

MEETING NO. 4154
JOURNAL OF PROCEEDINGS
BOARD OF TRUSTEES OF THE GENERAL RETIREMENT SYSTEM
OF THE CITY OF DETROIT
HELD WEDNESDAY, **APRIL 20, 2016**

10:00 A.M.

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

TRUSTEES PRESENT

Scott Benson	Ex-Officio Trustee/City Council Member
Lori Cetlinski	Trustee
Tasha L. Cowan	Trustee/Interim Vice-Chair
Eric Higgs	Ex-Officio Trustee/CFO
June Nickleberry	Trustee
Thomas Sheehan	Trustee/Interim Chair

TRUSTEES EXCUSED

Wendell Anthony	Trustee
David Szymanski	Ex-Officio Trustee/City Treasurer

TRUSTEES ABSENT

None

ALSO PRESENT

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

INTERIM CHAIR

THOMAS SHEEHAN

The Board's Recording Secretary took a verbal Roll Call at 10:50 a.m. and Interim Chair Sheehan called the meeting to order.

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

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 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: Benson, Cetlinski, Cowan, Higgs, Nickleberry and Sheehan – 6

Nays: None

The Board entered into **Closed Session** at 10:53 a.m.

Re: Open Session

Motion By: Trustee Cowan – Supported By: Trustee Cetlinski

RESOLVED, that the Board come out of Closed Session.

The Board returned to **Open Session** at 11:20 a.m.

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

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

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: Benson, Cetlinski, Cowan, Higgs, Nickleberry and Sheehan – 6

Nays: None

Open Forum

Interim Chair **Thomas Sheehan** opened the meeting for public discussion:

Lou Hatty, former Trustee, addressed the Board regarding the following:

- Vacant Seat
- Farewell

Gerald Thompson, Active, (President of A.F.S.C.M.E.), addressed the Board regarding the following:

- Any pending lawsuits regarding the bankruptcy

~Concludes Public Comment~

PRESENTATION:

Re: Gabriel Roeder Smith & Company

Judith Kermans and David Kausch appeared before the Board to discuss the ASF (Annuity Savings Fund) Recoupment calculation request.

Re: ASF Recoupment Monthly Reduction Calculation Methodology

Motion By: Trustee Cetlinski – Supported By: Trustee Nickleberry

Motion to acknowledge receipt of the Memorandum from Gabriel Roeder Smith (“GRS”), dated April 15, 2016, regarding “Supplemental Calculations Related to the ASF Recoupment for the General Employees Retirement System” and in response to the issues raised therein affirm the following: (a) GRS does not need to do further review of either the 54 cases that require a change for the optional form of retirement or for the 56 cases that could not be duplicated, (b) to utilize the same actuarial assumptions used by Milliman during the City’s bankruptcy for ASF Recoupment calculations, (c) to adopt the calculation methodology set forth by GRS in the memo, (d) to adopt Option No. 2 with respect to the treatment of alternate payees subject to EDRO/DRO benefits, and (e) to direct GRS to complete the ASF Recoupment divorce calculations as listed on the schedule, as well as those that arise in the future.

Re: Death Benefit Evaluation Income Stabilization Fund as of June, 2014

Discussion was held in reference to the cash option fund.

~Concludes Presentation~

- The Board **RECESSED** for **LUNCH** at 12:10 p.m.

- The Board **RECONVENED** at 1:00 p.m.

Re: Entering Into Closed Session

Resolution Moved By: Trustee Nickleberry – 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 April 25, 2012 relative thereto; **THEREFORE BE IT**

RESOLVED, that the Board enters into Closed Session for the purpose of discussing Medical information which is privileged under the applicable statutes (OMA Section 8(H)).

A Roll Call vote was taken as follows:

Yeas: Benson, Cetlinski, Cowan, Higgs, Nickleberry and Sheehan - 6

Nays: None

The Board entered into **Closed Session** at 1:01 p.m.

Re: Open Session

Motion By: Trustee Cowan – Supported By: Trustee Cetlinski

RESOLVED, that the Board come out of Closed Session.

The Board returned to **Open Session** at 1:17 p.m.

MEDICAL DIRECTOR’S REPORT

After listening to the reports and recommendations of the Medical Director regarding the disability re-examinations, the Trustees voted on the following cases as reported and recommended by the Medical Director:

Re: Annual Re-examinations

Motion By: Trustee Benson – Supported By: Trustee Higgs

RESOLVED, that in accordance with the recommendation of the Medical Director, the following be CONTINUED on the Disability Retirement Payroll with an examination in one (1) year:

Tanisha Farr
Alfonso Franklin
Laura Hester

Re: Annual Re-examinations – (Con't)

Kenneth Hughes
Albert Mitchell
Cynthia Porter
Lisa Stark
Derrick Thomas
Cynthia Zilinski

and be it further,

RESOLVED, that in accordance with the recommendation of the Medical Director, the following be CONTINUED disabled with NO FURTHER EXAMINATIONS NECESSARY:

Lanetta Camp
James Elston
Sheila Harris

Yeas: Benson, Cetlinski, Cowan, Higgs, Nickleberry and Sheehan - 6

Nays: None

Re: Laura Hester – (Disability – Re-exam)

Motion By: Trustee Benson – Supported By: Trustee Higgs

That the Board resolved to continue Laura Hester on disability with re-examination in one (1) year and Dr. O'Neal indicated no further exams, but the Board felt that since there is no etiology of her disorder, as discussed in closed session, should be re-examined in one year.

Yeas: Benson, Cetlinski, Cowan, Higgs, Nickleberry and Sheehan - 6

Nays: None

~Concludes Medical Director's Report~

Re: Service Retirement(s)

Motion By: Trustee Nickleberry - Supported By: Trustee Cetlinski

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

Re: Service Retirement(s) – (Con't)

NAME, TITLE, DEPARTMENT	Schrion Baggett – Rfrg Equip Oper-1CL - General Services
SERVICE CREDIT	18-06
EFFECTIVE DATE	02-24-16
NAME, TITLE, DEPARTMENT	Dilwara Begum – Chemist – Water & Sewerage
SERVICE CREDIT	14-06
EFFECTIVE DATE	01-29-16
NAME, TITLE, DEPARTMENT	Jose Belen – Engineer – Water & Sewerage
SERVICE CREDIT	29-01
EFFECTIVE DATE	02-26-16
NAME, TITLE, DEPARTMENT	Gwendolyn D. Bell – Principal Clerk – Election Commission
SERVICE CREDIT	29-0
EFFECTIVE DATE	03-15-16
NAME, TITLE, DEPARTMENT	William G. Beningo, Jr. – Asst Fire Dispatcher – Fire (Civilian)
SERVICE CREDIT	19-04
EFFECTIVE DATE	03-03-16
NAME, TITLE, DEPARTMENT	Christopher Benton – Construction Equipment Operator - DPW
SERVICE CREDIT	25-11
EFFECTIVE DATE	03-12-16
NAME, TITLE, DEPARTMENT	Teneia Clement – Plant Tech – Water & Sewerage
SERVICE CREDIT	24-07
EFFECTIVE DATE	03-02-16
NAME, TITLE, DEPARTMENT	James E. Davenport – Mgr-Comp Oprn – Information Tech Services
SERVICE CREDIT	18-10
EFFECTIVE DATE	02-16-16
NAME, TITLE, DEPARTMENT	Terry F. Strother-Dixon – Sr Emer Serv Op – Police (Civilian)
SERVICE CREDIT	28-03
EFFECTIVE DATE	03-14-16

Re: Service Retirement(s) – (Con't)

NAME, TITLE, DEPARTMENT Keith W. Gouran – Vehicle Operator III - DPW
SERVICE CREDIT 28-07
EFFECTIVE DATE 02-23-16

NAME, TITLE, DEPARTMENT Thomas C. Hall – Team Leader – Water &
Sewerage
SERVICE CREDIT 17-06
EFFECTIVE DATE 03-02-16

NAME, TITLE, DEPARTMENT Sherman Jones – Team Leader - Water &
Sewerage
SERVICE CREDIT 28-06
EFFECTIVE DATE 03-04-16

NAME, TITLE, DEPARTMENT Kamil Jumaa – Spec Proj Techn – Water &
Sewerage
SERVICE CREDIT 14-10
EFFECTIVE DATE 03-01-16

NAME, TITLE, DEPARTMENT Curtis Malone – Field Svcs Techn – Water &
Sewerage
SERVICE CREDIT 25-02
EFFECTIVE DATE 03-08-16

NAME, TITLE, DEPARTMENT Kafi N. Perry – TEO – Transportation
SERVICE CREDIT 21-08
EFFECTIVE DATE 03-08-16

NAME, TITLE, DEPARTMENT Jim Shropshire – Spec Proj Tech – Water &
Sewerage
SERVICE CREDIT 28-11
EFFECTIVE DATE 03-08-16

NAME, TITLE, DEPARTMENT Muhammad A. Ussabur – Special Proj Techn –
Water & Sewerage
SERVICE CREDIT 17-06
EFFECTIVE DATE 01-11-16

NAME, TITLE, DEPARTMENT Broderick Ward – Inspector – Water &
Sewerage
SERVICE CREDIT 16-0
EFFECTIVE DATE 01-15-16

Re: Service Retirement(s) – (Con't)

NAME, TITLE, DEPARTMENT Mark S. Welicki – Auto Repair Sub-Foreman -
Transportation
SERVICE CREDIT 29-01
EFFECTIVE DATE 12-24-15

NAME, TITLE, DEPARTMENT Rodney J. Williams – Field Svcs Tech – Water
& Sewerage
SERVICE CREDIT 31-04
EFFECTIVE DATE 02-11-16

NAME, TITLE, DEPARTMENT Samuel R. Wilson – Ast Spv Wtr Sys M&C –
Water & Sewerage
SERVICE CREDIT 29-08
EFFECTIVE DATE 11-21-15

NAME, TITLE, DEPARTMENT Lyle Yowell – Wtr Sys Cnt In TC AP – Water &
Sewerage
SERVICE CREDIT 10-06
EFFECTIVE DATE 10-28-15

Yeas: Benson, Cetlinski, Cowan, Higgs, Nickleberry and Sheehan – 6

Nays: None

Re: Early Retirement(s)

Motion By: Trustee Nickleberry - Supported By: Trustee Cetlinski

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

NAME, TITLE, DEPARTMENT Clarence E. Brooks – Security Sergeant –
Water & Sewerage
SERVICE CREDIT 23-06
EFFECTIVE DATE 01-12-16

NAME, TITLE, DEPARTMENT Thomas Eapen – Engineer – Water &
Sewerage
SERVICE CREDIT 25-06
EFFECTIVE DATE 02-17-16

Re: Early Retirement(s) – (Con't)

NAME, TITLE, DEPARTMENT Ronald Hayes – Manager – Water & Sewerage
SERVICE CREDIT 27-09
EFFECTIVE DATE 02-28-16

NAME, TITLE, DEPARTMENT Nicolas Nicolas – Engineer – Water &
Sewerage
SERVICE CREDIT 24-11
EFFECTIVE DATE 01-15-16

NAME, TITLE, DEPARTMENT Jonai E. Jones-Renfroe – Procurement
Specialist – Water & Sewerage
SERVICE CREDIT 26-01
EFFECTIVE DATE 02-02-16

Yeas: Benson, Cetlinski, Cowan, Higgs, Nickleberry and Sheehan – 6

Nays: None

Re: Vested Retirement(s)

Motion By: Trustee Nickleberry - Supported By: Trustee Cetlinski

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

NAME, TITLE, DEPARTMENT Rose Carr – Counselor Aid – Human Services
SERVICE CREDIT 12-02
EFFECTIVE DATE 03-01-16

NAME, TITLE, DEPARTMENT Harold C. Couch – Mechanical Helper – Water
& Sewerage
SERVICE CREDIT 10-10
EFFECTIVE DATE 02-01-15

NAME, TITLE, DEPARTMENT Dwight Harris – Pr Const Insp-Paving – Water
& Sewerage
SERVICE CREDIT 21-07
EFFECTIVE DATE 11-01-15

NAME, TITLE, DEPARTMENT Melvin L. Hobson – Mechanical Helper – Water
& Sewerage
SERVICE CREDIT 12-01
EFFECTIVE DATE 03-01-16

Re: Vested Retirement(s) – (Con't)

NAME, TITLE, DEPARTMENT Patrick L. Leitch – Emer Medical Tech – Fire
(EMS)
SERVICE CREDIT 19-06
EFFECTIVE DATE 03-01-15

NAME, TITLE, DEPARTMENT Geraldine H. McClatchey – CTL IN TC FRMN-
WS – Water & Sewerage
SERVICE CREDIT 14-09
EFFECTIVE DATE 02-01-15

NAME, TITLE, DEPARTMENT Denise E. Parker – Sr. Personnel & Payroll
Clerk – Human Resources
SERVICE CREDIT 19-04
EFFECTIVE DATE 03-01-16

NAME, TITLE, DEPARTMENT Mark A. Petty – Elect Eng-Design – Public
Lighting
SERVICE CREDIT 20-11
EFFECTIVE DATE 07-01-15

Yeas: Benson, Cetlinski, Cowan, Higgs, Nickleberry and Sheehan – 6

Nays: None

Re: Option Change

Motion By: Trustee Nickleberry - Supported By: Trustee Cetlinski

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

NAME, TITLE, DEPARTMENT Donna Harris-Morris – Office Support Spec –
Water & Sewerage
SERVICE CREDIT 26-04
EFFECTIVE DATE 01-19-16
FROM: B/Pop-Up
TO: Standard Straight Life

NAME, TITLE, DEPARTMENT Richard L. Muntz – Team Leader – Water &
Sewerage
SERVICE CREDIT 25-0
EFFECTIVE DATE 01-15-16
FROM: Two/Pop-Up
TO: Three/Pop-Up

Re: Option Change – (Con't)

NAME, TITLE, DEPARTMENT David M. Tellewoyan – Procurement Specialist
– Water & Sewerage
SERVICE CREDIT 14-06
EFFECTIVE DATE 02-02-16
FROM: Straight Life – Equate Age 65
TO: Standard Straight Life

NAME, TITLE, DEPARTMENT Rose M. Wizani – Field Services Rep – Water
& Sewerage
SERVICE CREDIT 26-01
EFFECTIVE DATE 01-19-16
FROM: Straight Life – Equate Age 62
TO: B/Pop-Up – Equate Age 62

Yeas: Benson, Cetlinski, Cowan, Higgs, Nickleberry and Sheehan – 6

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			
4/4/16 - 4/15/16			
Meeting No. 4157			
April 20, 2016			
REMITTER NAME	DATE POSTED	DESCRIPTION	AMOUNT
RECEIPTS			
CITY OF DETROIT	04/04/16	Catastrophic Rx Drug Reim to Retirees	221,746.93
POLICE & FIRE RETIREMENT SYSTEM	04/04/16	Reimburse Staff Wages	48,629.06
MUNIMAE HOLDINGS II	04/04/16	Remittance	296,110.00
FORT SHELBY	04/04/16	Remittance	177,659.42
EBIX, INC.	04/05/16	Class Action Proceeds	110.42
HINE'S REIT	04/08/16	Distribution	70,858.19
MHR CAP PART 500 LP	04/08/16	Distribution	4,117,480.00
SECURITIES LENDING	04/14/16	Earnings, March 2016	62,353.12
FIRST INDEPENDENCE BANK	04/14/16	Loan Deductions	47,905.16
FIRST INDEPENDENCE BANK	04/15/16	Loan Cancellation	7,500.00
FIRST INDEPENDENCE BANK	04/15/16	Loan Deductions	56,518.27
CITY OF DETROIT	04/08/16	Weekly Mandatory Pension Contribution	86,011.68
CITY OF DETROIT	04/08/16	Weekly Annuity Contribution	60,922.00
CITY OF DETROIT	04/15/16	Weekly Mandatory Pension Contribution	174,999.20
CITY OF DETROIT	04/15/16	Weekly Annuity Contribution	116,512.63
TOTAL RECEIPTS			\$ 5,545,316.08

Re: Fees and Expenses

Resolution Moved By: Trustee Benson - 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:

<u>PAYEE</u>	<u>DATE</u>	<u>INVOICE NO</u>	<u>DESCRIPTION</u>	<u>AMOUNT</u>
MANAGEMENT FEES:				
AMERICAN REALTY ADVISORS	4/5/2016		Management Fees - 1Q16, Invoice #6707	\$35,000.00
EARNEST PARTNERS, LLC	4/18/2016	1Q16-01	Management Fees - INTRL 1st Qtr '16	\$163,681.48
EARNEST PARTNERS, LLC	4/8/2016	1Q16	Management Fees - 1st Qtr '16	\$44,667.84
HOLLAND CAPITAL MANAGEMENT LLC	4/14/2016	20160110	Management Fee - 1st Qtr '15	\$66,925.39
Subtotal				\$310,274.71
ADMINISTRATIVE EXPENSES:				
500 WEBWARD LLC	3/30/2016	666794	Electrical: 2/26/16-3/30/16, Meter #93052937	\$1,124.70
500 WEBWARD LLC	3/30/2016	666793	Electrical: 2/26/16-3/30/16, Meter #87249577	\$479.19
500 WEBWARD LLC	3/30/2016	666792	Electrical: 2/26/16-3/30/16, Meter #65750763	\$1,010.49
ALLEGRA	4/15/2016	95186	Office Supplies	\$128.18
ALLEGRA	1/20/2016	92104	Office Supplies	\$692.75
BASSETT & BASSETT	3/24/2016	W032416	Media Consultant - Web Development February 2016	\$381.15
BASSETT & BASSETT	3/24/2016	032416	Media Consultant - February 2016	\$6,961.95
CHRYSALIS CONSULTING, LLC	3/31/2016	10974	Consulting Svcs - Data Dictionary	\$9,690.00
CINTAS CORPORATION-300	3/23/2016	300476385	Floor Mats	\$56.97
DOMAIN LISTINGS	3/10/2016	031016	Domain Registration	\$52.50
FEDEX	4/6/2016	5-375-05355	FedEx Mailings	\$67.52
FEDEX	4/13/2016	5-382-66967	FedEx Mailings	\$31.86
GABRIEL, ROEDER, SMITH & CO	4/11/2016	421359	Actuarial Services for: March 2016, ISF, GASB Support, ASF Recoupment	\$31,852.00
GABRIEL, ROEDER, SMITH & CO	12/10/2015	418373	EDRO Calculations - Terry Dudley	\$100.00
GABRIEL, ROEDER, SMITH & CO	12/11/2015	418473	EDRO Calculations - Robert Memweather, Jr.	\$800.00
GABRIEL, ROEDER, SMITH & CO	12/17/2015	418617	EDRO Calculations - Willie Crosby	\$600.00
GABRIEL, ROEDER, SMITH & CO	12/17/2015	418614	EDRO Calculations - Lawrence Franklin, Jr.	\$800.00
GRAPHIC SCIENCES, INC	3/18/2016	0140365-IN	Software Services - Maintenance	\$393.50
HARLAND TECHNOLOGY SERVICE	3/18/2016	320058762	Computer Services	\$2,972.25
HARLAND TECHNOLOGY SERVICE	3/28/2016	13847492	Computer Services	\$1,170.65
IRON MOUNTAIN	3/31/2016	200923280	Storage CDs	\$634.94
IT STAFF WAGES	3/31/2016		IT Staff Wages for March 2016	\$65,733.28

Re: Fees and Expenses – (Con't)

PAYEE	DATE	INVOICE NO	DESCRIPTION	AMOUNT
MELISSA DATA CORP	4/6/2016	2531775	Address Web Service	\$1,442.50
NEOFUNDS BY NEOPOST	4/3/2016	040316	Postage	\$521.83
OFFICE DEPOT	4/9/2016	833157492001	Office Supplies	\$5.99
OFFICE DEPOT	4/7/2016	833157491001	Office Supplies	\$37.44
OFFICE DEPOT	4/7/2016	833157490001	Office Supplies	\$390.94
PCI ONE SOURCE CONTRACTING	3/31/2016	535877	Contractor Svcs	\$2,830.52
PLANTE & MORAN	3/28/2016	1321755	Accounting- Audit Services for year ended 6/30/15	\$25,450.00
QUILL CORPORATION	4/4/2016	4690663	Office Supplies	\$165.93
QUILL CORPORATION	4/4/2016	4793230	Office Supplies	\$29.42
STAFF WAGES	4/10/2016		Staff Wages for 3/28/16 - 4/10/16	\$24,115.67
THE TOWNSEND GROUP	3/31/2016	10372	Professional Services-Real Estate March 2016	\$11,250.00
UHY ADVISORS MI INC	3/31/2016		Prof Accounting Svcs - 3/16/16-3/31/16, Inv # 1164683	\$31,150.00
UNIVERSAL SYSTEM TECHNOLOGIES INC	4/11/2016	2105262	IT Staff Salary for Scott Vrooman	\$1,096.87
UNIVERSAL SYSTEM TECHNOLOGIES INC	3/25/2016	2105261	IT Staff Salary for Scott Vrooman	\$409.50
XEROX	4/1/2016	083966484	Printers	\$17.92
XEROX	3/1/2016	083548549	Printers	\$116.10
Subtotal				\$224,764.51
OTHER EXPENSES:				
THOMAS SHEEHAN	4/19/2016	041916	Retired Trustee Stipend	\$800.00
WENDELL ANTHONY	4/19/2016	041916	Trustee Stipend	\$800.00
Subtotal				\$1,600.00
Total Disbursements for Board Approval				\$536,639.22

Yeas: Benson, Cetlinski, Cowan, Higgs, Nickleberry and Sheehan – 6

Nays: None

Re: Refunds of Accumulated Contributions

Motion By: Trustee Nickleberry - 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. 7253** in the amount of **\$1,012,004.77** and **List No. 7254** in the amount of **\$1,497,127.00** including interest, be **REFUNDED**, pending audit by the Retirement Systems' Accounting Staff.

Yeas: Benson, Cetlinski, Cowan, Higgs, Nickleberry and Sheehan - 6

Nays: None

Re: Employee Loan Program

Motion By: Trustee Nickleberry – 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 **\$81,355.00 – (4/13/16)** and **\$37,810.00 – (4/20/16)**, including interest, be hereby **APPROVED**.

Yeas: Benson, Cetlinski, Cowan, Higgs, Nickleberry and Sheehan - 6

Nays: None

Re: Minutes/Journal No. 4150

Motion By: Trustee Higgs – Supported By: Trustee Nickleberry

RESOLVED, that the Minutes/Journal No. 4150 of the General Retirement System of the City of Detroit, held Wednesday, March 2, 2016, be hereby **APPROVED** as recorded and submitted.

Yeas: Benson, Cetlinski, Cowan, Higgs, Nickleberry and Sheehan - 6

Nays: None

MANAGER'S REPORT

None to report at this week's meeting

EXECUTIVE DIRECTOR'S REPORT

None to report at this week's meeting.

CHIEF INVESTMENT OFFICER'S REPORT

Chief Investment Officer, **Ryan Bigelow**, discussed the following:

Update: Investment Committee meeting held on Monday, April 18, 2016

- Hedge fund allocation/performance & structure
- Investment Policy Statement & Addendum to the MWBE referenced in the IPS

Chief Investment Officer's Report – (Cont)

Re: Investment Policy Statement

Motion By: Trustee Benson – Supported By: Trustee Cetlinski

Motion to adopt the Investment Policy Statement and addendum to the Minority and Women–Owned Inclusion Policy as presented.

Yeas: Benson, Cetlinski, Cowan, Higgs, Nickleberry and Sheehan – 6

Nays: None

~Concludes Chief Investment Officer's Report~

Through the Chair: *Petitions for the Elections will be mailed out on April 21, 2016.*

GENERAL COUNSEL'S REPORT

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

- Deborah Whiting
Request a review of the calculations of her deferred benefits. General Counsel & staff are working on the request.

EDRO(s):

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

Re: Troy D. Sutton v. Tanjerlene Fields-Sutton
Wayne County Circuit Court Case No. 10-108900-DM

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

WHEREAS, the Board of Trustees is in receipt of an Eligible Domestic Relations Order ("EDRO"), dated April 4, 2016, wherein Tanjerlene Fields-Sutton, the Alternate Payee, is awarded certain rights to the retirement allowance of Troy D. Sutton, 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

Re: Troy D. Sutton v. Tanjerlene Fields-Sutton – (Con't)

WHEREAS, pursuant to the EDRO, the Alternate Payee is entitled to a portion of both the Participant's defined benefit plan benefits which accrued from August 8, 2001 to August 8, 2007 from the Retirement System only, and

WHEREAS, pursuant to the EDRO, the Alternate Payee is not entitled to a portion of the Participant's defined contribution plan benefits, 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, 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 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 Troy D. Sutton, the Participant; Tanjerlene Fields-Sutton, the Alternate Payee; and the Board's Actuary.

Yeas: Benson, Cetlinski, Cowan, Higgs, Nickleberry and Sheehan – 6

Nays: None

GENERAL COUNSEL'S REPORT – (Con't)

Re: James T. McCall v. Juanita Estella McCall
Wayne County Circuit Court Case No. 14-110046-DO

Motion By: Trustee Cetlinski – Supported By: Trustee Nickleberry

RESOLVED, to acknowledge receipt of the parties' Judgment of Divorce in the above-referenced matter, dated December 3, 2014, which states in pertinent part that

6. Beneficiary Rights: The rights each party has to the proceeds of policies or contracts of life insurance, endowments, annuities upon the life of the other as a named beneficiary or by assignment during or in anticipation of marriage, are extinguished.

7. Pension Rights: Any rights of either party in any pension, annuity, or retirement plan benefit of the other, whether unvested, accumulated or contingent are extinguished.

and further

RESOLVED, that the Board's General Counsel has reviewed the Judgment of Divorce who has determined that it is consistent with applicable law, and further

RESOLVED, that the Board will pay pension benefits consistent with the provisions of the parties' December 3, 2014 Judgment of Divorce wherein the Participant, James McCall, is awarded all rights and benefits accrued and payable by the Retirement System without any claim by his former spouse, Juanita Estella McCall, and further

RESOLVED, that a copy of this resolution be immediately attached as the top sheet of the pension file and other appropriate records kept for the retirement System relative to this matter, and further

RESOLVED, that a copy of this resolution be sent to James McCall, the Participant; and Juanita Estella McCall (n/k/a Juanita Estella McGee), the Participant's former spouse.

Yeas: Benson, Cetlinski, Cowan, Higgs, Nickleberry and Sheehan – 6

Nays: None

GENERAL COUNSEL'S REPORT – (Con't)

Re: Grand Personalty, Inc.: 2014 State Tax Return

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

WHEREAS, the General Retirement System is the sole shareholder of General Resorts Services, Ins., and

WHEREAS, General Resorts Services, Inc. is the sole shareholder of the corporation, and

WHEREAS, in 2015, the corporation filed all of its required 2014 Federal and State income taxes, and

WHEREAS, the corporation owed the State of Michigan \$24,000 in income taxes for 2014 but did not pay the State of Michigan by the required due date, and

WHEREAS, the corporation is no longer active and was dissolved in 2015, and as part of the dissolution, the State of Michigan, Department of Treasury, conducted a tax audit of the corporation, and

WHEREAS, the corporation paid the State of Michigan the \$24,000 in income taxes for 2014 on December 14, 2015, and

WHEREAS, the State of Michigan Department of Treasury sent a Preliminary Audit Determination letter dated April 19, 2016 to the corporation stating that the corporation had paid the State of Michigan the \$24,000 that the corporation had declared on its 2014 income tax return, but that the corporation still owes interest and penalties in the amount of \$3,023.00; **NOW THEREFORE BE IT**

RESOLVED, that the Board authorizes the payment of \$3,028.00 to the State of Michigan by check as payment of interest and penalties for the late payment of the 2014 income taxes, and be it further

RESOLVED, that upon the issuance of the foregoing check, the Board's staff remit the check, together with a copy of the Department of Treasury's Preliminary Audit Determination letter dated April 19, 2016 to the State of Michigan in payment of the interest and penalties due on the corporation's 2014 Michigan income taxes.

Yeas: Benson, Cetlinski, Cowan, Higgs, Nickleberry and Sheehan – 6

Nays: None

~Concludes Legal Report~

NEW/OLD BUSINESS

Re: Educational Conferences

Motion By: Trustee Benson – Supported By: Trustee Cetlinski

RESOLVED, that the Board APPROVES the attendance of June Nickleberry to attend the Trustee Leadership Forum, held in Cambridge, Massachusetts, June 21-22, 2016, and the NASP conference held in Atlanta, Georgia, June 13-15, 2016, and that the Board approves expenditures to attend said conferences.

Yeas: Benson, Cetlinski, Cowan, Higgs, Nickleberry and Sheehan – 6

Nays: None

Re: Educational Conference

Motion By: Trustee Nickleberry – Supported By: Trustee Higgs

RESOLVED, that the Board APPROVES the attendance of Tasha L. Cowan to attend NCEPRS conference, held on May 15-18, 2016, in San Diego, California, and that the Board approves expenditures to attend said conference.

Yeas: Benson, Cetlinski, Cowan, Higgs, Nickleberry and Sheehan – 6

Nays: None

Re: Job Classification

Motion By: Trustee Nickleberry – Supported By: Trustee Cetlinski

Motion to authorize Executive Director, Cynthia A. Thomas, to meet with Mr. David Whitaker, supervisor of Tasha L. Cowan, to discuss her job duties and performance in order to determine a new title change and rate of pay.

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

Nays: None

Abstain: Cowan - 1

ADJOURNMENT

There being no further business before the Board, **Interim Chair Sheehan** adjourned the meeting at 2:25 p.m. The Board's next meeting is scheduled for **Wednesday, May 4, 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