seat – Trustee's Status

Discussion was held regarding the employment status of Trustee Lou Hatty. Lou Hatty's employment status was changed from "Termination" to "Laid Off." The Board is requesting Lou Hatty to bring in receipt acknowledging the Notice of Laid Off from Detroit Public Works to determine eligibility as Trustee.

Re: Entering Into Closed Session

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

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 with Special Legal Counsel Marie Racine regarding the Nicholson-Gracia and the Capozzoli pending litigation matters.

A Roll Call Vote was taken as follows:

Yeas: Anthony, Benson, Cetlinski, Cowan, Higgs, Nickleberry, Sheehan and Szymanski – 8

Nays: None

The Board entered into **Closed Session** at 11:21 a.m.

➤ *Trustee Szymanski left the Board Meeting for the day at 11:55 a.m.*

Re: Open Session

Motion By: Trustee Anthony – Supported By: Trustee Cowan

RESOLVED, that the Board come out of Closed Session.

The Board returned to **Open Session** at 12:30 p.m.

Re: Nicholson-Gracia v. General Retirement System of the City of Detroit

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

WHEREAS, Special Legal Counsel, **Racine & Associates**, has reported in Closed Session on the status of the legal proceedings, and

WHEREAS, Special Legal Counsel has requested that the Board authorize Special Legal Counsel to proceed with the litigation strategy as discussed in Closed Session, and

WHEREAS, the Board has discussed this matter; **THEREFORE BE IT**

Re: Nicholson-Gracia v. General Retirement System of the City of Detroit – (Con't)

RESOLVED, that the Board authorizes Special Legal Counsel to proceed with the litigation strategy as discussed in Closed Session, and be it further

RESOLVED, that a copy of this resolution be immediately forwarded to Racine & Associates (Attention: Marie T. Racine), 1001 Woodward Avenue, Suite 1100; Detroit, Michigan 48226.

Yeas: Anthony, Benson, Cetlinski, Cowan, Higgs, Nickleberry and Sheehan – 7

Nays: None

Re: CAPOZZOLI Advisory for Pensions/Joe Capozzoli/Workforce Trust

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

WHEREAS, Special Legal Counsel, **RACINE & ASSOCIATES**, has reported in Closed Session on the status of the legal proceedings, and

WHEREAS, Special Legal Counsel has requested that the Board authorize Special Legal Counsel to proceed with the litigation strategy as discussed in Closed Session, and

WHEREAS, the Board has discussed this matter; **THEREFORE BE IT**

RESOLVED, that the Board authorizes Special Legal Counsel to proceed with the litigation strategy as discussed in Closed Session, and be it further

RESOLVED, that a copy of this resolution be immediately forwarded to Racine & Associates (Attention: Marie T. Racine); 1001 Woodward Avenue, Suite 1100; Detroit, Michigan 48226.

Yeas: Anthony, Benson, Cetlinski, Cowan, Higgs, Nickleberry and Sheehan – 7

Nays: None

Re: Service Retirement(s)

Motion By: Trustee Cetlinski - Supported By: Trustee Anthony

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

NAME, TITLE, DEPARTMENT	Frank Benedict – Head Governmental Analyst – Water & Sewerage
SERVICE CREDIT	25-10
EFFECTIVE DATE	02-28-16

NAME, TITLE, DEPARTMENT	Terry Daniel – Water Oper Director – Water & Sewerage
SERVICE CREDIT	28-11
EFFECTIVE DATE	02-28-16

NAME, TITLE, DEPARTMENT	Pardhiva Gogineni – Chemist – Water & Sewerage
SERVICE CREDIT	10-11
EFFECTIVE DATE	02-24-16

NAME, TITLE, DEPARTMENT	Henley B. Levy – Inspector – Water & Sewerage
SERVICE CREDIT	29-01
EFFECTIVE DATE	02-29-16

NAME, TITLE, DEPARTMENT	Mahendrakumar R. Patel – Chemist – Water & Sewerage
SERVICE CREDIT	15-07
EFFECTIVE DATE	02-19-16

NAME, TITLE, DEPARTMENT	Girija Prasad - Chemist – Water & Sewerage
SERVICE CREDIT	21-11
EFFECTIVE DATE	03-04-16

NAME, TITLE, DEPARTMENT	Mark Smoot – Engineering Techn – Water & Sewerage
SERVICE CREDIT	35-11
EFFECTIVE DATE	02-18-16

NAME, TITLE, DEPARTMENT	Walter Starnes, Jr. – Team Leader – Water & Sewerage
SERVICE CREDIT	31-10
EFFECTIVE DATE	02-29-16

SERVICE RETIREMENTS – (Con't)

NAME, TITLE, DEPARTMENT Ondrea J. Washington – Chemist – Water &
Sewerage
SERVICE CREDIT 29-02
EFFECTIVE DATE 02-24-16

NAME, TITLE, DEPARTMENT Raymond M. Zdonkiewicz – Team Leader –
Water & Sewerage
SERVICE CREDIT 22-02
EFFECTIVE DATE 03-11-16

Yeas: Anthony, Benson, Cetlinski, Cowan, Higgs, Nickleberry and Sheehan – 7

Nays: None

Re: Early Retirement(s)

Motion By: Trustee Cetlinski - Supported By: Trustee Anthony

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

NAME, TITLE, DEPARTMENT Derek A. Bennett – Inspector – Water &
Sewerage
SERVICE CREDIT 23-11
EFFECTIVE DATE 03-08-16

NAME, TITLE, DEPARTMENT Revia C. Bowie – Prof Admin Analyst – Water
& Sewerage
SERVICE CREDIT 23-08
EFFECTIVE DATE 02-23-16

NAME, TITLE, DEPARTMENT Tina R. Clinkscales – Exec Mgmt Team –
Water & Sewerage
SERVICE CREDIT 26-10
EFFECTIVE DATE 03-01-16

NAME, TITLE, DEPARTMENT Daniel Edwards – Manager – Water &
Sewerage
SERVICE CREDIT 26-07
EFFECTIVE DATE 03-14-16

EARLY RETIREMENTS - (Con't)

NAME, TITLE, DEPARTMENT Pawan Kapila – Team Leader – Water &
Sewerage
SERVICE CREDIT 25-11
EFFECTIVE DATE 02-25-16

NAME, TITLE, DEPARTMENT Stephen Shuk – Elec Instr Ctrl Tech – Water &
Sewerage
SERVICE CREDIT 26-0
EFFECTIVE DATE 03-01-16

NAME, TITLE, DEPARTMENT Wesley Slaughter – Security Lieut – Water &
Sewerage
SERVICE CREDIT 26-10
EFFECTIVE DATE 02-25-16

Yeas: Anthony, Benson, Cetlinski, Cowan, Higgs, Nickleberry and Sheehan – 7

Nays: None

Re: Change of Computation from Duty/Non-Duty Disability to Service Retirement

Motion By: Trustee Cetlinski - Supported By: Trustee Anthony

RESOLVED, that the application(s) for **CHANGE OF COMPUTATION FROM DUTY/NON-DUTY DISABILITY TO SERVICE RETIRMENT** which is outlined below be hereby APPROVED:

NAME, TITLE, DEPARTMENT Shelia Hitchcock – TEO – Transportation
SERVICE CREDIT 31-02
EFFECTIVE DATE 02-01-06

Yeas: Anthony, Benson, Cetlinski, Cowan, Higgs, Nickleberry and Sheehan – 7

Nays: None

Re: Receipts

The receipts which are referenced below were **Acknowledged**:

THE GENERAL RETIREMENT SYSTEM OF THE CITY OF DETROIT			
WEEKLY RECEIPTS FOR ACKNOWLEDGEMENT			
3/14/16 - 4/1/16			
Meeting No. 4155			
April 6, 2016			
REMITTER NAME	DATE POSTED	DESCRIPTION	AMOUNT
RECEIPTS			
SECURITIES LENDING	03/14/16	Earnings, February 2016	48,125.31
CLARK HILL	03/14/16	Settlement Proceeds	389.51
FIRST INDEPENDENCE BANK	03/14/16	Loan Deductions	50,434.80
VAL STONE OPPORTUNITY FUND IV LTD	03/17/16	Distribution	2,372,838.46
SSGM COMMISSION	03/21/16	Recapture Activity for February 2016	3,369.30
FIRST INDEPENDENCE BANK	03/21/16	Loan Deductions	56,162.39
REALTY ASSOCIATES FUND VII LP	03/23/16	Distribution	817,897.00
AEW PARTNERS V LP	03/24/16	Distribution	87,333.00
FIRST INDEPENDENCE BANK	03/28/16	Loan Deductions	54,311.24
METLIFE	03/30/16	Dividends	3.75
CLARK HILL	03/30/16	Settlement Proceeds	240.00
CLARK HILL	03/30/16	Settlement Proceeds	500.00
WALTON STREET REAL ESTATE FUND II	03/30/16	Distribution	141,088.38
FIRST INDEPENDENCE BANK	03/30/16	Loan Deductions	50,526.82
MESIROW FIN PRIV EQ PSHIP FUND III LP	03/30/16	Distribution	800,000.00
PRISA SA	03/31/16	Distribution	282,232.89
USPF II INSTITUTIONAL FUND LP	03/31/16	Distribution	55,946.00
LANDMARK EQUITY PARTNERS XV LP	03/31/16	Distribution	64,758.00
USPF III LEVERAGED FEEDER LP	03/31/16	Distribution	74,074.07
UTGO	04/01/16	Interest on Stub Bonds (ISF)	1,424,370.44
UTGO	04/01/16	Interest on Stub Bonds (PAF)	3,377,911.98
COBO CENTER	03/30/16	Pension Contributions	2,369.75
COBO CENTER	03/30/16	Annuity Contributions	1,303.55
COBO CENTER	03/30/16	Pension Contributions	2,127.91
COBO CENTER	03/30/16	Annuity Contributions	1,307.40
CITY OF DETROIT	03/14/16	Weekly Mandatory Pension Contribution	85,061.82
CITY OF DETROIT	03/14/16	Weekly Annuity Contribution	61,927.41
CITY OF DETROIT	03/21/16	Weekly Mandatory Pension Contribution	170,444.69
CITY OF DETROIT	03/21/16	Weekly Annuity Contribution	114,909.40
CITY OF DETROIT	03/28/16	Weekly Mandatory Pension Contribution	86,226.32
CITY OF DETROIT	03/28/16	Weekly Annuity Contribution	62,459.33
CITY OF DETROIT	04/01/16	Weekly Mandatory Pension Contribution	172,478.57
CITY OF DETROIT	04/01/16	Weekly Annuity Contribution	115,247.65
TOTAL RECEIPTS			\$ 10,639,657.14

Re: Monthly Disbursements

Motion By: Trustee Cowan – Supported By: Trustee Cetlinski

Motion to approve the Monthly Pension Payroll.

THE GENERAL RETIREMENT SYSTEM OF THE CITY OF DETROIT			
MONTHLY PENSION PAYROLL FOR APPROVAL			
4/2/2016			
Meeting No. 4155			
April 6, 2016			
PAYEE NAME		DESCRIPTION	AMOUNT
DISBURSEMENTS			
First Independence Bank		Pension Payroll - Direct Deposit	14,717,309.21
MISDU		Child Support Deductions	24,710.84
First Independence Bank		Pension Payroll - Checks	2,229,470.55
Diversified Members Credit Union		Loan Payment Deductions	626,015.87
Detroit Employee Benefit Plan		Benefit Payments - Life Insurance	4,100.85
Detroit Employee Benefit Plan-VEBA (to RHC)		Benefit Payments - Health, Eye & Dental	449,719.74
Federal Tax		Withholding	1,827,874.39
State Tax & Assoc. Fees		Withholding	312,901.87
TOTAL DISBURSEMENTS			\$ 20,192,103.32

Yeas: Anthony, Benson, Cetlinski, Cowan, Higgs, Nickleberry and Sheehan – 7

Nays: None

Re: Refunds of Accumulated Contributions

Motion By: Trustee Anthony - Supported By: Trustee Cetlinski

RESOLVED, that the contributions to the Annuity Savings Fund by members of the General Retirement System, as set forth on **List No. 7250** in the amount of **\$853,262.44**, **List No. 7251** in the amount of **\$2,566,226.15** and **List No. 7252** in the amount of **\$648,322.45** including interest, be **REFUNDED**, pending audit by the Retirement Systems' Accounting staff.

Yeas: Anthony, Benson, Cetlinski, Cowan, Higgs, Nickleberry and Sheehan - 7

Nays: None

Re: Employee Loan Program

Motion By: Trustee Anthony – 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 **\$54,985.00 – (3/30/16)** and **\$31,094.00**, including interest, be hereby **APPROVED**.

Yeas: Anthony, Benson, Cetlinski, Cowan, Higgs, Nickleberry and Sheehan - 7

Nays: None

MANAGER'S REPORT

The Manager of the Retirement Systems, LaMonica Arrington-Cabean, submitted the following for the Board's approval:

Re: Office Expense Fund Replenishment

Resolution Moved By: Trustee Nickleberry – Supported By: Trustee Benson

WHEREAS, the present balance of the Retirement System of the City of Detroit Office Expense Fund account is \$1,012.66, and

WHEREAS, staff has provided an accounting of the Office Expense Fund to the Board and has requested that said account be replenished to its maximum amount of \$7,500.00; **THEREFORE BE IT**

RESOLVED, that the Retirement System of the City of Detroit Office Expense Fund account be replenished to the maximum amount of \$7,500.00 and be it further

Re: Office Expense Fund Replenishment – (Con't)

RESOLVED, that the appropriate amount required to replenish said account to \$7,500.00 be allocated as follows:

General Retirement System: \$2,465.56

Police and Fire Retirement System: \$2,465.56

and be it further

RESOLVED, that a copy of this resolution be forwarded to the Accounting division of the Retirement System and the Retirement System's Manager.

Yeas: Anthony, Benson, Cetlinski, Cowan, Higgs, Nickleberry and Sheehan – 7

Nays: None

Re: Fees and Expenses

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

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
CITY OF DETROIT

MEETING NO. 4153
APRIL 6, 2016

Re: Fees and Expenses – (con't)

<u>PAYEE</u>	<u>DATE</u>	<u>INVOICE NO</u>	<u>DESCRIPTION</u>	<u>AMOUNT</u>
CAPITAL CALLS:				
SYNDICATED COMMUNICATIONS VENTURE PA	3/18/2016		Due 4/1/16	\$39,965.00
Subtotal				\$39,965.00
MANAGEMENT FEES:				
ABERDEEN ASSET MANAGEMENT INC.	1/25/2016	75987	Management Fees - 4th Qtr '15	\$141,102.21
ABERDEEN ASSET MANAGEMENT INC.	1/25/2016	75912	Management Fees - 4th Qtr '15	\$63,327.67
ARONSON & JOHNSON & ORTIZ	1/26/2016	4Q15	Management Fees - 4Q15	\$21,424.00
BlackRock Financial Management, Inc	2/19/2016	20151231-511-A	Management Fees - 4th Qtr '15	\$28,482.65
CAPRI CAPITAL PARTNERS, LLC	7/15/2015	063015	MANAGEMENT FEE - Terraces 2Q15	\$122.58
CAPRI CAPITAL PARTNERS, LLC	1/28/2016	123115	MANAGEMENT FEE - Terraces 4Q15	\$73.33
MELLON CAPITAL MANAGEMENT	3/2/2016	20151231-501-A	Management Fees - 4th Qtr '15	\$106,899.73
NEPC, LLC	3/16/2016	1Q16391	Management Fees - 1st Qtr '16	\$186,151.84
PZENA INVESTMENT MANAGEMENT, LLC	1/28/2016	16029-1-010	Management Fees - 4th Qtr '15	\$75,690.05
Subtotal				\$623,274.06
ADMINISTRATIVE EXPENSES:				
500 WEBWARD LLC	1/29/2016	10149	Electrical Billing 11/27/15-12/30/15	\$2,608.50
500 WEBWARD LLC	4/1/2016	13708	Base Rent & Cam Estimate - April 2016	\$20,669.85
ADP, INC	3/18/2016	470624502	Cheek Printing Services	\$8,587.05
COMCAST	3/14/2016	031416	High-Speed Internet	\$127.42
DIRECTV	3/24/2016	28137450267	Service Charges 3/23/16-4/22/16	\$33.99
ELECTRONIC SECURITY SYSTEMS, INC	3/11/2016	SI-044696	Locksmith	\$399.00
FEDEX	3/23/2016	5-360-50108	FedEx Mailings	\$50.19
FEDEX	3/16/2016	5-352-69424	FedEx Mailings	\$27.52
FEDEX	3/30/2016	5-367-86261	FedEx Mailings	\$54.80
OFFICE DEPOT	3/23/2016	829242426001	Office Supplies	\$16.99
OFFICE DEPOT	3/21/2016	829242425001	Office Supplies	\$184.85
OFFICE EXPENSE FUND	3/15/2016		Replenishment	\$3,024.19
PREFERRED DATA SYSTEMS, LLC	4/1/2016	23466	Computer Support, Server Replacement	\$22,604.99
PAYEE				
DATE	INVOICE NO	DESCRIPTION	AMOUNT	
QUILL CORPORATION	3/21/2016	4314305	Office Supplies	\$73.35
QUILL CORPORATION	1/4/2016	1906314	Office Supplies	\$13.49
QUILL CORPORATION	3/23/2016	4382370	Office Supplies	\$17.49
QUILL CORPORATION	1/4/2016	1993415	Office Supplies	\$32.01
QUILL CORPORATION	1/4/2016	1988953	Office Supplies	\$9.44
QUILL CORPORATION	1/4/2016	1900966	Office Supplies	\$230.48
RICOH	3/10/2016	5040998295	Contract Services	\$265.02
SHRED-IT USA	3/18/2016	9409879476	Off-Site Regular Service	\$47.72
STAFF WAGES	3/27/2016		Staff Wages for 2/22/16 - 3/27/16	\$48,629.06
THE TOWNSEND GROUP	2/29/2016	10363	Professional Services-Real Estate: February 2016	\$11,250.00
UHY ADVISORS MI INC	3/15/2016		Prof Accounting Svcs - 3/1/16-3/15/16, Inv # 1164143	\$31,171.87
VERIZON WIRELESS	3/25/2016	9762803825	Wireless Service 2/26/16-3/25/16	\$476.76
Subtotal				\$150,606.03
OTHER EXPENSES:				
FELICIA JOHNSON	3/16/2016	031616a	Trustee Parking	\$138.00
NEWSWEEK	4/5/2016	040516	Subscription Services	\$84.97
THOMAS SHEEHAN	4/4/2016	040416	Retired Trustee - March 2016	\$1,000.00
WENDELL ANTHONY	4/4/2016	040416	Trustee Stipend - March 2016	\$1,000.00
Subtotal				\$2,222.97
Total Disbursements for Board Approval				\$816,068.06

Yeas: Anthony, Benson, Cetlinski, Cowan, Higgs, Nickleberry and Sheehan – 7

Nays: None

MANAGER'S REPORT – (Con't)

**Re: American Arbitration Association
Active Employee - Special Election for 2 Unexpired Terms 2016**

Motion By: Trustee Anthony – Supported By: Trustee Cetlinski

RESOLVED, that the Board hereby approves the dates for the purpose of administering a Special Election for the Active Employee Trustee Election for the General Retirement System of the City of Detroit, and further

RESOLVED, that a copy of this resolution be forwarded to the American Arbitration Association and a copy to be maintained in the Retirement System's file.

Yeas: Anthony, Benson, Cetlinski, Cowan, Higgs, Nickleberry and Sheehan – 7

Nays: None

~Concludes Manager's Report~

EXECUTIVE DIRECTOR'S REPORT

None to report at this week's meeting.

CHIEF INVESTMENT OFFICER'S REPORT

Chief Investment Officer, **Ryan Bigelow**, gave an update regarding General's portfolio and the following issues were discussed at length:

- January & February '16: Difficult months
- March '16: A good month
- April and up-to-date: Flat
- Black & Blue Report – re: River Place - Closed on escrow (4/5/16), Black Rock and Real Times
- Capital Point
- RSCD Opportunity Fund w/ValStone
- ICG Leaseback
- Fort Shelby re: Equity interest
- Investment Committee meeting - April 18, 2016 @ 12 Noon
- Starting this year's audit

~Concludes Chief Investment Officer's Report~

❖ *The Board **RECESSED** for Lunch at 12:55 p.m.*

❖ *The Board **RECONVENED** at 1:26 p.m.*

Roll Call: Anthony, Benson, Cetlinski, Cowan, Higgs, Nickleberry and Sheehan – 7

GENERAL COUNSEL'S REPORT

General Counsel, **Michael VanOverbeke**, provided a copy of the legal report for the Board's review and discussion of the following:

- Policies and Procedures
Re: Ethics Policy & Rules of Procedure – “DRAFT”
 - I. Robert's Rules of Order
 - a. Keeping of Minutes
 - b. Requirements
 - c. Verbal or Written Statements on the Record
- IPREO FOIA Request
Re: The Retirement System's investments & “complete portfolio”
- ASF Recoupment update (Special Cases)

Re: Subpoena - Donald Rozycki

Motion By: Trustee Anthony – Supported By: Trustee Nickleberry

Motion to approve the request submitted from City of Detroit Board of Police Commissioners to the Retirement System's staff to provide pertinent documents regarding the benefits of Mr. Donald Rozycki.

Yeas: Anthony, Benson, Cetlinski, Cowan, Higgs, Nickleberry and Sheehan – 7

Nays: None

EDRO(s):

Discussion was held regarding the following Eligible Domestic Relations Orders (EDROS):

GENERAL COUNSEL'S REPORT – (Con't)

Re: Michael D. Bowman v. Katrina E. Bowman
Wayne County Circuit Court Case No. 12-105413-DM

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

WHEREAS, the Board of Trustees is in receipt of a First Amended Eligible Domestic Relations Order (“EDRO”), dated February 16, 2016, wherein Katrina E. Bowman, the Alternate Payee, is awarded certain rights to the retirement allowance of Michael D. Bowman, 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 of both the Participant’s defined benefit plan benefits from the Retirement System and a portion of the Participant’s Annuity Savings Fund balance, 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 no time before the Participant’s earliest retirement eligibility, and

WHEREAS, the Board’s policy is to require that the cost for the actuary’s calculations are to be borne by the parties to the domestic relations proceedings and the EDRO states that the Alternate Payee and the Participant shall share the additional actuarial costs in proportion to the Alternate Payee’s share of the Participant’s total retirement allowance pursuant to the EDRO, 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 subject to an application by 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 Brent M. Lamkin, Esq., attorney for the Participant; Michael D Bowman, the Participant; Veronica R. Leonard, Esq., attorney for the Alternate Payee; Katrina E. Bowman, the Alternate Payee; and the Board’s Actuary.

Re: Michael D. Bowman v. Katrina E. Bowman – (Cont)

Yeas: Anthony, Benson, Cetlinski, Cowan, Higgs, Nickleberry and Sheehan – 7

Nays: None

Re: Yvonne Wells Moore v. Craig G. Moore, Sr.
Wayne County Circuit Court Case No. 14-112094-DM

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

WHEREAS, the Board of Trustees is in receipt of an Eligible Domestic Relations Order (“EDRO”), dated March 28, 2016, wherein Yvonne Wells Moore, the Alternate Payee, is awarded certain rights to the retirement allowance of Craig G. Moore, Sr., 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 of the Participant’s defined benefit plan benefits which accrued from June 17, 2000 to May 12, 2015 from the Retirement System only, and

WHEREAS, the terms of the EDRO require that the Participant elect the Plan’s Option 3 50% Joint and Survivor form of benefit for those benefits payable to the Alternate Payee, 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 no time before the Participant’s earliest retirement eligibility, and

WHEREAS, the Board’s policy is to require that the cost for the actuary’s calculations are to be borne by the parties to the domestic relations proceedings and the EDRO states that the Alternate Payee and the Participant shall share the additional actuarial costs equally, and

WHEREAS, the Retirement System is aware that there is another Eligible Domestic Relations Order dated January 18, 1995 regarding the Participant and a second Alternate Payee who was awarded a portion of the Participant’s benefits payable from the Retirement System that accrued from the start of the Participant’s employment through July 3, 1995, and

Re: Yvonne Wells Moore v. Craig G. Moore, Sr. – (Con't)

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, and legal counsel has provided a memorandum to the Retirement System as to how both Orders should be administered; **THEREFORE BE IT**

RESOLVED, that the Board acknowledges receipt of said court order, will pay pension benefits consistent with said order subject to an application by the Participant or the Alternate Payee, and further

RESOLVED, that a copy of this resolution and the other pertinent resolutions related to domestic relations orders and the Board's 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 Craig G. Moore, Sr., the Participant; Barbara Rogalle Mille, Esq., attorney for the Alternate Payee; Yvonne Wells Moore, the Alternate Payee; and the Board's Actuary.

Yeas: Anthony, Benson, Cetlinski, Cowan, Higgs, Nickleberry and Sheehan – 7

Nays: None

Re: Entering Into Closed Session

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

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 a Securities Litigation matter, the pending Carpenter's litigation update and the litigation Gracia-Nicholson matter.

A Roll Call Vote was taken as follows:

Yeas: Anthony, Benson, Cetlinski, Cowan, Higgs, Nickleberry and Sheehan – 7

Nays: None

The Board entered into **Closed Session** at 2:20 p.m.

Re: Open Session

Motion By: Trustee Anthony – Supported By: Trustee Cowan

RESOLVED, that the Board come out of Closed Session.

The Board returned to **Open Session** at 2:45 p.m.

Re: GRS/PFRS/City of Detroit v. Carpenter's

Motion By: Trustee Anthony – Supported By: Trustee Nickleberry

Motion to acknowledge receipt and approval of the preliminary terms of agreement as presented by General Counsel in Closed Session.

Yeas: Anthony, Benson, Cetlinski, Cowan, Higgs, Nickleberry and Sheehan – 7

Nays: None

Re: Motley Rice

Motion By: Trustee Anthony – Supported By: Trustee Cetlinski

Motion to acknowledge receipt of a Confidential & Proprietary Memorandum from its Special Counsel, Motley Rice, dated March 2016, and resolve that the Retirement System move for appointment as Lead Plaintiff; subject to approval and execution of Retainer Agreement and Certification, in the recently filed securities litigation action against PTC Therapeutics, Inc.

Yeas: Anthony, Benson, Cetlinski, Cowan, Higgs, Nickleberry and Sheehan – 7

Nays: None

Re: Euclid Specialty

Motion By: Trustee Anthony – Supported By: Trustee Cetlinski

Motion to acknowledge receipt of correspondence received from Euclid Specialty, dated March 7, 2016, in reference to the Nicholson-Gracia, et al, matter; and to direct General Counsel to review said correspondence and file an appropriate appeal.

Re: Euclid Specialty – (Con't)

Yeas: Anthony, Benson, Cetlinski, Cowan, Higgs, Nickleberry and Sheehan – 7

Nays: None

~Concludes Legal Report~

NEW/OLD BUSINESS

Re: Proposed Title Changes for Civil Servant Employees

Motion By: Trustee Anthony – Supported By: Trustee Nickleberry

Motion to approve the Proposed Title Changes for Civil Servant Employees.

Yeas: Anthony, Benson, Higgs, Nickleberry and Sheehan – 5

Nays: None

Abstain: Cetlinski and Cowan – 2

Trustee Cowan's Statement: "The process of implementing employee's title and salary changes have been done in an unprofessional matters."

ADJOURNMENT

There being no further business before the Board, **Interim Chair Sheehan** adjourned the meeting at 3:15 p.m. The Board's next meeting is scheduled for **Wednesday, April 20, 2016**, at 10:00 a.m. in the Retirement Systems' Conference Room, 500 Woodward Avenue Suite 3000; Detroit, Michigan 48226.

RESPECTFULLY SUBMITTED,



LAMONICA ARRINGTON-CABEAN
MANAGER I