

MEETING NO. 4156
JOURNAL OF PROCEEDINGS
BOARD OF TRUSTEES OF THE GENERAL RETIREMENT SYSTEM
OF THE CITY OF DETROIT
HELD WEDNESDAY, **MAY 18, 2016**

10:00 A.M.

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

TRUSTEES PRESENT

Lori Cetlinski	Trustee (via/Teleconference)
Tasha L. Cowan	Trustee/Interim Vice-Chair
June Nickleberry	Trustee
Thomas Sheehan	Trustee/Interim Chair
David Szymanski	Ex-Officio Trustee/City Treasurer

TRUSTEES EXCUSED

Wendell Anthony	Trustee
Scott Benson	Ex-Officio Trustee/City Council Member
Eric Higgs	Ex-Officio Trustee/CFO

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 1:20 p.m. and Interim Chair Sheehan called the meeting to order.

Present at Roll Call: Lori Cetlinski (via/Teleconference), Tasha L. Cowan, June Nickleberry, Thomas Sheehan and David Szymanski.

Re: Entering Into Closed Session

Resolution Moved By: Trustee Szymanski – 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 GLC Advisors, Abe Han regarding the investments with Rivers Casino; Lou Vogt, of Banyan Realty Advisors, to discuss the Fort Shelby – Loan maturity; the Book Cadillac, Deborah L. Whiting's retirement, and an update on the Angela Keeler litigation matter provided by Special Legal Counsel, Clark Hill.

A Roll Call Vote was taken as follows:

Yeas: Cetlinski, Cowan, Nickleberry, Sheehan and Szymanski – 5

Nays: None

The Board entered into **Closed Session** at 1:22 p.m.

Re: Open Session

Motion By: Trustee Szymanski – Supported By: Trustee Cowan

RESOLVED, that the Board come out of Closed Session.

The Board returned to **Open Session** at 2:50 p.m.

Re: Rivers Casino

Motion By: Trustee Szymanski – Supported By: Trustee Nickleberry

Motion to approve the recommendation by GLC Advisors, Abe Han, the Rivers Casino matter as discussed in Closed Session.

Yeas: Cetlinski, Cowan, Nickleberry, Sheehan and Szymanski – 5

Nays: None

Re: Fort Shelby – Loan Maturity

Motion By: Trustee Szymanski – Supported By: Trustee Nickleberry

Motion to approve the recommendation of Banyan Realty Advisors, Lou Vogt, requests for a 90-day loan extension regarding Fort Shelby as discussed in Closed Session.

Yeas: Cetlinski, Cowan, Nickleberry, Sheehan and Szymanski – 5

Nays: None

Re: Service Retirement(s)

Motion By: Trustee Szymanski - Supported By: Trustee Nickleberry

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

NAME, TITLE, DEPARTMENT	Alice Mae Denham – Coach Service Attendant - Transportation
SERVICE CREDIT	24-02
EFFECTIVE DATE	04-09-16
NAME, TITLE, DEPARTMENT	Constance Williams-Levy – Manager – Water & Sewerage
SERVICE CREDIT	28-06
EFFECTIVE DATE	04-22-16
NAME, TITLE, DEPARTMENT	Norris B. Louie – Supv of Bldg. Maint – Fire (Civilian)
SERVICE CREDIT	28-06
EFFECTIVE DATE	04-25-16

Re: Service Retirements – (Con't)

NAME, TITLE, DEPARTMENT	Marilynn W. Toaster – Senior Clerk – Police (Civilian)
SERVICE CREDIT	26-06
EFFECTIVE DATE	04-19-16

NAME, TITLE, DEPARTMENT	Deborah A. Wilkerson – Asst. Executive Director-Pension - Finance
SERVICE CREDIT	28-01
EFFECTIVE DATE	05-16-16

Yeas: Cetlinski, Cowan, Nickleberry, Sheehan and Szymanski – 5

Nays: None

Re: Hybrid Retirement(s)

Motion By: Trustee Szymanski – Supported By: Trustee Nickleberry

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

NAME, TITLE, DEPARTMENT	Alexandra R. Montgomery – Int Govtl Analyst – Water & Sewerage
SERVICE CREDIT	00-03
EFFECTIVE DATE	04-01-15

NAME, TITLE, DEPARTMENT	Marilynn W. Toaster – Senior Clerk – Police (Civilian)
SERVICE CREDIT	01-10
EFFECTIVE DATE	04-19-16

Yeas: Cetlinski, Cowan, Nickleberry, Sheehan and Szymanski – 5

Nays: None

Re: Early Retirement(s)

Motion By: Trustee Szymanski - Supported By: Trustee Nickleberry

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

NAME, TITLE, DEPARTMENT	Jerry J. Williams – Maintenance Tech – Water & Sewerage
SERVICE CREDIT	25-07
EFFECTIVE DATE	02-02-16

Yeas: Cetlinski, Cowan, Nickleberry, Sheehan and Szymanski – 5

Nays: None

Re: Vested Retirement(s)

Motion By: Trustee Szymanski - Supported By: Trustee Nickleberry

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

NAME, TITLE, DEPARTMENT	Frank Gochett – Building Mechanic - Zoo
SERVICE CREDIT	20-01
EFFECTIVE DATE	05-01-16

NAME, TITLE, DEPARTMENT	Robert J. McGee, Jr. – Emergency Medical Tech – Fire (Civilian)
SERVICE CREDIT	16-04
EFFECTIVE DATE	04-01-15

NAME, TITLE, DEPARTMENT	Zsolt A. Vecsernyes – Wastewater Proc Cntr – Water & Sewerage
SERVICE CREDIT	14-07
EFFECTIVE DATE	01-02-16

Yeas: Cetlinski, Cowan, Nickleberry, Sheehan and Szymanski – 5

Nays: None

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

Motion By: Trustee Szymanski – Supported By: Trustee Nickleberry

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

NAME, TITLE, DEPARTMENT
SERVICE CREDIT
EFFECTIVE DATE

Darin P. Battle – RCPO - DPW
28-08
11-01-15

NAME, TITLE, DEPARTMENT
SERVICE CREDIT
EFFECTIVE DATE

Byron Collins – Sr. Assoc Architect – Planning
& Development
27-06
02-25-16

NAME, TITLE, DEPARTMENT
SERVICE CREDIT
EFFECTIVE DATE

T. L. Hibbler, Jr. - Vehicle Operator I -
Recreation
22-04
12-19-15

NAME, TITLE, DEPARTMENT
SERVICE CREDIT
EFFECTIVE DATE

Alexandra R. Montgomery – Int Govtl Analyst –
Water & Sewerage
20-06
04-01-15

NAME, TITLE, DEPARTMENT
SERVICE CREDIT
EFFECTIVE DATE

Donald L. Moore – TEO – Transportation
13-05
07-06-10

NAME, TITLE, DEPARTMENT
SERVICE CREDIT
EFFECTIVE DATE

Brenda J. Perry – Office Assistant III - Finance
18-0
06-26-15

NAME, TITLE, DEPARTMENT
SERVICE CREDIT
EFFECTIVE DATE

Pamela D. Reaves – Telecom Operator –
Police (Civilian)
13-04
11-07-15

NAME, TITLE, DEPARTMENT
SERVICE CREDIT
EFFECTIVE DATE

Carl H. Stahl, Jr. – Sr. Water Sys Mechanic –
Water & Sewerage
29-0
07-01-15

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

– (Con't)

Yeas: Cetlinski, Cowan, Nickleberry, Sheehan and Szymanski – 5

Nays: None

Re: Option Change

Motion By: Trustee Szymanski - Supported By: Trustee Nickleberry

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

NAME, TITLE, DEPARTMENT	Muhammad A. Ussabur – Special Proj Tech – Water & Sewerage
SERVICE CREDIT	17-06
EFFECTIVE DATE	01-11-16
FROM:	B/Pop-Up
TO:	Straight Life

Yeas: Cetlinski, Cowan, Nickleberry, Sheehan and Szymanski – 5

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			
5/2/16 - 5/13/16			
May 18, 2016			
REMITTER NAME	DATE POSTED	DESCRIPTION	AMOUNT
RECEIPTS			
POLICE & FIRE RETIREMENT SYSTEM	05/02/16	Reimburse Staff Wages	24,115.67
GATEWAY PARK OUTLET	05/02/16	Remittance	42,099.29
FORT SHELBY	05/02/16	Remittance	177,659.42
FIRST INDEPENDENCE BANK	05/02/16	Loan Deductions	51,779.51
WIND POINT PARTNERS III LP	05/03/16	Distribution	44,582.00
ST JUDE MEDICAL INC	05/04/16	Class Action Proceeds	3,162.24
DIEBOLD INC	05/05/16	Class Action Proceeds	44.07
POLICE & FIRE RETIREMENT SYSTEM	05/06/16	Reimburse Staff Wages	15,818.89
FIRST INDEPENDENCE BANK	05/06/16	Loan Deductions	42,239.76
COUNTRYWIDE FINANCIAL CORP	05/10/16	Class Action Proceeds	2,392.22
NOB HILL	05/11/16	Proceeds from shares sold	465,625.00
SECURITIES LENDING	05/13/16	Earnings, April 2016	62,573.75
CAPRI CAPITAL PARTNERS LLC	05/13/16	Distribution	136,639.73
LANDMARK EQUITY PARTNERS XV LP	05/13/16	Distribution	153,169.00
BANK OF AMERICA CORP	05/13/16	Class Action Proceeds	70,570.15
FIRST INDEPENDENCE BANK	05/13/16	Loan Cancellation - P. Stanger (Mtg # 4152)	10,000.00
CITY OF DETROIT	05/02/16	Weekly Mandatory Pension Contribution	177,054.48
CITY OF DETROIT	05/02/16	Weekly Annuity Contribution	118,358.81
CITY OF DETROIT	05/06/16	Weekly Mandatory Pension Contribution	87,808.64
CITY OF DETROIT	05/06/16	Weekly Annuity Contribution	61,254.38
CITY OF DETROIT	05/13/16	Weekly Mandatory Pension Contribution	180,186.76
CITY OF DETROIT	05/13/16	Weekly Annuity Contribution	119,877.22
TOTAL RECEIPTS			\$ 2,047,010.99

Re: Fees and Expenses

Resolution Moved By: Trustee Nickleberry - Supported By: Trustee Szymanski

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:

Re: Fees and Expenses – (Con't)

<u>PAYEE</u>	<u>DATE</u>	<u>INVOICE NO</u>	<u>DESCRIPTION</u>	<u>AMOUNT</u>
MANAGEMENT FEES:				
ARONSON & JOHNSON & ORTIZ	5/2/2016	1Q16	Management Fees - 1st Qtr '16	\$4,039.00
BRANDYWINE GLOBAL INVESTMENT MANAGE	5/10/2016	20160218-228-333-A	Management Fees - 1/1/16-2/18/16	\$10,330.10
Subtotal				\$14,369.10
ADMINISTRATIVE EXPENSES:				
BASSETT & BASSETT	4/29/2016	042916	Media Consultant: March 2016	\$3,845.25
BASSETT & BASSETT	4/29/2016	W042916	Web Development - March 2016	\$995.45
COMCAST	4/14/2016	041416	High-Speed Internet	\$132.17
FEDEX	5/4/2016	5-405-32051	FedEx Mailings	\$69.47
FEDEX	5/11/2016	5-412-75192	FedEx Mailings	\$20.27
GABRIEL, ROEDER, SMITH & CO	5/4/2016	421464	EDRO Calculations for J. Boyd Jr.	\$800.00
GABRIEL, ROEDER, SMITH & CO	5/12/2016	421771	Actuarial Services for April 2016, ASF Recoupment Calculations	\$24,559.00
IRON MOUNTAIN	4/30/2016	200961749	Storage CDs	\$607.21
IRON MOUNTAIN RECORDS MANAGEMENT	4/30/2016	MNT4212	Records Storage	\$1,396.43
MONEY-MEDIA, INC.	5/10/2016	FF-206094	FUNDFire Subscription: 6/15/16-6/15/17	\$580.00
NEOFUNDS BY NEOPOST	5/3/2016	050316	Postage	\$497.26
NEPC, LLC	4/28/2016	3M16391	Expenses - 1st Qtr '16	\$625.14
OFFICE EXPENSE FUND	5/16/2016		Replenishment	\$2,044.88
RUSSELL INVESTMENTS	3/31/2016	59428	Russell Index Subscriptions	\$125.00
STAFF WAGES	5/8/2016		Staff Wages for 4/25/16 - 5/8/16	\$17,420.24
UHY ADVISORS MI INC	4/30/2016		Prof Accounting Svcs - 4/16/16-4/30/16, Inv # 1174558	\$25,768.75
VERIZON WIRELESS	4/25/2016	9764444686	Wireless Service 3/26/16-4/25/16	\$352.96
Subtotal				\$79,839.48
OTHER EXPENSES:				
C. Ziinski	5/9/2016		Re-Exam Travel Expenses Reimbursement (3/3/16-3/7/16)	\$372.88
TASHA L COWAN	5/17/2016	051716	Trustee Parking	\$7.00
THOMAS SHEEHAN	5/17/2016	051716	Retired Trustee Stipend	\$800.00
WENDELL ANTHONY	5/17/2016	051716	Trustee Stipend	\$800.00
PAYEE	DATE	INVOICE NO	DESCRIPTION	AMOUNT
Subtotal				\$1,979.88
Total Disbursements for Board Approval				\$96,188.46

Yeas: Cetlinski, Cowan, Nickleberry, Sheehan and Szymanski – 5

Nays: None

Re: Refunds of Accumulated Contributions

Motion By: Trustee Szymanski - Supported By: Trustee Cowan

RESOLVED, that the contributions to the Annuity Savings Fund by members of the General Retirement System, as set forth on **List No. 7257** in the amount of **\$653,187.62** and **List No. 7258** in the amount of **\$159,148.71** including interest, be **REFUNDED**, pending audit by the Retirement Systems' Accounting Staff.

Yeas: Cetlinski, Cowan, Nickleberry, Sheehan and Szymanski - 5

Nays: None

Re: Employee Loan Program

Motion By: Trustee Nickleberry – Supported By: Trustee Szymanski

RESOLVED, that the disbursements for the Employee Loan Program by members of the General Retirement System, as set forth in the amount of **\$23,318.00 – (5/11/16)** and **\$32,833.00 – (5/18/16)**, including interest, be hereby **APPROVED**.

Yeas: Cetlinski, Cowan, Nickleberry, Sheehan and Szymanski - 5

Nays: None

Re: Minutes/Journal No. 4143 – (01/13/16)
Minutes/Journal No. 4145 – (01/27/16) – (Amended)

Motion By: Trustee Nickleberry – Supported By: Trustee Cowan

RESOLVED, that the Minutes/Journal of Proceedings of the General Retirement System of the City of Detroit, as listed above, be hereby **APPROVED** as recorded and submitted.

Yeas: Cetlinski, Cowan, Nickleberry, Sheehan and Szymanski - 5

Nays: None

MANAGER'S REPORT

The following issues were addressed by LaMonica Arrington-Cabean, Retirement Systems' Manager:

Re: Office Expense Fund Replenishment

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

WHEREAS, the present balance of the Retirement System of the City of Detroit Office Expense Fund account is \$3,285.57, 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: \$3,049.66

Police and Fire Retirement System: \$1,164.77

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: Cetlinski, Cowan, Nickleberry, Sheehan and Szymanski – 5

Nays: None

- Update on Response to Hybrid Election letter

~Concludes Manager's Report~

EXECUTIVE DIRECTOR'S REPORT

There were no reports for this week's meeting.

I.T. – (Informational)

On May 6, 2016, three (3) I.T. personnel contracts were not renewed. Mike Powning has been assigned as Acting Chief Informational Officer.

~Concludes Executive Director's Report~

CHIEF INVESTMENT OFFICER'S REPORT

There were no reports or actionable items for this week's meeting.

GENERAL COUNSEL'S REPORT

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

Re: Deborah L. Whiting

Motion By: Trustee Szymanski – Supported By: Trustee Cowan

Motion to acknowledge receipt of the legal opinion from the Board's General Counsel, dated May 17, 2016 regarding Deborah L. Whiting's retirement and indicate that the Board waives the attorney/client privilege, solely for purposes of providing Ms. Whiting a copy of the Opinion, the opinion continues to be confidential because it contains personal information that is not subject to disclosure.

Yeas: Cetlinski, Cowan, Nickleberry, Sheehan and Szymanski – 5

Nays: None

EDRO(s):

Discussion was held regarding the following Eligible Domestic Relations Order (EDROs)/Domestic Relations Orders (DROs):

Re: Dana Samuel v. Isador L. Samuel
Wayne County Circuit Court Case No. 09-107839-DM

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

WHEREAS, the Board of Trustees is in receipt of an Eligible Domestic Relations Order ("EDRO"), dated April 21, 2016, wherein Isador Samuel, the Alternate Payee, is awarded certain rights to the retirement allowance of Dana Samuel, 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 March 21, 2003 to February 9, 2010 from the Retirement System only, and

WHEREAS, pursuant to the EDRO, the Alternate Payee is also entitled to a portion of the Participant's defined contribution plan benefits which accrued from March 21, 2003 to February 9, 2010, and

Re: Dana Samuel v. Isador Samuel – (Con't)

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, but 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 Participant shall be entirely responsible for the additional actuarial costs, 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, and 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 Dana Samuel, the Participant; Marjory B. Cohen, Esq., attorney for the Participant; Isador Samuel, the Alternate Payee; and the Board's Actuary.

Yeas: Cetlinski, Cowan, Nickleberry, Sheehan and Szymanski – 5

Nays: None

GENERAL COUNSEL'S REPORT – (Con't)

Re: Faye Elizabeth Taylor v. Washington Taylor
Wayne County Circuit Court Case No. 13-101912-DO

(Informational Only) – Court entered into a Receivership Order, a portion of benefits.
No action at this time.

~Concludes Legal Report~

OLD/NEW BUSINESS

Re: UHY Contract

Motion By: Trustee Szymanski – Supported By: Trustee Cetlinski

Motion to authorize the General Retirement System to share the costs of UHY Software Selection Services on a pro rata 60/40 on asset sides.

Yeas: Cetlinski, Nickleberry, Sheehan and Szymanski – 4

Nays: Cowan - 1

ADJOURNMENT

There being no further business before the Board, **Interim Chair Sheehan** adjourned the meeting at 3:05 p.m. The Board's next meeting is scheduled for **Wednesday, June 1, 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