

MEETING NO. 4172
JOURNAL OF PROCEEDINGS
BOARD OF TRUSTEES OF THE GENERAL RETIREMENT SYSTEM
OF THE CITY OF DETROIT
HELD WEDNESDAY, **DECEMBER 21, 2016**

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
Tasha L. Cowan	Trustee/Vice-Chair
Olga Johnson	Trustee
John Naglick	Ex-Officio Trustee/Finance Director
June Nickleberry	Trustee
Gail Oxendine	Trustee
Thomas Sheehan	Trustee/Chair
David Szymanski	Ex-Officio Trustee/City Treasurer

TRUSTEES EXCUSED

Lori Cetlinski	Trustee
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TRUSTEES ABSENT

None

ALSO PRESENT

Cynthia A. Thomas	Executive Director
Ryan Bigelow	Chief Investment Officer
Michael VanOverbeke	General Counsel
LaMonica Arrington-Cabeau	Manager II
Rita Coats	Administrative Assistant II

CHAIRMAN

THOMAS SHEEHAN

The Board's Recording Secretary took a verbal Roll Call at 10:20 a.m. and Chairman Sheehan called the meeting to order.

Present at Roll Call: Scott Benson, Tasha L. Cowan, Olga Johnson, John Naglick, June Nickleberry and Thomas Sheehan.

Visitor Present: Alicia Burnham, Great Lakes Water Authority, Financial Department.

Re: Service Retirement(s)

Motion By: Trustee Cowan - Supported By: Trustee Nickleberry

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

NAME, TITLE, DEPARTMENT	Minnie P. Calvin – Library Clerk - Library
SERVICE CREDIT	13-06
EFFECTIVE DATE	12-23-16

NAME, TITLE, DEPARTMENT	Peggy A. Hart – Librarian II – Library
SERVICE CREDIT	27-08
EFFECTIVE DATE	12-23-16

NAME, TITLE, DEPARTMENT	Devlan Jones – Field Svc Techn – Water & Sewerage
SERVICE CREDIT	28-01
EFFECTIVE DATE	11-23-16

NAME, TITLE, DEPARTMENT	Darryl A. Latimer – Chf Cust Svc Officer – Water & Sewerage
SERVICE CREDIT	28-01
EFFECTIVE DATE	12-09-16

NAME, TITLE, DEPARTMENT	Debra Martin – Field Svcs Techn – Water & Sewerage
SERVICE CREDIT	29-00
EFFECTIVE DATE	11-22-16

NAME, TITLE, DEPARTMENT	Odell McGlothian, Jr. – TEO – Transportation
SERVICE CREDIT	08-03
EFFECTIVE DATE	11-20-16

Re: Service Retirement(s) – (Con't)

NAME, TITLE, DEPARTMENT	Lamar Odoms – TEO - Transportation
SERVICE CREDIT	28-03
EFFECTIVE DATE	10-04-16

NAME, TITLE, DEPARTMENT	Vance Russell – Principal Accountant - Finance
SERVICE CREDIT	29-07
EFFECTIVE DATE	09-22-16

Yeas: Benson, Cowan, Johnson, Naglick, Nickleberry, Sheehan – 6

Nays: None

Re: Vested Retirement(s)

Motion By: Trustee Cowan - Supported By: Trustee Nickleberry

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

NAME, TITLE, DEPARTMENT	Brice Kaby-Cavally – Senior Accountant - Finance
SERVICE CREDIT	19-04
EFFECTIVE DATE	12-01-16

NAME, TITLE, DEPARTMENT	Gary Morrison – Emer Medical Tech SP – Fire (Civilian)
SERVICE CREDIT	00-06
EFFECTIVE DATE	12-01-16

NAME, TITLE, DEPARTMENT	Adisa J. Nyatui – Sewage Plant Attendant – Water & Sewage
SERVICE CREDIT	11-08
EFFECTIVE DATE	03-01-16

Yeas: Benson, Cowan, Johnson, Naglick, Nickleberry, Sheehan – 6

Nays: None

Re: Hybrid Retirement(s)

Motion By: Trustee Cowan - Supported By: Trustee Nickleberry

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

NAME, TITLE, DEPARTMENT	Minnie P. Calvin – Library Clerk - Library
SERVICE CREDIT	02-06
EFFECTIVE DATE	12-23-16

NAME, TITLE, DEPARTMENT	Peggy A. Hart – Librarian II - Library
SERVICE CREDIT	02-06
EFFECTIVE DATE	12-23-16

NAME, TITLE, DEPARTMENT	Viola M. Moses – TEO - Transportation
SERVICE CREDIT	00-06
EFFECTIVE DATE	02-01-16

NAME, TITLE, DEPARTMENT	Vance Russell – Principal Accountant - Finance
SERVICE CREDIT	02-03
EFFECTIVE DATE	09-22-16

NAME, TITLE, DEPARTMENT	James Weir, Jr. – Water Systems Rep Wkr – Water & Sewerage
SERVICE CREDIT	02-04
EFFECTIVE DATE	03-01-17

Yeas: Benson, Cowan, Johnson, Naglick, Nickleberry, Sheehan – 6

Nays: None

Re: Change of Computation from Duty Disability to Service Retirement(s)

Motion By: Trustee Cowan – Supported By: Trustee Nickleberry

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

NAME, TITLE, DEPARTMENT	Tonee Renee Fleming – Sewage Plant Operator – Water & Sewerage
SERVICE CREDIT	27-08
EFFECTIVE DATE	11-01-16

Re: Change of Computation from Duty Disability to Service Retirement(s) – (Con't)

Yeas: Benson, Cowan, Johnson, Naglick, Nickleberry, Sheehan – 6

Nays: None

Re: Change of Effective Date(s)

Motion By: Trustee Cowan – Supported By: Trustee Nickleberry

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

NAME, TITLE, DEPARTMENT	George Hatchett – Senior Accountant – Planning & Development
SERVICE CREDIT	29-09
FROM:	11-02-16
TO:	11-18-16

NAME, TITLE, DEPARTMENT	Deborah L. Whiting – Dep Public Health Dir - Health
SERVICE CREDIT	01-05
FROM:	10-08-15
TO:	11-18-15 (hybrid)

Yeas: Benson, Cowan, Johnson, Naglick, Nickleberry, 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			
12/5/16 - 12/16/16			
December 21, 2016			
REMITTER NAME	DATE POSTED	DESCRIPTION	AMOUNT
RECEIPTS			
RURALMETRO CORPORATION	12/07/16	Class Action Proceeds	770.09
COUNTRYWIDE FINANCIAL CORP	12/09/16	Class Action Proceeds	149.53
LEHMAN BROTHERS HOLDINGS INC	12/14/16	Class Action Proceeds	265.50
FEDERAL NATIONAL MORTGAGE ASSO	12/15/16	Class Action Proceeds	1,366.20
VALSTONE OPPORTUNITY FUND II	12/08/16	Distribution	212,199.51
VALSTONE OPPORTUNITY FUND III	12/08/16	Distribution	762,643.78
FIRST INDEPENDENCE BANK	12/08/16	Loan Deductions	51,613.45
USPF III LEVERAGED FEEDER LP	12/09/16	Distribution	666,666.65
SECURITIES LENDING	12/14/16	Earnings, November 2016	45,657.73
FORT SHELBY	12/14/16	Remittances (from 10/4, 11/2 and 12/2)	533,258.37
FIRST INDEPENDENCE BANK	12/15/16	Loan Deductions	45,210.05
CAPRI CAPITAL PARTNERS, LLC	12/15/16	Distribution	66,800.77
POLICE & FIRE RETIREMENT SYSTEM	12/16/16	Reimburse Staff Wages	19,126.90
WALTON STREET REAL ESTATE FUND II	12/16/16	Distribution	301,430.09
CITY OF DETROIT	12/03/16	Weekly Mandatory Pension Contribution	201,415.28
CITY OF DETROIT	12/03/16	Weekly Annuity Contribution	126,806.38
CITY OF DETROIT	12/16/16	Weekly Mandatory Pension Contribution	88,652.72
CITY OF DETROIT	12/16/16	Weekly Annuity Contribution	61,733.26
TOTAL RECEIPTS			\$ 3,185,766.26

Re: Fees and Expenses

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

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. 4172
DECEMBER 21, 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:				
LANDMARK EQUITY PARTNERS XV, LP	12/7/2016		Due 12/21/16	\$183,347.00
Subtotal				\$183,347.00
MANAGEMENT FEES:				
BlackRock Financial Management, Inc	12/9/2016	20160930-511-A	Management Fees - 3Q16	\$50,452.18
CAPRI CAPITAL PARTNERS, LLC	11/11/2016	111116	Management Fees - 3Q16	\$26.20
JP MORGAN INVESTMENT MANAGEMENT INC	10/25/2016	20160930-1226-A	Management Fees - 3Q16	\$83,744.88
MACKAY SHIELDS LLC	12/1/2016	20143	Management Fees - 3Q16	\$48,342.64
MONDRIAN INVESTMENT PARTNERS	11/18/2016	223968	Management Fees - 3Q16	\$103,553.31
Subtotal				\$286,119.21
LEGAL FEES:				
CLARK HILL, P.L.C.	2/23/2016	639820	ICG Litigation thru 12/31/15	\$14,573.04
CLARK HILL, P.L.C.	8/23/2016	668270	GM Leaseback, IL thru 7/31/16	\$6,558.17
CLARK HILL, P.L.C.	7/25/2016	663452	ICG GM Leaseback Litigation thru 6/30/16	\$1,894.14
CLARK HILL, P.L.C.	6/27/2016	659324	ICG GM Leaseback Litigation thru 5/31/16	\$1,583.08
CLARK HILL, P.L.C.	6/27/2016	659323	ICG Litigation thru 5/31/16	\$10,396.47
CLARK HILL, P.L.C.	5/23/2016	653787	ICG GM Leaseback Litigation thru 4/30/16	\$121.12
CLARK HILL, P.L.C.	5/23/2016	653785	ICG Litigation thru 4/30/16	\$4,298.79
CLARK HILL, P.L.C.	11/17/2016	683579	ICG Litigation thru 10/31/16	\$57.38
CLARK HILL, P.L.C.	3/28/2016	644943	ICG GM Leaseback Litigation thru 2/29/16	\$1,128.35
CLARK HILL, P.L.C.	8/23/2016	668246	ICG Litigation thru 7/31/16	\$2,771.53
CLARK HILL, P.L.C.	12/15/2015	630116	ICG Litigation thru 11/30/15	\$10,506.80
CLARK HILL, P.L.C.	3/28/2016	644948	ICG Litigation thru 2/29/16	\$4,944.08
CLARK HILL, P.L.C.	7/25/2016	663442	GM Leaseback, IL thru 6/30/16	\$1,198.50
COUZENS, LANSKY, FEALK, ELLIS P.C.	7/11/2016		Book Cadillac thru 7/8/16, Inv #99870	\$2,694.34
COUZENS, LANSKY, FEALK, ELLIS P.C.	7/27/2016		Book Cadillac thru 7/22/16, Inv #100216	\$1,422.00
COUZENS, LANSKY, FEALK, ELLIS P.C.	10/7/2016		Book Cadillac thru 9/30/16, Inv #101785	\$1,679.36
COUZENS, LANSKY, FEALK, ELLIS P.C.	12/1/2016		Book Cadillac thru 11/30/16, Inv #103116	\$2,923.83
PAYEE				
DATE	INVOICE NO	DESCRIPTION	AMOUNT	
VANOVERBEKE MICHAUD & TIMMONY, P.C.	12/14/2016	121416	General Counsel Matters for October 2016	\$22,600.00
VANOVERBEKE MICHAUD & TIMMONY, P.C.	12/14/2016	8856	General Counsel Matters for November 2014	\$29,164.00
VANOVERBEKE MICHAUD & TIMMONY, P.C.	12/14/2016	121416e	General Counsel Matters for November 2016	\$22,520.00
VANOVERBEKE MICHAUD & TIMMONY, P.C.	12/14/2016	121416d	General Counsel Matters for September 2016	\$22,580.00
VANOVERBEKE MICHAUD & TIMMONY, P.C.	12/14/2016	121416c	General Counsel Matters for August 2016	\$22,600.00
VANOVERBEKE MICHAUD & TIMMONY, P.C.	12/14/2016	121416b	General Counsel Matters for July 2016	\$22,540.00
VANOVERBEKE MICHAUD & TIMMONY, P.C.	12/14/2016	121416a	General Counsel Matters for June 2016	\$22,540.00
VANOVERBEKE MICHAUD & TIMMONY, P.C.	12/14/2016	8857	Bankruptcy Litigation for November 2014	\$16,516.50
Subtotal				\$249,811.48
ADMINISTRATIVE EXPENSES:				
500 WEBWARD LLC	11/29/2016	728739	Electrical Reading: 10/28/16-11/29/16, Meter # 16055044	\$876.08
500 WEBWARD LLC	11/29/2016	728740	Electrical Reading: 10/28/16-11/29/16, Meter # 16055070	\$982.43
CINTAS CORPORATION-300	11/30/2016	300637932	Floor Mats	\$67.91
CINTAS CORPORATION-300	9/7/2016	300584201	Floor Mats	\$67.91
CINTAS CORPORATION-300	10/5/2016	300602137	Floor Mats	\$67.91
CINTAS CORPORATION-300	11/2/2016	300619804	Floor Mats	\$67.91
CREATIVE BREAKTHROUGHS INC	11/30/2016	1196323	IT Security Svcs	\$11,350.00
EMC CORPORATION	11/24/2016	5200913328	Computer Supplies	\$3,442.33
EMC CORPORATION	11/24/2016	5200913327	Computer Supplies	\$2,663.10
FEDEX	12/1/2016	6-681-96019	FedEx Mailings	\$43.80
FEDEX	10/13/2016	6-665-06184	FedEx Mailings	\$28.91
GABRIEL, ROEDER, SMITH & CO	12/13/2016	426395	EDRO Calculations - P. Kendrick	\$800.00
PENSION BENEFIT INFORMATION	2/10/2016	68031	Death Audit Services	\$850.00
PLANTE & MORAN	11/29/2016	1382831	Audit Services for YE 6/30/2016 - 11/29/2016	\$25,625.00
THE TOWNSEND GROUP	11/30/2016	10804	Professional Services - November 2016	\$11,250.00
WELLS FARGO VENDOR FINANCIAL SVCS, LLC	11/5/2016	97801923	RICOH color copier lease	\$136.85
Subtotal				\$58,320.14

Re: Fees and Expenses – (Con't)

<u>PAYEE</u>	<u>DATE</u>	<u>INVOICE NO</u>	<u>DESCRIPTION</u>	<u>AMOUNT</u>
OTHER EXPENSES:				
GAIL OXENDINE	12/8/2016	120816	GRS Trustee Parking	\$20.00
OLGA JOHNSON	12/14/2016	121416	GRS Trustee Parking	\$20.00
REPUBLIC UNDERWRITERS, INC	12/5/2016		Insurance Renewal - 12/21/16 thru 12/21/17, Inv # 79444	\$645,827.00
Ryan, LLC	12/6/2016		2011 Property Tax Svcs - Heritage Park III	\$8,925.53
Ryan, LLC	12/6/2016		2011 Property Tax Svcs - Heritage Park I	\$6,515.15
STOUT RISIUS ROSS, INC	11/14/2016	102998	GRS Pension Assets 2016	\$150.00
STOUT RISIUS ROSS, INC	12/9/2016	103633	GRS Pension Assets 2016	\$1,822.11
THOMAS SHEEHAN	12/12/2016	121216	Retired Trustee Stipend	\$800.00
WENDELL ANTHONY	12/12/2016	121216	Trustee Stipend	\$800.00
Subtotal				\$664,879.79
Total Disbursements for Board Approval				\$1,442,477.62

Yeas: Benson, Cowan, Johnson, Naglick, Nickleberry, Sheehan – 6

Nays: None

- **Trustee David Szymanski** joined the Board Meeting at 10:25 a.m.

Re: Refunds of Accumulated Contributions

Motion By: Trustee Naglick - Supported By: Trustee Szymanski

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

List No. 7288 - \$2,239,311.40

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

Yeas: Benson, Cowan, Johnson, Naglick, Nickleberry, Sheehan, Szymanski – 7

Nays: None

Re: Employee Loan Program

Motion By: Trustee Cowan – 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:

12/14/2016 - \$31,396.00

including interest, be hereby **APPROVED**.

Yeas: Benson, Cowan, Johnson, Naglick, Nickleberry, Sheehan, Szymanski – 7

Nays: None

MANAGER'S REPORT

The Retirement System's Manager, LaMonica Arrington-Cabean, addressed the following:

Re: 2017 - GRS Board Meeting Schedule

Motion By: Trustee Cowan – Supported By: Trustee Nickleberry

Motion to approve the 2017 General Retirement System's Board Meeting Schedule.

Yeas: Benson, Cowan, Johnson, Naglick, Nickleberry, Sheehan, Szymanski – 7

Nays: None

2017 – GRS BOARD MEETING SCHEDULE

**JANUARY 4, 2017
JANUARY 18, 2017**

**FEBRUARY 1, 2017
FEBRUARY 15, 2017**

**MARCH 1, 2017
MARCH 15, 2017
MARCH 29, 2017**

**APRIL 5, 2017
APRIL 19, 2017**

2017 – GRS BOARD MEETING SCHEDULE

MAY 3, 2017

MAY 17, 2017

MAY 31, 2017

JUNE 7, 2017

JUNE 21, 2017

JULY 5, 2017

JULY 19, 2017

AUGUST 2, 2017

AUGUST 16, 2017

AUGUST 30, 2017

SEPTEMBER 6, 2017

SEPTEMBER 20, 2017

OCTOBER 4, 2017

OCTOBER 18, 2017

NOVEMBER 1, 2017

NOVEMBER 15, 2017

NOVEMBER 29, 2017

DECEMBER 6, 2017

DECEMBER 20, 2017

***Any cancellations or reschedules will be posted accordingly.**

- ***Trustee Wendell Anthony*** joined the Board Meeting at 10:30 a.m.
- ***Trustee Gail Oxendine*** joined the Board Meeting at 10:31 a.m.

MANAGER'S REPORT – (Con't)

Re: Office Expense Fund Replenishment

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

WHEREAS, the present balance of the Retirement System of the City of Detroit Office Expense Fund account is \$2,358.43, 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 \$7,500.02; **THEREFORE BE IT**

RESOLVED, that the Retirement System of the City of Detroit Office Expense Fund account be replenished to the maximum amount of \$7,500.02 and be it further

RESOLVED, that the appropriate amount required to replenish said account to \$7,500.02 be allocated as follows:

General Retirement System: \$2,562.07

Police and Fire Retirement System: \$2,579.52

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, Cowan, Johnson, Naglick, Nickleberry, Oxendine, Sheehan, Szymanski – 9

Nays: None

~Concludes Manager's Report~

EXECUTIVE DIRECTOR'S REPORT

The Executive Director, Cynthia Thomas, gave an update on the following:

- GASB 68 Report (Component II Plan) – Pension Reporting
- UHY re: IT Internal Costs

~Concludes Executive Director's Report~

PRESENTATION:

Trustee Olga Johnson – Pension Education

Trustee Johnson gave an oral report, PowerPoint presentation, regarding her educational training at Wayne State University.

~Concludes Presentation~

- ***Trustee Benson*** stepped away from the board meeting at 10:45 a.m.

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 April 25, 2012 relative thereto; **THEREFORE BE IT**

RESOLVED, that the Board enters into Closed Session for the purpose of discussing pending litigation; i.e. the case of Book Cadillac, RSCD Opportunity Fund I and Onyx Capital with Special Legal Counsel Ronald King, of Clark Hill.

A Roll Call vote was taken as follows:

Yeas: Anthony, Cowan, Johnson, Nickleberry, Oxendine, Sheehan, Szymanski, - 7

Nays: None

The Board entered into **Closed Session** at 10:55 a.m.

- ***Trustee Naglick*** rejoined the meeting at 10:56 a.m.

Re: Open Session

Motion By: Trustee Szymanski – Supported By: Trustee Anthony

RESOLVED, that the Board come out of Closed Session.

The Board returned to **Open Session** at 11:53 a.m.

PRESENTATION: via/Teleconference w/NEPC

NEPC

Kristen Finney-Cooke, representative of NEPC, held discussion, via/teleconference, regarding General's portfolio performance; hedge fund, large cap growth, and third quarter performance.

- ***Trustee Benson*** rejoined the board meeting at 12:10 p.m.

~Concludes Presentation~

CHIEF INVESTMENT OFFICER'S REPORT

The Chief Investment Officer, Ryan Bigelow, presented to the Board actionable items for discussion and approval:

Re: Hedge Fund Selection

Motion By: Trustee Naglick – Supported By: Trustee Nickleberry

Motion to approve AQR and Corbin as managers in the hedge fund portion of the portfolio.

Yeas: Anthony, Benson, Cowan, Johnson, Naglick, Nickleberry, Oxendine, Szymanski – 8

Nays: Sheehan - 1

Re: Large Cap Growth

Motion By: Trustee Szymanski – Supported By: Trustee Naglick

Motion to hire Edgewood Management in the large cap growth portion of the portfolio subject to appearing before this board for a presentation on January 18, 2017.

Yeas: Anthony, Benson, Cowan, Johnson, Naglick, Nickleberry, Oxendine, Sheehan, Szymanski - 9

Nays: None

- ***Trustee Nickleberry*** left the board meeting for the day at 12:35 p.m.

Chief Investment Officer's Report – (Con't)

Re: Large Cap Value

Motion By: Trustee Naglick – Supported By: Trustee Oxendine

Motion to approve hiring NorthPointe Capital and Barrow, Hanley and to terminate Aronson Johnson (“AJO”).

Yeas: Anthony, Benson, Cowan, Oxendine, Naglick, Szymanski – 6

Nays: Sheehan – 1

Abstain: Johnson – 1

Re: GMO Global Asset Allocation

Motion By: Trustee Szymanski – Supported By: Trustee Naglick

Motion to approve the termination of GMO predominantly for issues related to underperformance and organizational changes.

Yeas: Anthony, Benson, Cowan, Oxendine, Naglick, Szymanski – 6

Nays: Johnson, Sheehan – 2

- ❖ The Board **RECESSED** for **LUNCH** at 1:10 p.m.
- ❖ The Board **RECONVENED** at 1:35 p.m.
- **Trustee Szymanski** left the Board Meeting for the day during recess.
- **Trustee Benson** rejoined the Board Meeting at 1:44 p.m.

Re: American Realty Advisors (“ARA”)

Motion By: Trustee Naglick – Supported By: Trustee Oxendine

Motion to approve American Realty's request to amendments to the GRS separate account and the MGRA Genesis Value Fund; a waiver of audit requirement; extension of the partnership to June 30, 2017 and a reduction in fees.

Re: American Realty Advisors – (Con't)

Yeas: Anthony, Benson, Naglick, Oxendine, Sheehan – 5

Nays: Johnson – 1

Abstain: Cowan – 1

Re: NEPC Fee Proposal

Motion By: Trustee Benson – Supported By: Trustee Naglick

Motion to approve the amendment to NEPC's reduced fee proposal, subject to further reports on additional expenses.

Yeas: Anthony, Benson, Cowan, Johnson, Naglick, Oxendine, Sheehan – 7

Nays: None

~Concludes Chief Investment Officer's Report~

➤ **Trustee Naglick** left the Board Meeting for the day at 1:55 p.m.

Re: Reconsideration to the Hedge Fund/Large Cap Growth/Large Cap Value and GMO Global Asset Allocation votes by Trustee Tasha L. Cowan

Motion By: Trustee Anthony – Supported By: Trustee Benson

Motion to accept Trustee Cowan's reconsideration to having her voting be changed to abstention.

Yeas: Anthony, Benson, Cowan, Johnson, Oxendine, Sheehan – 6

Nays: None

GENERAL COUNSEL'S REPORT

General Counsel, Michael VanOverbeke, submitted a written Legal Report for discussion and approval:

- Estate of Marilyn J. Sims – re: 1998 DC Plan lump sum (Informational Only)
- Joint Personnel Committee Charter for the Executive Director's Job Title and posting

Re: Grand Personalty, Inc.

Motion By: Trustee Cowan – Supported By: Trustee Anthony

Motion to authorize payment to the State of Michigan in the amount of \$7,670 for 2012 and 2014 tax year.

Yeas: Anthony, Benson, Cowan, Johnson, Oxendine, Sheehan – 6

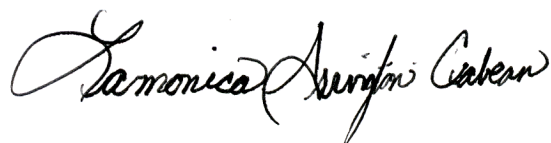
Nays: None

~Concludes Legal Report~

ADJOURNMENT

There being no further business before the Board, **Chairman Sheehan** adjourned the meeting at 2:15 p.m. The Board's next meeting is scheduled for **Wednesday, January 4, 2017**, 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 II